**Aluminum Emissions Reporting Guidance Public Consultation**

**TEMPLATE FOR COMMENTS AND STAKEHOLDER OBSERVATIONS**

Thank you for participating in the public consultation for [RMI’s Aluminum Emissions Reporting Guidance.](https://rmi.org/wp-content/uploads/dlm_uploads/2023/05/aluminum_guidance_public_consultation.pdf) We value your input! Please review the guidance in its entirety prior to providing a response. To submit comments, please send this completed document to [Wenjuan Liu](mailto:wliu@rmi.org) and [Mackenzie Cool](mailto:mcool@rmi.org). Responses will be accepted through **July 28, 2023**.

The below questions are focused on topics where consensus was not reached during Working Group discussions in development of the guidance. In addition to answering the questions, you may also provide comments by line. Your detailed responses will be reviewed by RMI. Aggregate results that do not include any personal identifying information may be communicated publicly.

**Your Information**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Name** | **Email address** | **Job title** | **Name of organization** | **Abbreviation** |
|  |  |  |  |  |

**General Questions**

The following questions are designed to collect general feedback on potential uses and driving adoption of the guidance. Although these questions are mainly designed for aluminum buyers, input from other supply chain stakeholders is welcomed and valued.

|  |
| --- |
| **How would you (or your customer) potentially use this guidance (e.g., improve data availability/quality of PCFs, understand supplier’s decarbonization efforts, etc.)?** |
| Answer: |
| **What climate metrics or information proposed by this guidance would you find most relevant and useful for your procurement processes?** |
| Answer: |
| **What concerns might you have about** **asking your supplier to use this guidance for reporting product-level climate performance?** |
| Answer: |
| **Do you have any suggestions to help the demand side request product-level data using this guidance (e.g., capacity building)?** |
| Answer: |

**Technical Questions**

The following questions are designed to collect specific technical comments on key guidance topics. Questions are tailored and color-coded for each audience: questions for all parties (in light grey), questions for producers (in navy), and questions for buyers (in orange).

|  |  |
| --- | --- |
| **FIXED BOUNDARIES** | |
| The following questions relate to the fixed system boundaries which define the process steps of aluminum production from which emissions must be reported, irrespective of an aluminum producer’s ownership structure. This guidance sets two boundaries for distinct purposes:   1. Benchmarking boundary, which includes all processes from mining to the final cast-house and enables comparability between aluminum products with different specifications. 2. Full boundary, which includes all processes from mining to semi-fabrication, and accounts for cradle-to-gate emissions of aluminum semi-finished products.   *For additional information regarding the fixed system boundaries, please refer to* ***Section 2.2*** *of the Aluminum Emissions Reporting Guidance.* | |
| **1** | **For aluminum producers, does the defined benchmarking boundary enable comparability between products?** |
| Answer: |
| **For aluminum buyers, would emissions comparability between aluminum products be helpful for your business?** |
| Answer: |
| **2** | **This guidance excludes certain processes from the reporting boundaries (i.e., alloy emissions, scrap collection and sorting, transport) but provides guidelines for optional calculation of these emissions. Do you agree with this approach?** |
| Answer: |

|  |  |
| --- | --- |
| **EMISSIONS TRANSPARENCY** | |
| The following questions relate to emissions transparency requirements that enable differentiation of aluminum produced using low-emissions technologies (e.g., renewable energy, inert anode) and prevent aluminum producers from competing for scrap to reduce the emissions intensity of their products. This guidance requires reporting mine-to-smelter cast-house emissions intensity for primary aluminum inputs and defines the calculation method for scrap-based content (post-consumer scrap share disclosed separately). *For additional information regarding emissions transparency, please refer to* ***Section 2.3, Section 3.2, and Section 3.3.2*** *of the Aluminum Emissions Reporting Guidance.* | |
| **3** | **For aluminum producers, does reporting the emissions intensity of primary aluminum inputs (Section 3.3.2) provide sufficient transparency to drive primary aluminum production decarbonization?** |
| Answer: |
| **For aluminum end-users, would emissions information for primary aluminum inputs be helpful information for you to have?** |
| Answer: |
| This guidance decouples the definition of pre-consumer scrap from the facility integration level (Section 3.2.1) with the aim of improving cross-product comparability. | |
| **4** | **For aluminum producers, do you agree that this definition of scrap-based content improves comparability across aluminum products? If not, what concerns might you have?** |
| Answer: |
| **For aluminum buyers, would the comparability of scrap-based content across products be helpful information to have?** |
| Answer: |
| **5** | **Do you agree that reporting the share of post-consumer scrap is important and necessary to drive end-of-life recycling? What might be the challenge of reporting this metric?** |
| Answer: |

|  |  |
| --- | --- |
| **SCRAP EMISSIONS DIFFERENTIATION** | |
| The following questions relate to differentiating between emissions from pre-consumer and post-consumer scrap. This guidance recommends a dual reporting method that requires the reporting of benchmarking PCF using both the cut-off approach and the co-product allocation approach. This recommendation considers the emissions leakage, traceability of scrap, and complexity of calculation for each common approach (e.g., cut-off, substitution, allocation). *For additional information regarding the scrap emissions differentiation, please refer to* ***Section 3.3.3*** *of the Aluminum Emissions Reporting Guidance.* | |
| **6** | **Do you think that pre-consumer and post-consumer scrap should be further differentiated from an emissions aspect? Why?** |
| Answer: |
| **7** | **For aluminum producers, would reporting PCFs with both methods be useful in demonstrating decarbonization efforts?** |
| Answer: |
| **For aluminum buyers, would receiving PCFs using both methods be helpful in making purchasing decisions?** |
| Answer: |
| **8** | **What data challenges or concerns might you (or your supplier) have about** **calculating the benchmarking PCF following the guidelines of co-product allocation approach?** |
| Answer: |
| **9** | **Do you agree with recommending the co-product approach over the substitution approach? Traceability mechanisms are not yet in place and the co-product allocation approach has a low uncertainty for emissions leakage.** |
| Answer: |

|  |  |
| --- | --- |
| **ENERGY IMPACTS** | |
| The following questions relate to the calculation of energy impacts, which define the decision hierarchy and criteria for sourcing renewable energy that best drives decarbonization. The decision hierarchy requires aluminum smelters to prioritize physical transition of aluminum assets and follow the required options to ensure the criteria of additionality, regional support, and long-term commitment are met if market instruments are needed. Other aluminum producers are also encouraged to adhere to the same decision hierarchy and criteria. *For additional information regarding the energy impacts, please refer to* ***Section 3.4*** *of the Aluminum Emissions Reporting Guidance.* | |
| **10** | **Do you think the decision hierarchy and criteria for sourcing renewable energy in Section 3.4.1.2 provides enough stringency to drive industry power decarbonization?** |
| Answer: |
| **11** | **For aluminum producers, what challenge or concerns might you have in implementing the decision hierarchy and criteria?** |
| Answer: |
| **For aluminum buyers, what challenge or concerns might you have in asking your suppliers to follow this decision hierarchy and criteria?** |
| Answer: |
| **12** | **Do you agree with not allocating the emissions reduction of renewable energy across a product portfolio (with the intent of driving long-term decarbonization actions and full asset transition to renewable power)? If not, what concerns might you have?** |
| Answer: |

|  |  |
| --- | --- |
| **DATA SOURCES** | |
| The following questions refer to the use and reporting of a primary data factor. The guidance proposes that aluminum companies report the fraction of emissions calculated using primary data. This may require organizations to request the fraction of primary data used in emissions estimates from upstream suppliers or downstream customers. *For additional information regarding data sources, please refer to* ***Section 3.6*** *of the Aluminum Emissions Reporting Guidance.* | |
| **13** | **As required in the** [**Pathfinder Framework**](https://www.wbcsd.org/Programs/Climate-and-Energy/Climate/SOS-1.5/Resources/Pathfinder-Framework-Version-2.0)**, a primary data factor provides visibility to carbon footprint data receivers and encourages the use of primary data. Do you have concerns about collecting or reporting this information?** |
| Answer: |

|  |  |
| --- | --- |
| **TECHNOLOGY LABEL** | |
| This guidance seeks to encourage aluminum producers to use “technology labels” (e.g., solar power, inert anodes, increased post-consumer scrap recycling, etc.) to demonstrate the adoption of emissions reduction technologies, thereby accelerating development and adoption. This topic was not specifically discussed during the Horizon Zero Aluminum Working Group, and we are seeking broad comments on the usefulness of technology labels. | |
| **14** | **For aluminum producers, do you find the ‘technology label’ helpful in differentiating your efforts on decarbonization? What concerns might you have about** **disclosing this information?** |
| Answer: |
| **For aluminum buyers, do you find the ‘technology label’ useful in sourcing low emissions aluminum products?** |
| Answer: |

**Additional Comments**

Please provide comments that are not covered by above questions in the below format. This table can be used for general (g), technical (t), and editorial comments (ed).

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Comment #** | **Page number**  (e.g., 3) | **Type of comment**  (e.g., g, t, ed) | **Reviewer comment** | **Potential reviewer suggestion** | |
| **1** |  |  |  |  |
| **2** |  |  |  |  |
| **3** |  |  |  |  |
| **4** |  |  |  |  |
| **5** |  |  |  |  |
| **6** |  |  |  |  |
| **7** |  |  |  |  |
| **8** |  |  |  |  |
| **9** |  |  |  |  |
| **10** |  |  |  |  |
| **11** |  |  |  |  |
| **12** |  |  |  |  |
| **13** |  |  |  |  |
| **14** |  |  |  |  |
| **15** |  |  |  |  |