

Presidential Policy Brief:

Environment



Aluminum is a unique and foundational element of American manufacturing, with growing demand driven by innovative applications that support aerospace, transportation, construction, defense, packaging, infrastructure and many other segments of the U.S. economy.

The Aluminum Association represents the U.S. aluminum industry across the entire value chain. The U.S. aluminum industry generates more than \$70 billion in direct economic output, directly employs more than 166,000 workers across the country and indirectly supports an additional 494,000 workers.

The Aluminum Industry Is a Leading Partner in Addressing Climate Change

The aluminum industry has a long history of successful partnerships with federal regulators and looks to continue these partnerships to further advance the United States' energy, environmental and economic competitiveness. As an energy-intensive industry, aluminum producers have voluntarily worked to reduce greenhouse gas emissions from North American primary production by 49 percent since 1991.

The industry has been recognized by the EPA as a leader in addressing climate change and frequently partners with DOE to get more aluminum into the transportation and building sectors due to its sustainable properties. The EPA has also worked with our industry through the Voluntary Aluminum Industry Program (VAIP) to reduce emissions of perfluorocarbon emissions by 85 percent, and the Association and its members were previously awarded the *Climate Leader* designation by EPA.

Through sensible legislation and regulation, the aluminum industry strongly believes that climate change policy must:

- Provide broadly applicable, market-based mechanisms for greenhouse gas (GHG) reductions.
- Consider the unique effects of climate policy on “Energy Intensive, Trade Exposed (EITE) industries such as aluminum.
- Prevent the unintended consequence of GHG emission and jobs “leakage” to countries where the result would be an overall GHG emissions increase.
- Recognize early and voluntary actions to reduce greenhouse gas emissions.
- Promote aluminum’s role in advancing the circular economy’s energy efficiency and recycling attributes.

The U.S. aluminum industry continues to work aggressively to reduce greenhouse gas emissions. Climate policy that mandates across the board GHG reductions from all manufacturing sectors will disadvantage industries such as aluminum that have already taken early action to curb their emissions.

Leaving credit for early action out of climate policy punishes manufacturing’s good actors, while providing incentives to sectors which have not addressed the issue. Doing this leaves large emissions reductions within easy reach for sectors that have not proactively addressed the issue to date.

Environmental Regulations

The aluminum industry believes that economic growth and environmental protection are mutually achievable and that environmental policies should support this concept through the development and deployment of regulation based on sound science in areas including air and water quality, chemicals management and reporting and vehicle fuel economy standards.

- Revision of the SO₂ NAAQS to reflect requisite levels of human health protection.
- Maintenance of the existing Ozone and Particulate Matter NAAQS.
- Timely and consistent aluminum manufacturing MACT technology reviews aligned with current science.
- Incorporation of a bioavailable aluminum test method into the EPA's 40 CFR Part 136 water testing approvals.
- Establishment of vehicle GHG emission standards at statutorily required 'maximum feasible' levels.

Recycling Is a Green Solution with Real Environmental Benefit

Increasing the recycle rate of aluminum continues to be the best way to improve energy efficiency. Producing secondary, or recycled, aluminum saves more than 90 percent of the energy involved with making primary, or new, aluminum. More efficient and cost-effective recycling will reduce waste and emissions, save energy and return a critical input material to U.S. manufacturers. Federal investment could increase recycling rates, expand curbside recycling programs and collection points and improve recycled material quality through material segregation.

The Environmental Protection Agency should:

- Establish a recycling infrastructure fund that awards grants on a competitive basis to state and local governments to support and expand recycling infrastructure and recycling programs.
- Provide grants or tax credits for capital investment into recycling equipment by manufacturers.

The Department of Energy should:

- Establish a program to promote the efficient production, use and recycling of critical minerals, and to provide grants for capital expenditures or R&D in new recycling technology. New equipment or technology upgrades could help manufacturers:
 - Process low-grade (contaminated) scrap material in existing facilities.
 - Improve quality of scrap by sorting recyclable materials and segregating alloys.
- Promote innovation for casting alloy applications, in collaboration with DOE's Critical Materials Institute and other public-private partnerships like the REMADE Institute.
- Provide grants or R&D on utilizing scrap material and innovative alloys.

State Governments should:

- Expand or improve container deposit programs to reflect best practices. The recycling rate for aluminum cans is about 35 percent in states without container deposit laws, while rates average more than 75 percent in the 10 states with these programs.
- Implement The Recycling Partnership's "Accelerating Recycling: Policy to Unlock Supply for the Circular Economy" recommendations to further public-private partnerships in support of recycling. Topline recommendations include:
 - A packaging and printed paper fee that supports education and infrastructure investment.
 - A disposal surcharge to support recycling operations.

The United States could save more than \$810 million per year – and save enough energy to power more than 4.1 million homes for a full year – by simply recycling all of the aluminum cans that consumers buy today.