



2022 ANNUAL REPORT

AMERICAN WOOD COUNCIL

LETTER FROM THE CHAIRMAN & CEO

Dear AWC Members and Friends:

Last year was the first year of work toward implementing AWC's five-year Strategic Plan to ensure wood products are properly recognized in building codes and standards, while also providing strong advocacy support to protect the industry from overreaching federal environmental regulations and embarking on new opportunities to expand wood use through an emerging carbon-conscious built environment.

AWC has quickly assumed a leadership role in shaping and driving our industry's engagement on climate change and carbon in the built environment. We launched our life cycle inventory database and outperformed our year one collection goal with 87% of member company mills completing surveys. This robust data will underpin the industry's Environmental Product Declarations and transparently tell the carbon story of wood products. We also prevented legislation that would rely on carbon comparisons within a product category, developed model legislation that would make comparisons across product types, and carved out a reputation as a thought leader and coalition building force in this space.

A truly significant achievement in 2022 was securing approval of the *Fire Design Specification* for Wood Construction (FDS) as an American National Standard after nearly seven years of collaboration and consensus building. The FDS brings together all of the provisions for fire design of wood members, assemblies and connections to make it easier and more efficient for those using our products to find what they need to ensure wood-frame and mass timber buildings meet the highest safety standards.

Our investment in fire service engagement made several critical inroads. Perhaps the most notable show of the strength of our relationship building was the National Association of State Fire Marshals' decision to withdraw its opposition to tall mass timber, provided buildings are built to current code.

AWC made key hires in codes, standards and sustainability in accordance with our Board-approved staffing plan. New engineers and field staff play a critical role in representing the industry among building code officials and in the code and standards development processes. The fully built-out sustainability team will support our newer initiatives to ensure the rules of the game for carbon accounting properly credit all of the benefits wood products provide. These positions are also essential to maintaining AWC's strong, trusted reputation.

In just one year, it is truly incredible the progress AWC has made toward implementing the Strategic Plan. We have much more to come, and I'm excited to see what AWC can achieve in 2023! Thank you for your support and we look forward to continuing to serve the wood products industry.

Sincerely,

ERIC CREMERS

CEO, PotlatchDeltic

AWC Chairman of the Board

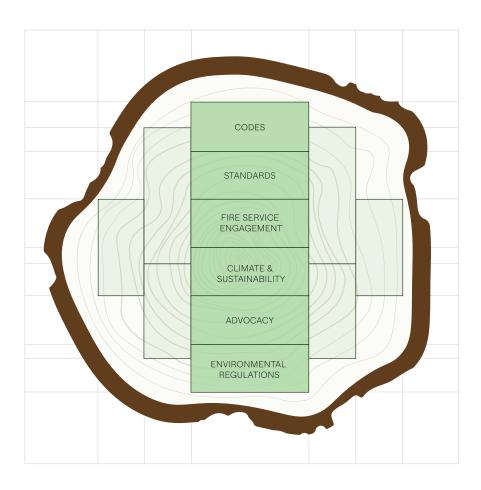
Eric J. Cremis

JACKSON MORRILL

President & CEO

American Wood Council

PROTECT AND EXPAND OPPORTUNITIES FOR WOOD USE



Codes

In the 2024 code cycle, AWC was successful in a code change resulting in nearly \$3 million in savings for developers while also lowering the building's carbon footprint by 20%.

Other expected results include defeating proposals that would have led to increased costs and inconsistent enforcement.

Climate & Sustainability

From launching a lifecycle inventory database, outperforming initial collection goals, marking legislative wins, getting key carbon leaders into the field, and spreading the word on wood's sustainability story, AWC made strides toward ensuring wood's many benefits are recognized.

Standards

AWC expanded its library of ANSI-approved standards with the adoption of the *Fire Design Specification*, continuing to make it easier for designers and code officials and fire officials to find what they need in one place to ensure wood buildings meet the highest safety standards.

Advocacy

The omnibus funding package contained significant wins toward our lifecycle assessment work, and we made moves to position mass timber as an affordable housing option. Meanwhile, we continued to be successful in preventing unwarranted limitations on wood construction.

Fire Service Engagement

Outreach efforts to the fire service and fire code officials culminated in 2022 in the reversal of a major group's opposition to tall mass timber construction, as well as several collaboration opportunities that are indicators of AWC's role as a trusted resource.

Environmental Regulations

AWC worked successfully with EPA on a testing plan and a significant rule affecting the wood products industry. Work on the final rule has been a 20-year effort and highlights AWC's endeavor to engage partners to work toward reasonable outcomes based in science.



Key Code Change Saves Millions

AWC was successful in getting a code change into the final amendments for the Group A 2024 International Code Council (ICC) code cycle that allowed for nearly 100% exposed mass timber ceilings, rather than 20% exposed, in Type IV-B construction.

The new provision eliminates the requirement for two layers of 5/8" Type X gypsum board over most of the ceiling area, reducing material and labor costs. For a typical 12-story Type IV-B building, this results in nearly \$3 million in savings for the developer, making the switch to tall mass timber more financially attractive. The carbon reduction benefits are also notable, as gypsum board can account for approximately

AWC Metrics: Code Proposal & Market Impact

G147-21 to the 2024 IBC to allow 100% exposed mass timber ceiling in Type IV-B

Elimination of 2 layers of 5/8" Type X Gypsum reduces the carbon footprint by 354,992 kgCO₂eq¹

The equivalent of taking 76.5 cars off the road for 1 year²

Gypsum Wall Board can account for 20% of a mass timber building's total embodied carbon.

Business Occupancy - 12 stories, 180" in height Maximum allowable building area of 810,000 ft²

This reduction in the carbon footprint due to this code change makes the switch to mass timber even more compelling compared to traditional materials.

20% of a mass timber building's carbon footprint. This is a significant amount of carbon, helping to further distinguish tall mass timber from competing materials like concrete and steel as the more sustainable choice. With builders

and architects seeking "net zero" building solutions, these further reductions can help tip the scale in wood's favor.

The value of the aesthetic benefits of exposed wood is more difficult to quantify but based on anecdotal evidence is a significant factor in driving architects and designers to move towards tall mass timber. By allowing for exposed ceilings, the beauty of wood is uncovered, providing a unique design feature that sets wood apart from competing materials, attracting higher leasing rates and tenant retention. Thus, this one change has the potential to drive significantly more architects and designers to choose tall mass timber construction, providing significant economic benefit to the wood products industry.

Unnecessary, Costly Proposals Defeated

Group B covered the structural loads, special inspections, and the material chapters of the *International Building Code* as well as requirements for wood construction in the *International Residential Code*. Notably, code changes to update AWC's industry design standards, product standards and coordinating code language for their use in design of wood structures received no public comment and are therefore expected to be part of the final changes. Other favorable, preliminary results included:

Defeating a proposal that would have required any
WUI event burned structures within or outside the
wildland-urban interface zone to be rebuilt to the
International Wildland-Urban Interface Code leading
to increased costs and inconsistent enforcement.



- Revising requirements governing establishment of design values for fire-retardant treated plywood and fire-retardant treated lumber for consistency with underlying AWC and ASTM standards where fire-retardant treatment adjustments are required in addition to adjustments for untreated wood.
- Clarifying that exterior wood deck structural elements such as guards, deck boards, stair treads and stringers are not excluded from existing requirements to be preservative-treated or naturally durable wood for protection from decay.
- Simplifying prescriptive fastening options for roof, wall and soffit sheathing attachment to wood frame, avoiding engineered design when low specific gravity framing is used.
- Reversing an incorrect limitation that wood structural panel used as sheathing for wood shingles is limited to plywood in accordance with DOC PS 1 Structural Plywood.

Final results are expected to be verified by the ICC Board of Directors in early 2023, effectively closing out the 2024 I-code development cycle.

Key Positions Filled

Paul Armstrong, P.E., was hired as West Regional Manager. Paul brings vast experience in all aspects of code administration and development. He worked at the International Conference of Building Officials, the Los Angeles Department of Building and Safety, and more recently as contractor building official to jurisdictions across California. He was the chairman for the 2024 ICC Residential Building Code Development Committee.

Ed Lisinski, P.E., M.P., C.B.O., filled the Upper Midwest Regional Manager position left open by the retirement of Jim Smith. Ed is an experienced professional with a demonstrated history of working in the government administration industry. Ed is very skilled in Public Administration, Building Code Analysis, Writing, Building Inspections, and Plan Review. Ed has a bachelor's degree focused on Architectural Engineering from Milwaukee School of Engineering and has served on many National, State and Local Building Code and Building Official Committees. Ed was the Chairman of the 2024 ICC Residential Committee - Building.









STANDARDS



Multi-Year Process Results in New Fire Standard

The new *Fire Design Specification* (FDS) for Wood Construction is significant because it consolidates different design provisions that were scattered across an array of design manuals, design aids and design standards. The work over the last seven years to produce the FDS brought all of those provisions under one roof, making it easier and more efficient for designers, architects, fire service officials and code officials to find exactly what they need to ensure wood-frame and mass timber buildings meet the highest standards for fire safety.



FDS-2022 is AWC's fifth ANSI-approved standard and is available for free download on the AWC website.

AWC's four other ANSI-approved standards are referenced in the building codes. This approach has proven effective, as code changes on very technical issues can be hard to articulate when given only two minutes for testimony at code hearings. The standards development process provides more time for consensus building around technical issues, which then can be incorporated by reference in the codes. AWC will now work on code change proposals for next ICC code development cycle to reference the FDS in the 2027 I-codes, bringing it under a similar system for future updates.

Testing to Expand Markets

AWC designed and completed two testing series to address increased engineering demands on wood construction due to increased loads and engineering design requirements. One tested a new wood-frame shear wall system's performance for use in high wind and seismic conditions to remain competitive in those areas and the other tested bolted connections near ends of wood bending members to review if design provisions are too conservative. The results of both testing projects will be presented to AWC's Wood Design Standards Committee for review and consideration of new opportunities in AWC wood design standards.

WOOD-FRAME SHEAR WALLS FOR USE IN HIGH WIND AND SEISMIC AREAS

AWC completed a testing program with input from a designer task group for a new shear wall system with higher shear capacities to allow wood-frame construction to remain competitive by providing new solutions to meet higher wind and seismic strength requirements.

AWC initiated the test program to provide monotonic and cyclic in-plane racking resistance data for a new high-capacity wood-frame, wood structural panel (WSP) shear wall system. In the 2021 **Special Design Provisions for Wind and Seismic** (SDPWS), 870 pounds per linear foot (plf) is the highest allowable racking shear strength for a one-sided WSP sheathed wood-frame shear wall in a seismic design application. Higher capacities can be achieved with sheathing applied to both sides of the framing, but it can be difficult to meet sound ratings with a double-sided

"The WSP shear wall test results showed promise, increasing the strength over the current limit by more than 30%."

shear wall and it presents challenges when the wall cavity contains insulation and utilities. For multi-story applications that require high-capacity shear wall systems and typically employ continuous rod tie-downs, there is industry and designer interest in developing a one-sided solution.

The tests investigated the use of double 2×6 bottom plates, multi-story boundary details with continuous threaded rod hold downs, and WSP sheathing on one side attached with double rows of nails. Test sample sizes and specific details varied as the program progressed in response to findings from each prior test. The test results showed promise, increasing the strength over the current limit by more than 30%. These findings will be presented to AWC's standards group for inclusion in the next SDPWS edition.

STUDY ON CONNECTION END AND EDGE DISTANCES

AWC conducted tests on shear connections at ends of wood bending members to address questions raised by designers about perceived conservatism in the AWC's code-referenced *National Design Specification*® (NDS®) *for Wood Construction*. AWC's test plan was designed to evaluate the level of conservatism and, if possible, to develop new design procedures to potentially relax restrictive design limitations in the NDS.



AWC funded testing to collect data to evaluate the end distance, edge distance, and shear design provisions applicable to bolted member connections in AWC's NDS standard.

While AWC staff and industry engineers are still studying results, preliminary analyses suggest that the NDS provisions for design of shear connections could be conservative at member ends. When completed, results of this testing and analyses will be presented to AWC's standards group for consideration in the next version of the NDS.

"Impressively, 100 percent of respondents said the webinars increased their knowledge of the respective topics."

—According to an AWC survey

AWC Education Trusted

AWC sought to further quantify the value of its standards and related educational outreach by conducting a survey of attendees of a two-part webinar series focused on the 2021 *Special Design Provisions for Wind and Seismic* (SDPWS). Surveys circulated after each webinar sought to measure increased knowledge on the 2021 SDPWS requirements. Impressively, 100 percent of respondents said the webinars increased their knowledge of the respective topics. Surveys also queried about the prevalence of use of AWC standards for designers and sought feedback on AWC's standards education programming. Again, nearly 100 percent of respondents said they use AWC standards almost always when designing wood construction, from residential to multi-family buildings. Even when not directly referencing AWC standards, designers are likely using software based on AWC standards.

Building Out Staff

Dr. Omar Amini, Manager, Wind and Seismic Engineering, has more than nine years of experience in structural design, experimental design, and modeling of wood structures for resistance to wind and seismic loads. He obtained his Ph.D. for development of seismic performance factors for the cross-laminated timber (CLT) shear wall systems used in AWC's ASTM standards. Dr. Amini also comes with strong codes experience as a member of the International Code Council Residential Assessment and Seismic Retrofit Committee working on developing a standard for seismic retrofit and assessment of one-and two-family dwellings.

Dr. Francisco Flores, Manager, Engineering Technology, obtained his civil engineering degree at the University of Cuenca in Ecuador and was awarded a Fulbright scholarship to pursue his master's degree at Virginia Tech. As part of a dual agreement between universities, he obtained his Ph.D. in Civil Engineering – Structural Engineering and Material Program from Virginia Tech in 2015 and a Ph.D. from the Civil Engineering Department at the Pontifical Catholic University of Chile in 2017. Both during his tenure at Virginia Tech and after, Dr. Flores contributed to AWC's seismic study of woodframe shear wall structures project, initially as an analyst and later as an advisor to students working on the project.



ISSUE 03

Established Credible Resource for Fire Service

FIRE SERVICE ENGAGEMENT



Fire Service Groups Reverse TMT Opposition

Ray O'Brocki, AWC's Fire Service Relations Manager, attended the National Fire Protection Association's Fire Marshal Forum in Dedham, Massachusetts. The forum drew 30 of 50 state fire marshals and afforded Ray an opportunity to present to the NAFSM executive board.

During the NAFSM executive board meeting, Ray educated on tall mass timber codes and asked the board to reconsider its opposition and amend its position statement. The board did just that, voting unanimously to state it no longer opposed tall mass timber buildings providing those structures are built to the current code. This follows AWC's success in persuading the International Association of Fire Chiefs to revise its position statement as well.

These opposition statements have been used in states such as Florida as a reason not to adopt the tall mass timber code provisions, and therefore represent major accomplishments of the fire service engagement program.



Fire Service Meetings

Credible Resource

Two examples serve as indicators of how the fire service has come to view AWC as a trusted resource.

Ray O'Brocki was invited to participate in the prestigious "Truman Fire Forum," the only participant from any building material interest in the group. The National Fallen Firefighters Foundation (NFFF) collaborated with the Truman Foundation in May 2019 to revisit President Truman's groundbreaking call in 1947 to address the fire problem in America and released a report with five recommendations to continue Truman's vision in reducing loss from fire. Fifty-two nationally known and high-ranking fire service members met to revisit the "next steps" laid out in the 2019 report and brainstorm ideas to advance Truman's vision of a fire safe America.

Ray was also asked to serve as an attorney instructor at the National Fire Academy (NFA). Ray taught the "Arson: Case Preparation and Courtroom Testimony" class, which helps prepare fire investigators for testimony under oath. NFA was in a pinch and needed another attorney instructor.

Insurance Industry Inroads

In an effort to encourage the insurance industry to get involved in preventing construction fires, O'Brocki hosted a construction fire safety presentation to the Inland Marine



Underwriters Association (IMUA). The attendees were surprised to learn that building and fire codes governed buildings under construction. IMUA President & CEO, Kevin O'Brien, shared his appreciation following the presentation and said that his members gave outstanding reviews.

Ray also delivered a virtual presentation focused on fire testing of cross-laminated timber (CLT) as part of the monthly training for Highland Underwriters. More than 40 insurance underwriters took part as Ray cleared up some erroneous statements about CLT made by an insurance industry professional during the National Fire Protection Association's annual conference. The hourlong webinar was instructive, well received and alleviated concerns that may have existed for underwriting builder's risks during construction of tall mass timber buildings.

ISSUE 04

Carving Out a Reputation as a Thought Leader

CLIMATE AND SUSTAINABILITY



Year one of EPD data collection closed with 87 percent member participation

Data Collection Beats Initial Goal

AWC developed and launched a lifecycle inventory database to collect industry data, which will be used to support generation of industry environmental product declarations and provide critical carbon-related data to support AWC advocacy efforts. The beta year of data collection closed with 87% of AWC's member mills completing surveys, outperforming our goal of 75% completion. Member companies have been actively engaged in the effort and recognize the value of transparently telling the carbon story of our products. AWC has entered into an MOU with NCASI to allow them to support data verification/validation efforts.

Preventing Single Product Category Carbon Bills

The AWC-led coalition convened to address the two proposed Buy Clean initiatives in Washington state and ultimately prevented both bills from advancing.

One proposal, identical to two bills that failed in previous legislative sessions, was brought to the Washington State Building Code Council (WSBCC) to require that environmental product declarations be submitted for 75% of structural materials in a project. AWC supports Whole Building Life Cycle Assessments (WBLCA) to reduce the embodied carbon of structural building elements at the design phase, as opposed to relying on Environmental Product Declarations within a product category and which typically happens at the procurement phase.

Based on this activity in Washington state, AWC drafted a model Build Clean bill using WBLCA in order to take a proactive position in the next state legislative session. This effort aligns with our Strategic Plan to advocate for policies and programs supporting our Climate and Carbon Principles and could be scaled to reach other states across the country.

This is true at the federal level as well, where AWC is seeking to incorporate WBLCA into federal procurement practices. Notably, AWC was successful in convincing GSA to do just that by including WBLCA in its main materials sourcing document, known as the P100. This remarkable policy shift means all future GSA building projects must use WBLCA, setting the groundwork for federal Build Clean.

AWC was also successful in securing federal funding in the omnibus for GSA to analyze and evaluate existing buildings to assess their embodied carbon levels and create a "library of buildings" to use in benchmarking carbon reductions in future WBLCA efforts. The data will also be made accessible to the public to support WBLCA in the private sector.

Building Ambassadors



AWC hosted representatives from Building Transparency (the parent organization to the EC3 software tool), Perkins & Will, and the Carbon Leadership Forum for a two-day tour of managed forests and mills. AWC carefully selected these individuals because they are recognized thought leaders in the carbon accounting space for the built environment. Our goal was to demonstrate, in real time, the extensive level of regulations of active forest management in the U.S. and the need for all types of forest management operations to support a viable, economically sustainable industry.

Day one featured a visit to actively managed industrial private land, public land, and a small forest landowner operation. On day two, the group visited a mill operating on a body of water and discussed mill efficiency, current technology, job creation, and the investments the sector makes in environmental restoration work in collaboration with tribal governments.

Spreading Sustainability Story

The VinZero Think Future podcast interviewed Rachael on how mass timber and wood products can improve the carbon footprint of the built environment. VinZero



is a technology partner for the AEC community to drive the industry to net zero and has a network of more than 400,000 subscribers. The group reached out to AWC due to a recommendation from the International Code Council - another indication of the credible reputation AWC staff has built within the building code community.

Her participation in the podcast led to her sitting on a virtual panel discussion on "Buildings at the Center of Business' Push to Net-Zero" as part of the United Nations Climate Change Conference, known as COP27. AWC was the only building material group to be invited on the panel, which also featured Gensler, the International Code Council and VinZero Think Future.

She was interviewed in late 2022 by filmmakers working on a new documentary entitled, "Women of Carbon." The film highlights some of the women leading the discussions around climate and carbon. Rachael spoke about the role of women in articulating the climate solutions offered through sustainable forestry and more robust wood products utilization. The film is tentatively scheduled to be premiered around Earth Day in 2024.



Rachael's interview with Vinzero, "The role of Wood and Mass Timber for Sustainable Construction" can be listened to here.

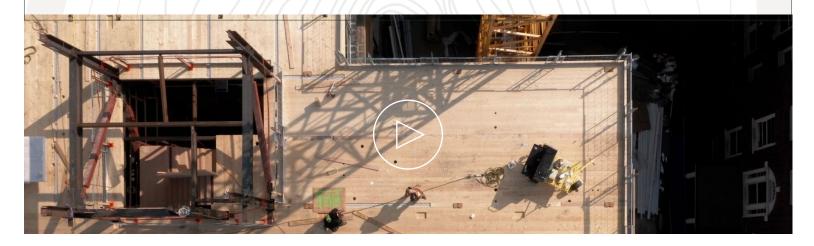
Sustainability Team Rounded Out

Jeff Bradley joined AWC as our new Director, Sustainability Standards. Jeff previously worked as a shared staff member with AWC and the American Forest & Paper Association and brings a keen understanding of our industry and policy goals. His new role encompasses the strategic management of issues affecting wood products in domestic and international standard setting forums. This includes lifecycle assessment, circularity, green building certification systems and market access issues in a number of standards development arenas, such as ISO and ASTM. Jeff has worked in many of these same forums on behalf of AF&PA, and has earned a sterling reputation, winning several awards as a respected and effective advocate. He also has a strong forestry background, which will be invaluable in our cooperative work with forestry groups like the National Alliance of Forest Owners and others on issues of shared interest.

Anna Ostrander also joined AWC as an LCA Data Specialist. Her focus is on our database project and other related LCA and sustainability issues. Anna has a fantastic technical background, having earned a master's degree from the University of Michigan's School for Environment & Sustainability. Her final project entailed footprinting the entire school's Scope 3 greenhouse gas emissions and making recommendations to achieve carbon neutrality, a major task requiring a tremendous amount of data analysis. Anna's experience will be essential as we continue to grapple with scoping our industry's carbon footprint.



ADVOCACY



Mass Timber and Affordable Housing

AWC focused efforts on positioning mass timber as an affordable housing option in preparation for the inclusion of grant funding for such projects in the 2023 Farm Bill. A key piece of this initiative was a video that was shared among legislative offices and agencies, as well as promoted on YouTube targeting states that have adopted, or are in the process of adopting, the tall mass timber provisions.

137 Video Views

President & CEO Jackson Morrill participated in a National Association of Homebuilders-sponsored roundtable discussion led by HUD Secretary Marcia L. Fudge to discuss innovative ideas to support the country's housing shortage. Others key figures in attendance included the Fair Housing Authority Commissioner, the Federal Housing Finance Agency Director, the President of Ginnie Mae, and the President and Acting CEO of Fannie Mae. In addition, industry leaders from NAHB, manufactured housing, multifamily housing and the realtors participated. AWC was the only material trade group at the table.

AWC also hosted more than 600 attendees for a virtual panel discussion on "Mass Timber in Housing: Aesthetics, Affordability, and Sustainability." The panelists discussed the use of mass timber in large-scale and smaller-scale affordable housing projects, as well as efforts by the Forest Service to support mass timber construction, manufacture, research, and education.

Finally, President & CEO Jackson Morrill's <u>Softwood Forest Product Buyer (SFPB) column</u> highlighted the health benefits of using wood in affordable housing projects. Key federal initiatives addressing affordable housing - such as tax credits to build or rehabilitate affordable housing, American Rescue Plan funds for investments in housing, and HUD's Community Development Block Grant program - primarily addresses barriers in supply only.

Big Wins in Omnibus

The omnibus directs the General Services Administration (GSA) to analyze and evaluate existing buildings to assess their embodied carbon levels and create a "library of buildings." The data would be made accessible to the public and inform future policy direction on reductions below the baselines to maximize carbon reduction in federal buildings.

It also provides up to \$5 million to Department of Energy to increase participation in databases used in generating environmental product declarations, the disclosure tool measuring the embodied carbon of a product or service, in coordination with the Environmental Protection Agency. This funding could be directed to support further development of LCA Commons, an existing federal database of lifecycle assessment data for construction materials.

Finally, the bill advanced the use of mass timber in Department of Defense Military Construction (MILCON) projects. Altogether, it appropriated more than \$47 million to various mass timber, cross-laminated timber and modern timber products for construction of Army and Air Force projects.

Overall, this was an extremely successful appropriations season for AWC and the wood products industry.

L.A. Grassroots Effort Grows

AWC successfully built support against extending the ban on Type IV and V construction from sustainable building and affordable housing advocates while also tamping down the now dismissed "wildfire mitigation" arguments by motion proponents. As a result, various neighborhood and homeowner organizations in targeted Councilmember districts have been brought into the debate. Consultants and coalition partners have been participating in these discussions, supporting successful motions to oppose the motion to expand Fire District One. AWC Regional Code Manager Paul Armstrong participated in the Woodland Hills Association meeting to provide a technical and code perspective.

Build with Strength (BWS) lobbyists have also been participating in these meetings in unsuccessful attempts to counter AWC's success. The BWS lobbyists have erred by not identifying themselves and drew formal complaints from neighborhood groups and a review by the Los Angeles City Ethics Commission, which recommended a major fine against the BWS lobbyist. The Commission considered a fine of \$195,000 and ultimately fined the lobbyist \$65,000. Some of the neighborhood council members are also proposing updates to the city's lobbying law to make it easier to enforce these types of violations. The editorial board of the Los Angeles Times recently used BWS as the lead example of the need for lobbying reforms in the city.

The proposed expansion of the ban on wood construction based on a Fire District designation received another blow when the Valley Industry and Commerce Association's (VICA) Land Use Committee voted unanimously to recommend opposing the expansion to other regional commercial areas within the city. Prior to the vote, Armstrong gave a brief presentation on the topic to the VICA Board, which represents 245,000 businesses in the San Fernando Valley and is very influential to the area's City Council members.

NAHB Podcast on WoodProducts & Carbon

AWC's President & CEO Jackson Morrill was interviewed on the National Association of Home Builders' (NAHB) podcast <u>Housing Developments</u> on how building material choices can impact the environment and making the case that wood is part of the solution.



Jackson's interview with NAHB's Housing Developments on how wood is part of the solution to the environmental impact of the built environment can be listened to here.

Coalition to Defeat Local Grading Bill

For the second year in a row, AWC defeated local lumber grading legislation in the North Carolina Legislature. The "Act to Promote Local Sawmills" would have directed the Building Code Council to amend the North Carolina Residential Code for one- and two-family dwellings to allow dimension lumber that had not been gradestamped in certain circumstances. Industry agreed to amended language that stated that the lumber conforms with product and inspection standards under American Softwood Lumber Standard PS 20 and the lumber is certified by an inspector who is certified by an accredited independent third-party agency of the American Lumber Standard Committee. The amended bill then moved to the Senate Rules Committee, where it was not voted on before the session concluded, killing the bill for the year.

Efforts by the bill sponsor for additional amendments helped the North Carolina Forestry Association, AWC and AWC member companies defeat the bill, but it is anticipated that it will be reintroduced. AWC maintains that the only safe, appropriate use of ungraded or "non-certified" lumber is for small, accessory structures built ancillary to a primary place of residency. Even then, a declaration of species type and estimated grade equivalent should be required to allow the building official to have some confidence in the lumber performance and be subject to building official approval.

Getting Heavy Timber Roof Approved

In Michigan, AWC participated in and provided verbal comments in support of a successful appeal to allow a heavy timber roof for a new educational facility. At issue was whether the heavy timber wood roof incorporating crosslaminated timber panels proposed for use was restricted based on a Michigan law containing requirements for materials to be "fire-resisting." Based on the information AWC presented, the Appeals Board voted unanimously that the proposed cross-laminated timber roof system met the requirements and is an approved material. The education facility in question was one of several in progress by the project team that called upon AWC to assist with explaining the technical requirements of the building code for fire resistance of materials. This marked another important victory for AWC's efforts to overcome unfounded restrictions on wood construction in accordance with the Strategic Plan, especially as the use of mass timber in school construction continues to gain momentum across the country.

Eliminating Ban on Mass Timber Hotels

Adoption of the 2021 *International Building Code (IBC)* is accelerating, and AWC continues to provide technical assistance to aid in the process and remove unfounded prohibitions to wood design and construction. In the 2021 adoption process in the City of Frisco, Texas, located in the

Dallas/Fort Worth area, a proposal was considered to prohibit the new types of mass timber construction in hotels, motels, and similar transient use buildings, as well as Type IV-HT and light wood frame construction, which were already prohibited per the city building code. AWC met with a key building official to highlight the problems with this proposed amendment. The amendment ultimately failed to pass. When the 2021 IBC goes into effect in early 2023, all mass timber Type IV construction, including Type IV-HT, will be allowed in hotels, motels, and similar transient use buildings.

Frisco will continue its prohibition of light wood frame construction in these use groups but has agreed to further discussions with AWC to study and address their concerns.

Additionally, AWC had the opportunity to meet with representatives from the Dallas Department of Buildings to discuss plans for adopting the 2021 IBC. The City of Dallas has already amended the building code to allow tall mass timber buildings, but the 2021 IBC adoption may create additional opportunities favorable to mass timber.

ISSUE 06

Advocating for Science-Based, Reasonably Tailored Rules

ENVIRONMENTAL REGULATIONS



Improved Emission Testing

AWC successfully worked with EPA staff to narrow the scope of its hazardous air pollutant (HAP) testing plan that will support the PCWP rulemaking to exclude kilns, gas and indirect fired dryers, and most equipment before and after presses. Building from the testing success, AWC managed a comprehensive effort to engage EPA in shaping other critical aspects of the pending Plywood and Composite Wood Product (PCWP) MACT Rule. AWC's efforts should bear fruit when the draft rule is released in spring 2023. We hope to see reasonable work practices proposed for compliance in lieu of costly pollution controls, potentially saving industry hundreds of millions of dollars in compliance costs. This effort aligns with our Strategic Plan to advocate for government decision making that leads to science-based and reasonably tailored rules with clear compliance pathways.

Final Boiler MACT Reasonable: EPA signed the final Boiler MACT remand rule, which ends a long regulatory saga for wood product boilers over the last two decades. EPA retained the important provisions that create flexibility and avoided a comprehensive MACT review that could have resulted in redoing all the limits. AWC has intervened with other industries in support of the final rule in response to environmental stakeholders' legal challenge of the favorable provisions. It is helpful that all boilers will have three years to comply with any of the tougher limits.

The 20-year effort on behalf of the wood products industry is a great example of AWC's work in engaging partner groups and ensuring that regulations do not unnecessarily raise costs, reduce competitiveness or create market uncertainty.

