

2008 King County Community Greenhouse Gas Emissions Inventory: Consumption Methodology

*Estimates of the Greenhouse Gases Released to Produce, Transport, Sell,
Use, and Dispose of Goods and Services Consumed in King County*

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Table of contents

| | |
|---|----|
| 1. Overview | 5 |
| 1.1. Consumption versus Geographic-Based Emissions Inventories | 9 |
| 1.2. Emissions Responsibility in CBEI | 11 |
| 1.3. Model Organization | 13 |
| Type of Consumer | 14 |
| Commodity Type | 15 |
| Location of Emission | 18 |
| Life-Cycle Phases | 19 |
| 1.4. Understanding CBEI | 21 |
| Step 1: Emissions Coefficients | 22 |
| Step 2: Intermediate Pre-Purchase Emissions by Emitting Sector | 24 |
| Step 3: Reorganizing Results from Emitting Sector to Consuming Sector | 25 |
| Step 4: Final Results, Adding Use and Disposal Emissions | 26 |
| Limitations and Uncertainties | 27 |
| Using CBEI to Measure Policy Impacts | 28 |
| 2. King County 2008 Consumption-Based Emissions, Results and Analysis | 30 |
| 2.1. Relationship to Geographic Plus Inventory | 30 |
| 2.2. King County's Consumption-Based Inventory | 31 |
| 2.3. Emissions Intensity Comparison | 37 |
| 3. Technical Model Description | 40 |
| 3.1. Step 1: Emissions Coefficients | 40 |
| King County Direct Coefficients | 41 |
| U.S. Direct Coefficients | 42 |
| Foreign Direct+Indirect Coefficients | 43 |
| 3.2. Step 2: Intermediary Pre-Purchase Emissions by Emitting Sector | 45 |

| | |
|--|----|
| Final Demand | 45 |
| Greenhouse Gas Emissions..... | 49 |
| Greenhouse Gas Emissions by Phase..... | 51 |
| 3.3. Step 3: Reorganizing Results From Emitting Sector To Consuming Sector | 52 |
| 3.4. Step 4: Final Results, Adding Use and Disposal Emissions..... | 52 |
| Use Phase..... | 53 |
| Post-Consumer Disposal Phase..... | 53 |
| Final Consumption-Based Emissions Results..... | 53 |
| 3.5. CBEI Demand Modeler | 54 |
| 3.6. CBEI in Access and Excel..... | 54 |
| 4. References..... | 62 |
| 5. Appendix: CBEI Sectors, Sub-Categories, and Categories..... | 63 |

Table of Tables

| | |
|--|----|
| Table 1: King County’s Geographic Plus Inventory by Emission Type, 2008 | 30 |
| Table 2: Final Consumption-Based Emissions, King County 2008 | 31 |
| Table 3: King County 2008 Consumption-Based Emissions by Life-Cycle Phase | 32 |
| Table 4: King County 2008 Consumption-Based Emissions by Consumer Type..... | 33 |
| Table 5: King County 2008 Consumption-Based Emissions, Share by Category | 34 |
| Table 6: King County 2008 Consumption-Based Emissions by Subcategory | 35 |
| Table 7: King County 2008 Consumption-Based Emissions by Location | 37 |
| Table 8: Emissions Results with Adjusted Emissions Intensities | 38 |
| Table 9: Final Demand for King County and United States, 2008 (millions \$)..... | 46 |

Table of Figures

| | |
|---|----|
| Figure 1: CBEI Calculation Summary | 7 |
| Figure 2: Emissions Responsibility Assignments..... | 9 |
| Figure 3: Comparing Inventory Methods..... | 12 |
| Figure 4: Five Phases of the SEI-US’ CBEI Model | 13 |
| Figure 5: CBEI’s Categories and Subcategories..... | 17 |
| Figure 6: Emissions Embedded in Bread and Light Bulbs | 18 |
| Figure 7: CBEI Emission Calculation Schematic | 50 |

Overview

This document presents one of two companion greenhouse gas (GHG) emissions inventories for King County, Washington. The inventory described in this report estimates all emissions associated with consumption of goods and services in King County (including all citizen and government spending), no matter where the emissions occur. This inventory is accompanied by the *2008 King County Community Greenhouse Gas Emissions Inventory: Geographic Plus Methodology*. That inventory estimates the release of GHG emissions from cars and trucks, buildings, waste, agriculture, and other sources of emissions within King County in 2008, including some sources (e.g., electricity production) that occurred outside King County's borders. A third, companion document includes *Supplemental Emissions Calculations* that don't fit neatly into either inventory, such as from recycling of solid waste or storing carbon in landfills. Lastly, a summary report, *Greenhouse Gas Emissions in King County: An Updated Geographic Inventory, a Consumption-based Inventory, and an Ongoing Tracking Framework*, discusses how the inventories fit together and recommends an ongoing tracking framework for King County to use on a regular basis.

The Consumption-Based Emissions Inventory¹ (CBEI) provides a different vantage point on greenhouse gas emission responsibility. Conventional inventories assign emissions to geographic regions based on the location of their release: A loaf of bread is manufactured in King County, releasing (for illustrative purposes) 1 metric ton of carbon dioxide equivalent (CO₂-e) into the atmosphere, and King County is assigned that 1 metric ton CO₂-e in its geographic emissions inventory. These geographic-based inventories show how much emissions are released where – an essential first step in implementing mitigation policies.

The geographic basis is an important way of viewing emissions responsibility, but it is not the only way. There is increasing interest in attributing emissions not only to the jurisdiction from which they are released (for example, the location of a bakery), but also to the end users of goods and services (the consumers that purchase the bread). Really, every ton of CO₂-e has two hats to wear: it “belongs” to its location of emission, and it “belongs” to its location of consumption.

A consumption-based analysis notes that the bread was produced in King County, but then considers a series of follow-up questions: Who purchased the bread? And furthermore, if someone in King County purchases bread: Where was it produced, and how much emissions were released in its production? What emissions were generated by production of the materials that went into that bread? What materials went into those materials? And so on.

CBEI's consumption-based methodology tracks financial flows and attributes greenhouse gas emissions to the “consumption” (the end use or final purchase, not as an input to production or for resale) of goods and services. Every purchase that we make is “embedded” with greenhouse

¹ Stanton, E.A., Bueno, R. and Munitz, C. (2011). Consumption-Based Inventory (CBEI). Version 2.0 (March 2011). Somerville, MA: Stockholm Environment Institute-U.S. Center. <http://sei-us.org/projects/id/199>.

gases; CBEI makes the consumers of goods and services accountable for the emission of greenhouse gases in those commodities' production and distribution. Every region is assigned the emissions embedded in the goods and services used by its households (and a few other kinds of "final consumers" discussed below), and no region is assigned emissions for goods produced in-region but purchased elsewhere. The result is a shift in emission attribution from producers to consumers. For regions that import more embedded emissions than they export (such as most urban areas and many higher-income areas), consumption-based emissions will be higher than in a geographic inventory accounting. For regions that export more embedded emissions (such as areas with a lot of industrial production or petroleum extraction), consumption-based emissions will be lower than in a geographic inventory.

The CBEI model begins with King County 2008 "Geographic Plus" Greenhouse Gas Inventory (SEI 2010) data on: 1) the emissions released by the use of fuel and electricity in (and waste disposal from) residential and government buildings in the area, and 2) emissions released by industrial and commercial activities in the area. The industrial and commercial inventory data are combined with King-County-specific IMPLAN² input-output economic data that tracks supply chains from raw materials, to "intermediate goods" (materials, including fuels and electricity, used to produce other goods and services), to the final goods and services sold to consumers. IMPLAN economic data are widely used by jurisdictions throughout the United States to create economic forecasts, inform budget projections, and analyze the expected impact of economic development projects.

Using IMPLAN data, CBEI tracks supply chains both within and outside the King County borders and classifies emissions as occurring in one of three areas: inside King County, outside of King County but inside the United States, and outside of the United States. CBEI uses inventory data from the King County Geographic Plus inventory, the U.S. Environmental Protection Agency, and a detailed study of U.S. international trade in embedded emissions to create emissions coefficients (tons of CO₂-e per dollar spent) for each area and for each of 440 different kinds of goods and services. Consumption-based emissions are calculated by multiplying King County's consumption (in dollars) of goods and services from each area by that area's emissions coefficients (see Figure 1). Then CBEI adds end-use emissions from fuels burned and wastes disposed of by households and government entities within King County as calculated in the Geographic Plus inventory.

² Minnesota IMPLAN Group Inc. (2010). IMPLAN Economic Modeling. Version 3.0. Hudson, WI. <http://implan.com>.

Figure 1: CBEI Calculation Summary

| King County Consumption (in dollars) | x | Emissions Coefficients (tons CO₂-e/\$) | = | King County Embedded Emissions (tons CO₂-e) |
|---|----------|--|----------|--|
| of King-County-made goods and services | x | King County | = | from King County |
| of U.S. (outside of King County) made goods and services | x | United States | = | from rest of the United States |
| of foreign goods and services | x | Imports to the U.S. | = | from other countries |
| SUB-TOTAL | | | | King County Embedded Emissions (tons CO₂-e) |
| | | | | + |
| TOTAL | | | | King County End-Use Emissions (tons CO₂-e) |
| | | | | Total King County Consumption-Based Emissions (tons CO₂-e) |

This consumption-based methodology is not meant to replace geographic greenhouse gas inventories, but rather to complement them. Both viewpoints – geographic and consumption-based accounting – are valid ways to approach emissions accountability, and both are useful for different types of decision-making – by residents, governments and businesses.

The next section provides a non-technical description of the CBEI model. In Section 0, King County consumption-based emission results for 2008 are presented. The technical CBEI methodology is described in detail in Section 0.

Key Terms

Commodities – goods and services

Consuming Sector – the final good or service purchased (for example, bread)

Consumption – final (end use) purchase of goods and services. Consumption excludes business purchases of inputs to production or products for resale.

Consumption-Based Inventory – emissions inventory based on consumer responsibility: emissions released as a result of consumer purchases from an area are attributed to that area

Direct Emissions – those emitted in producing the final good or service (for example, emissions released at an electric power plant)

Embedded Emissions – emissions from industrial and commercial activities necessary to produce and distribute goods and services. Sometimes called “embodied” or “upstream” emissions.

Emissions Coefficients – the amounts of greenhouse gases released per dollar of economic activity in a particular industrial or commercial sector and a particular geographic area. Also called emissions intensities.

Emitting Sector – the type of production occurring at the time of emission (for example, wheat farming)

End-Use Emissions – emissions from households and government entities use of fuel, electricity, and waste disposal services

Final Consumers – purchasers of goods and services for end use: households, government entities, and (for investment purposes only) businesses. Business purchases of inputs to production or products for resale are not part of consumption.

Final Demand – the purchase of goods and services by households and government, and businesses’ investment in capital goods and net inventory

Geographic Inventory – emissions inventory based on geographic responsibility: emissions released from an area are attributed to that area

Goods – material products for market purchase (bread, steel, automobiles)

Gross Demand – final demand plus intermediate demand

Hybrid Inventory – an emissions inventory that includes elements of both geographic and consumer-based responsibility

Indirect Emissions – those emitted further upstream in the production process (for example, emissions from refining and distributing the petroleum products used to generate electricity)

1.1. Consumption versus Geographic-Based Emissions Inventories

Greenhouse gas emissions can be view either in terms of *geographic* (sometimes called “*production*”) *responsibility* or *consumer responsibility*. Geographic responsibility attributes emissions strictly by the location of their emission: all emissions physically released in King County belong to King County. Consumer responsibility takes a different view: all emissions caused by consumer purchases in King County belong to King County, regardless of where they were physically emitted. For the world as a whole (or for any economy that does not trade outside its borders), total emissions by geographic responsibility must equal total emissions by consumer responsibility.

Emissions inventories often mix and match between geographic and consumer perspectives. King County’s 2008 “Geographic Plus” Greenhouse Gas Inventory (SEI 2010) is a hybrid, containing both geographic and consumption-based elements. Figure 2 reports responsibility assignments used for each of three kinds of emissions inventories. GEO is an archetypal geographic inventory; HYBRID is an example of a geographic inventory that includes some consumer responsibility elements; and CBEI is the SEI-US Consumption-Based Emissions Inventory.³

Figure 2: Emissions Responsibility Assignments

| | | Geographic Responsibility | Consumer Responsibility |
|------------------------------|------------------------------|---------------------------|-------------------------|
| End Use: | Fuels, Buildings | GEO, HYBRID, CBEI | |
| | Fuels, Transportation | GEO | HYBRID, CBEI |
| | Electricity | GEO | HYBRID, CBEI |
| | Waste Disposal | GEO | HYBRID, CBEI |
| Industrial/Commercial | | GEO, HYBRID | CBEI |
| LULUCF | | GEO, HYBRID | |

Figure 2 breaks greenhouse gas emissions into several types that, together, are comprehensive and exhaustive; that is, all greenhouse gas emissions fall into one, and only one, of these types.

³ Responsibility assignments in the geographic (GEO) and hybrid (HYBRID) inventories have been generalized across many similar inventory methods, quite a few of which vary from these examples. The Consumption-Based Emissions Inventory (CBEI) refers only to the responsibility assignments in the SEI-US model; other models of the emissions embedded in consumption differ.

- *End Use*, including:
 - Fuels for burned for heating and appliances in buildings
 - Fuels burned for transportation
 - Electricity
 - Waste disposal
- *Industrial/Commercial*, energy and non-energy greenhouse gas emissions from the production and sale of consumer products
- *LULUCF*, or land use, land-use change, and forestry

For *end-use emissions from fuels used in buildings*, geographic and consumer responsibility amount to the same thing – the end purchaser of the fuel always is present at the location of emission. All types of inventories estimate the same value for these emissions. The use and disposal phases of the CBEI model presented in this report these end-use emissions as estimated in the Geographic Plus inventory plus the upstream emissions associated with producing the fuels burned for these end uses.

End-use emissions from transportation fuels, electricity and waste disposal are assigned strictly to their physical location of emission in a geographic inventory, but there is a recent trend towards hybrid inventory methodologies, like King County’s Geographic Plus inventory, that approach some of these end-use emission types from the point of view of consumer responsibility. A strict geographic inventory would include emissions from the electricity produced in King County, the transportation fuels burned in King County, and the wastes disposed of in King County. The Geographic Plus inventory instead includes emissions from electricity used by King County consumers, regardless of where the electricity was produced and air travel by King County consumers, regardless of where the fuel was burned. The Geographic Plus inventory also departs from a pure geographic perspective for ground transportation and waste emissions. For ground transportation, the inventory counts half of the emissions associated with all vehicle trips that cross the county border and all the emissions associated with vehicle trips that occur entirely within King County.⁴ For waste emissions, the primary Geographic Plus inventory takes a pure geographic perspective, but a supplemental calculation counts all emissions associated with waste disposal by King County consumers in 2008, even if those emissions occur outside King County (and in future years, as materials, such as food waste, decompose in the landfill). Additional supplemental calculations (documented in the companion *Supplemental Emissions Calculations* document) estimate the emissions benefits of recycling in King County.

⁴ While this is not technically a consumption-based approach (since we have no way of knowing whether those trips were by King County consumers or not), the result is likely very similar to the emissions associated with all regional vehicle trips by King County residents. For more information on this method, see SEI (2010).

Geographic inventories, as well as King County’s hybrid Geographic Plus inventory, include *industrial/commercial emissions* based on geographic responsibility: emissions from industrial production and commercial establishments located in King County are assigned to King County, regardless of whether the goods produced are purchased in King County or exported. CBEI assigns industrial/commercial emissions based instead on consumer responsibility as discussed below.

The final emission type, *land use, land-use change, and forestry*, is approached almost exclusively from a position of geographic responsibility: LULUCF emissions, positive or negative, that take place in King County are assigned to King County. Many geographic and hybrid inventories leave this category out all together, or include net sequestration as an addendum to the main inventory. CBEI excludes LULUCF.

1.2. Emissions Responsibility in CBEI

The CBEI model estimates the total emissions accountability of a given area in a given year based on the viewpoint that emissions are the responsibility of the consumers that use fuel, electricity, goods and services. This “consumer responsibility” logic turns conventional inventories’ “geographic responsibility” on its head, making it possible to look at the relationship between trade in goods that have emissions embedded in them (that is, greenhouse gases were emitted in the production of the traded goods) and local, national, and global greenhouse gas mitigation efforts.

King County’s CBEI estimates the greenhouse gas emissions resulting from the purchase of goods and services by King County consumers. The terms “consumer” and “consumption” are critical to understanding the meaning of consumption-based results and relating these results to those of other emission inventories. **Consumption** refers to the final use of commodities – in economics, “final demand” – where goods and services are purchased solely for their use and not for resale or as inputs into the production of other goods and services. **Consumers** may be households, government entities, or, in some special cases, businesses. The vast majority of a business’ purchases, however, is *not* consumption – a topic we return to below.

CBEI approaches emissions responsibility exclusively from a consumer perspective, as shown in Figure 3. In assigning emissions responsibility, CBEI’s differs from the hybrid Geographic Plus inventory in its treatment of industrial/commercial emissions. In fact, CBEI is really the combination of two inventory methods, with some adjustment made for double-counting between them. CBEI brings together King County’s existing hybrid Geographic Plus inventory with a newly developed inventory of “embedded” emissions.

Figure 3: Comparing Inventory Methods

| | | Geographic | Geographic Plus | SEI-US' CBEI |
|-----------------------|-----------------------|---|-------------------------------|-------------------------|
| Consumer End Use: | Fuels, Buildings | geographic responsibility = consumer responsibility | | |
| | Fuels, Transportation | geographic responsibility | like consumer responsibility* | consumer responsibility |
| | Electricity | | both geographic & consumer** | |
| | Waste Disposal | | | |
| Industrial/Commercial | | geographic responsibility (but for electricity)*** | | consumer responsibility |

* King County's Geographic Plus inventory counts emissions associated with half of all vehicle trips that cross the county border, which is similar to a consumption approach. It counts all emissions associated with consumer air travel.

** King County's primary Geographic Plus inventory takes a geographic approach, but a supplemental calculation of "waste commitment" emissions was also conducted.

*** The Geographic Plus inventory counts emissions associated with electricity use, regardless of where they occur.

Embedded emissions are industrial/commercial emissions approached from a consumer responsibility perspective. Using input-output economic data, each consumer purchase can be traced backward through its production process all the way to its raw materials, making it possible to estimate the total “embedded” emissions caused by the purchase and distribution of that commodity. Embedded emissions exclude end-use emissions from the use and disposal of goods after the consumer purchase. For example, the embedded emissions in purchasing a car are the emissions from its construction and sale, not from its end use: burning gasoline in its engine.

The estimation of embedded emissions combines economic data with “emission intensities” that are calculated using the Geographic Plus inventory’s industrial/commercial emissions. For each type of commodity, emissions released in King County are divided by the value of production in King County. Each sector’s emissions intensity is presented in tons of CO₂-equivalent per dollar. CBEI calculates separate emissions intensities for goods produced in King County, in the United States but outside of King County, and in foreign countries for import into the United States.

In the CBEI consumption-based results, the embedded emissions from King County’s purchases of consumer goods and services are divided into three pre-purchase phases: production, pre-purchase transportation, and retail/wholesale. Two additional phases report end-use emissions: use, and post-consumer disposal (see Figure 4).

Figure 4: Five Phases of the SEI-US’ CBEI Model

| Emission Type | Life-Cycle Phase | Inventory Sources |
|---------------------------|-----------------------------|--|
| Embedded Emissions | Production | From CBEI Embedded Pre-Purchase model minus deleted emissions from electricity and waste disposal and minus transferred indirect emissions for fuel and electricity (to use phase) and waste disposal (to post-consumer disposal phase) |
| | Pre-Purchase Transportation | |
| | Retail/Wholesale | |
| End-Use Emissions | Use | From Geographic Plus inventory end-use fuel and electricity plus transferred indirect emissions for fuel and electricity |
| | Post-Consumer Disposal | From Geographic Plus inventory end-use waste disposal plus transferred indirect emissions for waste disposal |

CBEI’s methodology for estimating embedded emissions overlaps with the Geographic Plus inventory’s estimation of end-use emissions for two types of purchases: electricity and waste disposal services. To avoid double counting, CBEI deletes its *direct* emissions estimates for these two sectors (direct emissions are those emitted at the electrical generator, landfill, or incinerator) but retains important information about *indirect* emissions further upstream in the production process (for example, emissions from refining and distributing the petroleum products used to generate electricity). CBEI’s use and disposal emissions are the end-use emissions estimated in the Geographic Plus inventory, plus indirect emissions from the production and distribution of fuels and electricity, and disposal of wastes, that are calculated in the model’s embedded pre-purchase phases and then transferred to the use and disposal phases.

1.3. Model Organization

Emissions are organized by type of consumer, commodity type, life-cycle phase, and location of emission. Before reporting more detailed information about CBEI calculations, this section presents a primer on the model’s organization.

Type of Consumer

CBEI's consumption-based emissions are attributed to three types of consumers:

- King County **households** purchase commodities for their final use, including goods (such as food, electronics, household furnishings, and cars), services (such as haircuts or tax preparation), fuel for vehicles and home heating, and electricity for household lights, electronics, and appliances. In 2008, 62 percent of King County's final demand came from households (see Table 9 below).
- King County-based local, state and federal **government** entities purchase commodities for final use, including goods (like office supplies or food consumed in a prison), fuel, and electricity used in government facilities. King County-based federal government activities were responsible for 3 percent of final demand, while local and state government activities accounted for 8 percent. Transfer payments (government payments made directly to households, for example, social security) are not included in King County-based federal government activities (except to the extent that King County state/local governments or households use the transfer payments to engage in consumption). CBEI does not estimate King County residents' "share" of or "contribution" to (via taxes or voting) out-of-county emissions resulting from federal government activities (e.g. foreign affairs, military, etc.).
- The vast majority of businesses' purchases is not direct consumption, but rather support for the production of goods and services for household or government consumption. **Business investment** purchases, or the equipment or inventory that businesses purchase but do not sell in a given year, are treated as direct consumption by businesses. Business investment accounted for 27 percent of King County's final demand in 2008. (This is an unusually high share for investment demand. For comparison, U.S. investment was 15 percent of total final demand.) Emissions associated with construction of nonresidential buildings are included under business investment consumption, while emissions associated with construction of residential buildings are reported under household consumption.

Most business purchases are of "intermediate" goods and services that are combined to produce new goods and services for sale. In input-output economic data (and in the CBEI model) these intermediate purchases can be linked together into a supply chain from raw materials to intermediate goods to final goods.

But a few kinds of business purchases do not easily conform to classification by supply chain. Wheat, yeast, water, and electricity are combined to make bread – these intermediate goods become the bread. The mixers, ovens and bakery building are also essential to making bread, but they don't become the bread. These durable goods – equipment and infrastructure – are used to make products year in and year out. They depreciate; they receive maintenance or retro-fitting; and over a machine or a building's lifetime it may be utilized in the production of many different products. Because of these complexities, in CBEI durable goods are treated, not as a part of the supply chain that becomes the final good, but rather as a special kind of final consumption called business investment. Net inventory (inventory at the end of this year less

inventory at the end of last year) is included in business investment for a similar reason – it has not yet become part of a final purchased good, so there is no supply chain to which to attach it.

In CBEI, emissions from King County businesses' purchase of equipment, construction of buildings, and net inventory are attributed to King County.⁵ Just like households and government entities, businesses can consume final goods that are not accountable to whoever buys the businesses' products. This logic may seem incongruous at first but consider two points. First, this approach is used throughout the field of economics, and is central to the standard methodology for calculating gross domestic product used in every country around the world. Second, businesses investing in equipment and buildings cannot know how much (or even what) goods will be produced as a result. They may go out of business this year or in 50 years; they may decide to sell these investments, or the equipment may break down or become obsolete. There is no reasonable set of assumptions with which to tie business investments to all of the future products they might produce. Emissions from business investments, then, are attributed as consumption in the jurisdictions in which these purchases are made, and can be part of these jurisdictions long-term emission abatement strategy.

Commodity Type

Commodities are classified in 440 sectors. These sectors are aggregated to 62 subcategories and 16 categories (see Figure 5).

- **Sectors:** CBEI data are calculated and reported in 440 types of industries (or, equivalently, 440 types of commodities produced by these industries). About one-tenth of these commodity sectors have little or no “final demand” in King County – that is, King County's consumers do not buy these products. Instead, they are purchased by businesses to make intermediate products for sale to other businesses, or goods and services for final consumption. (See the Appendix for a full mapping of sectors, sub-categories and categories.)
- **Sub-categories:** The 440 commodity sectors are grouped into 62 sub-categories.⁶
- **Categories:** The 62 sub-categories are grouped into 16 categories: Appliances, heating, ventilation and air conditioning (HVAC); Appliances, other; Clothing; Concrete, cement and lime; Construction; Electronics; Food and beverages; Forest products; Fuel, utilities, waste; Healthcare; Home, yard, office; Retailer and wholesale; Services; Transportation services; Vehicles and parts; and Other.

5 Note that the CBEI model treats residential construction, normally part of the “investment” category in National Income and Product Accounting, as a type of household consumption.

6 Categories that are not further subdivided are counted as both categories and subcategories. For example, clothing is both a category and a subcategory.

The change in emissions responsibility from geographic-based industrial/commercial emissions to consumer-based embedded emissions is one of two main differences between CBEI and the Geographic Plus inventory. A second critical difference is that hybrid inventories such as the Geographic Plus sort emissions by the emitting sector, while CBEI sorts emissions by the consuming sector. The emitting sector refers to the type of production occurring at the time of emission – wheat farming, yeast manufacture, water and natural gas utilities. The consuming sector refers to the final purchased good or service responsible for the embedded emissions – bread. In

Figure 6, all of the emitting sectors have counterparts as consuming sectors. Bread consumed in King County includes emissions from numerous emitting sectors, just a few of which are shown here.

Figure 5: CBEI's Categories and Subcategories

| | |
|---|---|
| Appliances, HVAC | Healthcare |
| Appliances, other | Healthcare services |
| Lighting fixtures and bulbs | Medicines and other healthcare supplies |
| Ranges and microwaves | Home, yard, office |
| Refrigerators and freezers | Home furnishings |
| Washers and dryers | Household supplies |
| Other appliances | Lawn and garden |
| Clothing | Media and office supplies (except paper) |
| Concrete, cement and lime | Retailer and wholesale |
| Construction | Retailers |
| Non-residential construction | Wholesale |
| Prefabricated buildings | Services |
| Residential construction and remodeling | Banks, financial, legal, real estate, insurance |
| Electronics | Building services |
| Computer service and equipment | Education and day care |
| Other electronics | Hotels, motels, entertainment, media |
| Food and beverages | Other services |
| Beverages | Transportation services |
| Condiments, oils and sweeteners | Car rental, repair and wash |
| Dairy | Transportation services, air |
| Fresh fruit, nuts and vegetables | Transportation services, mass transit |
| Frozen food | Transportation services, rail |
| Grains, baked goods, cereals, roasted nuts, nut butters | Transportation services, truck |
| Poultry and eggs | Transportation services, water |
| Processed fruit, nuts and vegetables | Transportation services, other |
| Red meat | Vehicles and vehicle parts |
| Restaurants | Aircraft |
| Seafood | Cars and light trucks |
| Other food and agriculture | Heavy duty trucks |
| Forest products | Other road vehicles |
| Paper and cardboard | Railroad rolling stock |
| Other processed forest products | Ships and boats |
| Unprocessed forest products | Vehicle parts |
| Fuel, utilities, waste | Other |
| Gasoline, heating fuels, other petroleum products | |
| Natural gas distribution | |
| Oil and gas extraction | |
| Power generation and supply | |
| Waste management | |
| Water- sewage and other systems | |

Figure 6: Emissions Embedded in Bread and Light Bulbs

| | | Consuming Sector | | | | | | | | | | |
|-----------------|--------------------------|------------------|-------------|-----------|-------|-------------|-------------|--------|----------|-------|-------|-------|
| | | Bread | Electricity | Filaments | Glass | Light bulbs | Natural gas | Silica | Tungsten | Water | Wheat | Yeast |
| Emitting Sector | Bread manufacturers | X | | | | | | | | | | |
| | Electric utilities | X | | | | X | | | | | | |
| | Filament manufacturers | | | | | X | | | | | | |
| | Glass manufacturers | | | | | X | | | | | | |
| | Light bulb manufacturers | X | | | | X | | | | | | |
| | Natural gas utilities | X | | | | | | | | | | |
| | Silica mining | | | | | X | | | | | | |
| | Tungsten mining | | | | | X | | | | | | |
| | Water utilities | X | | | | X | | | | | | |
| | Wheat farmers | X | | | | | | | | | | |
| | Yeast manufacturers | X | | | | | | | | | | |

In geographic and hybrid inventories industrial/commercial emissions are commonly classified by the type of process that releases emissions. CBEI first calculates emissions according to a similar classification logic, disaggregated into 440 emitting sectors (for example, tungsten and silica mining, filament and glass manufacture, water and electric utilities in

Figure 6). But before combining its results with the Geographic Plus inventory’s end-use emissions, CBEI reclassifies both embedded and end-use emissions by consuming sector. Embedded pre-purchase emissions are sorted by the final good or service that is consumed (in this example, light bulbs), and end-use emissions are sorted by the type of vehicle or appliance using the energy (end-use electricity to power light bulbs), or the type of good that is disposed of (waste emitted from landfilling or incinerating light bulbs).

Location of Emission

The emissions embedded in final goods and services may occur within King County, inside the United States but outside of King County, or outside of the United States:

- **King County** emissions are from King County production for King County consumption. It includes upstream requirements of production for King County consumption only when the intermediate products are made in King County.
- **Inside-US-Outside-KC** emissions are from United States (other than King County) production for King County consumption. It includes U.S.-made upstream requirements of production for King County consumption.

- **Foreign** emissions are from foreign production for King County consumption. It includes foreign-made upstream requirements of production for King County consumption.

Both material goods and services can be imported. King County consumers “import” foreign services whenever they make an overseas financial transaction, use overseas technical support for a computer problem, or receive the results of an X-ray analyzed by an overseas radiologist – all common practices. Services are also “imported” into King County from the rest of the United States whenever King County consumers purchase a service from outside the county.

Life-Cycle Phases

Finally, CBEI’s consumption-based emissions are divided into five life-cycle phases: production, pre-purchase transportation, wholesale and retail, use, and post-consumer disposal.

Embedded pre-purchase emissions:

- **Production phase:** Emissions from the manufacture of consumer goods are classified as production-phase emissions. For example, in the case of a cookie, this phase includes not only emissions released by the cookie factory, but also the emissions that resulted from all of the supplies purchased by the manufacturer: flour, chocolate, water, and electricity. Final consumer products also can be services, such as a haircut or tax preparation. Emissions that result from the operation of a hair salon, and all of the emissions from the products purchased for use in the salon, are also production-phase emissions.
- **Pre-purchase transportation phase:** Consumer products, and the supplies necessary to manufacture them, often make several stops on their way from factory to retail store. Transportation emissions from intermediate producer (the makers of the flour and chocolate in the example of cookie manufacture) to final producer (the cookie factory) to wholesale warehouse to retail store are classified as pre-purchase transportation. To be clear, this life-cycle phase does not include post-purchase transportation (bringing the cookies home from the store – these emissions are captured in the vehicles and parts category of the “use phase”).
- **Wholesale and retail phase:** Wholesale warehouses and retail stores cause greenhouse gas emissions primarily from lighting, electronics and temperature control. This phase includes the direct emissions of wholesalers and retailers, and upstream emissions from goods and services purchased by wholesale and retail businesses (including electricity and fuel).

End-use emissions:

- **Use phase:** Some products cause emissions in their use by the final consumer. For example, heating fuel causes emissions when burned in the consumer’s furnace and gasoline causes emissions when burned in the consumer’s car engine. Electricity emissions are also classified as a part of the use phase – the use of a computer or a light

causes emissions from electricity generation. Use phase emissions include emissions at the point of combustion, as well as supply-chain emissions associated with the fuels that are combusted (e.g., emissions from petroleum refineries and coal mines).

- ***Post-consumer disposal phase:*** The final life-cycle phase is disposal. This phase includes only the emissions that result from the post-consumer landfilling or incineration of products. This phase does not include emissions that result from industrial or commercial waste, which are instead classified as production emissions. This phase does not include any “credits” for emissions reductions resulting from recycling or composting, except to the extent that recycling and composting reduce emissions from landfilling and combustion.

Geographic, hybrid, and consumption-based inventories share a common scope of analysis: the emissions related to (by location of emission or by location of consumption) a particular geographic area in a particular year. Embedded emissions (production, pre-purchase transportation, retail/wholesale) result from products purchased by King County in 2008, and end-use emissions (use and post-consumer disposal) result from fuels burned and waste disposed of by King County in 2008. The focus of the analysis is on the activities of King County as a whole, and not on individual households, or purchases of single goods. The life-cycle phases in CBEI are subdivisions of the total King County emissions in 2008, from a consumer responsibility perspective. In contrast, a true life-cycle analysis follows a single good from cradle to grave. CBEI embraces the idea of cradle-to-grave responsibility by dividing its emissions into activities that relate to each phase of the single-year “life cycle.”

For example, a true life-cycle emissions analysis of a car would follow that car from the raw materials that went into its production, through the production process, through pre-purchase transportation, retail and wholesale activities, to its purchase, use in combination with gasoline, and eventual disposal. CBEI does not estimate the emissions of a single car; it estimates the emissions related to King County residents’ purchasing and driving cars in 2008. For the production, pre-purchase transportation, and retail/wholesale phases, car emissions result from all car purchases made in King County in 2008. For the use phase, car emissions result from King County residents’ driving cars in 2008. For the post-consumer disposal phase, car emissions result from King County residents’ disposal of cars in 2008.

CBEI results are best viewed from the vantage point of the planner or policymaker considering what can be done to reduce their jurisdiction’s aggregate annual emissions responsibility. These results cannot help households make decisions about when it is best to invest in a new car or household appliance in order to reduce lifetime greenhouse gas emissions. This being said, the CBEI apparatus does include an additional “demand modeler” tool for detailed analysis. Using this tool, an analyst can explore the embedded emissions implications of customized consumption profiles. The CBEI demand modeler results, however, only include embedded pre-purchase emissions, and not end-use (use and disposal phase) emissions.

1.4. Understanding CBEI

CBEI results include the complete impacts of King County 2008 consumption, divided into three embedded pre-purchase phases (production, pre-purchase transportation, and wholesale-and-retail distribution) and two end-use phases (use and post-consumer disposal). CBEI's first three "pre-purchase" phases estimate the embedded emissions from the purchase of commodities; that is, they include both the direct emissions from the production of goods and services purchased by King County consumers, and the indirect emissions from the production of inputs into those consumer goods. The use and post-consumer disposal phases estimate end-use emissions that occur after goods and services are purchased by consumers. The use phase includes the direct and indirect emissions from fuel used by the area's households and government entities, and the direct and indirect emissions from the generation of electricity used by households and governments.⁷ The post-consumer disposal phase includes the direct and indirect emissions from households' and governments' waste disposal, both from landfilling and (where applicable) the incineration of solid wastes.

CBEI models consumption-based greenhouse gas emissions for a given locality and a single year. King County 2008 CBEI follows four steps to model the consumption-based emissions of goods and services purchased for final use in King County. The first step constructs emission coefficients – kg CO₂-e per dollar – for King County, the United States, and foreign imports into the United States for 440 types of goods and services. The second step models emissions from the production, wholesale, retail and transportation of goods and services up to the point of sale; this intensive, input-output analysis represents the bulk of CBEI calculations. The third step reorganizes these results from emitting sector to consuming sector. The final step adds two post-purchase end-use phases and adjusts the pre-purchase phases for double-counting.

King County's pre-purchase emissions are calculated by multiplying emissions intensities in kilograms of CO₂-e per dollar by the gross demand (final plus intermediate) for the 440 sectors. Final demand is the purchase of goods and services by households and government, and firms' investment in capital goods and net inventory. The intermediate demand included in CBEI is the upstream inputs needed to produce final demand. This type of methodology is often referred to as "input-output life-cycle analysis," for its use of input-output matrices that track the flow of money (as a measure of production activity) through the supply chain for various commodities. Unlike true life-cycle analysis, which typically traces materials through the life-cycle, the elementary flows in input-output life-cycle analysis are in dollars.

⁷ CBEI follows the convention of treating electricity emissions as "use" emissions, as if they occurred after the electricity was purchased. Alternatively, electricity could be viewed as a service that contains embedded emissions. For consistency with all other goods and services, CBEI first calculates electricity emissions as embedded in the purchased service, then discards the direct end-use results of this calculation and replaces them with the end-use electricity emissions estimated in the Geographic Plus inventory to which are added CBEI's calculation of the indirect emissions from end-use electricity generation.

Consumption, or final demand, is the purchase of goods and services by households and government, and businesses' investment in capital goods or net inventory. All economic data used in CBEI are taken from IMPLAN (MIG 2010) databases. IMPLAN is a leading economic modeling software product that includes national and county income and production accounts data, as well as input-output models of the U.S. and King County economies developed using data from the U.S. Commerce Department's Bureau of Economic Analysis, the U.S. Bureau of Labor Statistics, the U.S. Census Bureau, and other sources. IMPLAN's input-output matrices estimate the indirect (intermediate or upstream materials and equipment) requirements of production, from all sectors, that are needed to produce a unit of any one industry's output for both the United States and King County; IMPLAN data also include estimates of foreign imports and imports from the rest of the United States to King County. This input-output analysis makes it possible for CBEI to model upstream emissions impacts.

The following sections describe each step of CBEI model calculations in turn:

- Step 1: Emissions coefficients
- Step 2: Intermediate pre-purchase emissions by emitting sector
- Step 3: Reorganizing results from emitting sector to consuming sector
- Step 4: Final results, adding use and disposal emissions

Step 1: Emissions Coefficients

"Emissions coefficients" (or emissions intensities) are the amounts of greenhouse gases released per dollar of economic activity in a particular industrial or commercial sector and a particular geographic area. The first step in CBEI model calculations is the construction of three sets of 440 emissions coefficients (for each of the 440 sectors in IMPLAN data), each for a different area: King County, the United States, and foreign imports to the United States.⁸ Each coefficient estimates the greenhouse gas emissions intensity of producing a particular type of good or service in a particular location.

For the King County coefficients, industrial/commercial emissions from the Geographic Plus inventory for 2008 are allocated to the 440 sectors. In some cases, the Geographic Plus inventory includes details about particular industries or commercial enterprises, and these emissions are assigned accordingly. Where less detail is available, emissions are assigned to groups of sectors in proportion to the King County economic output of each sector. For example, the Geographic Plus inventory assigns 51,331 mt CO₂-e to "Natural Gas (Industrial Equipment) – Industrial". CBEI allocates these emissions to 278 manufacturing sectors, in proportion to their King County economic output. Each of these sectors also receives emissions from several other categories in the Geographic Plus inventory. Emissions from the Geographic

⁸ For technical reasons, CBEI calculations require the construction of two additional sets of emissions coefficients (for a total of five), as discussed in detail in Section 0.

Plus inventory are the numerators of these emissions coefficient ratios. The denominators are the King County economic output of each sector.

For the United States emissions coefficients, the CBEI model uses 2008 industrial/commercial emissions from the U.S. Environmental Protection Agency's Greenhouse Gas Inventory Report (EPA 2010). Again, where sufficient details are provided, emissions are assigned to specific sectors; where there is less detail, emissions are assigned to groups of sectors in proportion to their U.S. economic output. To supplement the level of industrial detail available in this inventory, we use a 2006 U.S. Energy Information Agency report on greenhouse gas emissions from U.S. manufacturing (Schipper 2006). These are the most up-to-date industrial emissions data available, and their use was recommended to us by the EIA.⁹ The denominators for the U.S. emissions coefficient ratio are the U.S. economic outputs of each sector.

For emissions coefficients for foreign imports to the United States, we rely on greenhouse gas emissions intensity data from the Multi-Regional Input-Output (MRIO) International Emissions Data 2004 project (Stanton et al. 2011) The MRIO research effort has constructed emission intensity factors for trade between 87 countries or regions in 2004 – the most recent data year available. CBEI maps the MRIO emissions intensities for imports into the United States onto its 440 IMPLAN sectors.

There is one exception to this framework for constructing emissions coefficients in CBEI. The model only allows for three locations of emissions for every type of production, but for electricity there are four location options with corresponding emission intensities: (1) generated within King County, (2) the power pool used within King County, (3) the rest of the United States, and (4) imports to the United States. While the electricity coefficients for the United States and U.S. imports are constructed as described above, the King County electricity coefficient represents the intensity of electricity purchased in county (the power pool as a whole), and not the electricity made in county in a strict geographic accounting. The denominator for the King County electricity coefficient is the full electricity emissions (residential, commercial, and industrial) used in King County from the Geographic Plus inventory. The numerator is the electricity output (or economic activity) in dollars for King County.

This method gives the best estimation of the embedded emissions in commodities made and purchased in King County. It does, however, muddy the distinction between electricity consumption emissions released in the King County and Inside-U.S.-Outside-King County locations of emissions. In CBEI, all electricity end-use emissions – direct and indirect – are classified as having been released Inside-U.S.-Outside-King County. All other end-use emissions – direct fuel use and waste disposal – are classified as having been released from the King County geographic area.

⁹ Personal communication with Stephanie Battles, U.S. Energy Information Administration, October 2010.

Step 2: Intermediate Pre-Purchase Emissions by Emitting Sector

Emissions calculations take the dollar value of King County’s consumer purchases (called final demand) – classified into 440 types of commodities – and use “input-output” analysis to calculate the upstream (supply chain) production requirements of these purchases, also called “intermediate” or “indirect” demand. For example, the purchase of a washing machine by a household (final demand) requires an upstream chain of business-to-business purchases: the washing machine factory purchases steel, plastic, wiring, and electricity; the steel foundry purchases iron and coal; and so on. Final demand for each commodity creates intermediate demand for other commodities. The sum of final demand and intermediate demand for any given commodity is called “gross demand.” Gross demand is organized by the emitting sector. The gross demand of clothing would be the final demand of clothing (direct purchases of clothing by consumers), plus the intermediate demand for clothing resulting from final demand for all commodities (such as the purchase of uniforms by hotels and the purchase of scrubs by hospitals). Demand is measured in dollars.

In CBEI, the gross (final plus intermediate) demand for all commodities purchased by King County consumers is multiplied by the appropriate emissions coefficient (emissions per dollar) for each commodity to calculate the resultant emissions. Gross demand is divided into production in three regions: King County, outside King County but inside the United States, and imports from other countries. Gross demand for products made in King County is multiplied by King County’s emissions intensities; gross demand for products made in the rest of the United States is multiplied by U.S. emissions intensities; and demand for products made in other countries is multiplied by the emissions intensities for foreign imports into the United States.¹⁰

In this intermediary step, embedded pre-purchase emissions in the clothing category, for example, are not the full embedded emissions of clothing purchases; if a consumer’s purchase of clothing results in upstream emissions from the clothing industry’s purchase of appliances, electronics, or fuel, these emissions are classified as appliances, electronics or fuel, and are not readily observable as having resulted from the purchase of clothing. Similarly, if a consumer’s purchase of hotel stays, doctor’s visits, or computers results in upstream emissions from the clothing industry (associated with the manufacture of clothing for housekeeping staff or medical scrubs, or clean-room “bunny suits”), these emissions are classified as clothing, and are not readily observable as having resulted from the purchase of hotel stays, doctor’s visits, or computers.

The intermediate emissions calculated in this manner are classified as production, pre-purchase transportation, or wholesale/retail, and are reported on an industry and location basis. For example, in order to produce cars sold in King County, auto companies must purchase steel and other inputs. The emissions from production of the steel used to make these cars are included in the CBEI intermediate calculation of production emissions, since they are part of the

¹⁰ The CBEI methodology for calculating the emissions embodied in King County’s foreign imports is slightly different from that of King County’s domestic imports and King County production for in-county consumption. These differences are explained in more detail in the methodology section of this report.

embedded emissions of cars sold in King County. Those emissions, however, are reported as steel industry emissions. In this intermediate step, a similar principle of classification applies to all other emissions from production of inputs or intermediate goods: All emissions are assigned to the industries that produce them (e.g. steel), even when the emissions are embedded in a final good in another industry (e.g. cars).

Step 3: Reorganizing Results from Emitting Sector to Consuming Sector

The CBEI model estimates the consumption-based emissions of King County's final demand for goods and services. Emissions "upstream" of the consumer (embedded pre-purchase emissions) are first classified according to emitting industry (in Step 2 above), allowing users to observe the share of emissions originating in each of 440 industries.

Running CBEI in its "life-cycle analysis" mode reorganizes the pre-purchase results according to commodities consumed. Both classification systems (by emitting sector and by consuming sector) result in the same grand total of emissions for the King County pre-purchase emissions, but very different allocations of emissions among sectors. CBEI's pre-purchase results by consuming sector are the embedded emissions of each and every sector of King County consumption separately. Emissions are assigned to the sector of the good or service consumed. For example, emissions from the production of any good or service that are associated with the consumption of clothing (cotton growing, dye manufacture, and advertising) are assigned to clothing.

Imagine an economy with just three production sectors and three types of final goods: wheat, electricity, and steel. CBEI first calculates the total consumption-based emissions for this economy using the Geographic Plus emissions inventory (to establish in-region emission coefficients) along with economic data. The emissions are organized by emitting sector; that is, the purchase of final goods in the King County results in emissions from the production of wheat, electricity, and steel. Emissions that result from the *production* of wheat are assigned to the wheat sector, from electricity to the electricity sector, and from steel to the steel sector. These are the embedded pre-purchase emissions of King County's total consumption by emitting sector.

In Step 3 of the CBEI model, emissions are reorganized by the sector of consumption: the purchase of wheat in King County results in emissions from producing wheat, but also in upstream emissions from producing electricity and steel used for farm operations. All emissions that result from the end-use *consumption* of wheat are assigned to the wheat sector, regardless of how and where they were produced. All emissions resulting from the end-use consumption of electricity are assigned to the electricity sector, and all emissions resulting from the end-use consumption of steel are assigned to the steel sector. This is a single-year "life-cycle analysis" of each sector of King County's consumption, where the results sum to total single-year King County consumption-based pre-purchase emissions.

Because of the way the IMPLAN economic data are organized, the CBEI pre-purchase results for a given commodity category do not include emissions from wholesalers, retailers, or the transportation of a final commodity from factory to wholesaler to retailer; rather, these results

are broken out in the pre-purchase transportation and wholesale/retail phases. Wholesale, retail and pre-purchase transportation are treated as services purchased by consumers. When particular categories of consumption are shown to have pre-purchase transportation or wholesale/retail phase emissions in final consumption-based emissions, these emissions result from producer's purchases of these services (such as, transporting wheat from farm to factory). In buying a cookie, for example, the consumer buys – separately – the cookie; the transportation that was necessary to move the cookie and its raw materials from field, to factory, to wholesaler, to retailer; the storage services of the wholesaler; and the retail services of the store. All of these emissions are included in the pre-purchase total, but cookie pre-purchase transportation emissions, for example, are not linked to cookie production emissions.

Step 4: Final Results, Adding Use and Disposal Emissions

In a final step, emissions from two additional life-cycle phases are added to the pre-purchase results organized by consuming sector, after adjustments to avoid double counting. The calculation of CBEI's use and post-consumer disposal phases includes additional emissions from direct fuel use not included in the pre-purchase model, and a transfer of some emissions from the pre-purchase model to the use and disposal phases. Fuels are an important category of King County's consumer purchases, but the pre-purchase model only includes the upstream impacts of refining and distributing fuels, and of businesses' burning fuels to make and transport products; it does not include the use phase impacts of consumers burning fuels in their cars and furnaces.

Use-phase calculations take the Geographic Plus inventory's emissions from households and governments end-use of fuel and electricity and add them to the indirect emissions from refining and distributing fuels (for direct use and to generate electricity). These emissions are then allocated to the sectors representing the appliance and vehicles that use fuels and electricity. Indirect emissions from end-use fuel and electricity purchases, and direct emissions from end-use electricity purchases, are subtracted from the pre-purchase results in order to avoid double-counting.

Post-consumer disposal phase emissions calculations are taken from supplemental materials to the Geographic Plus inventory.¹¹ CBEI's pre-purchase emissions embedded in waste disposal are deleted to avoid double counting. End-use disposal emissions are allocated to various commodities in proportion to the types of items found in King County's municipal waste. Again, post-consumer disposal phase emissions are not classified according to the service purchased (waste disposal), but instead according to the types of commodities that King County consumers throw away.

¹¹ Note that emissions for waste disposal included in King County's emissions coefficients (and, therefore, the pre-purchase CBEI results) and the waste disposal emissions included in CBEI's post-consumer disposal phase are based on a "waste commitment" methodology. Data sources are given in the methodology section of this report.

Limitations and Uncertainties

CBEI's embedded pre-purchase emission results are not measurements; they are the best possible estimates given the availability of data. The economic data underlying CBEI's pre-purchase model are IMPLAN data, including input-output and other production data for King County and for the United States as whole; domestic and foreign import shares for each type of good purchased in King County; and consumption data for households, government entities, and business investment in King County. All IMPLAN data are estimated, as are all economic data used by governments and reported in the media: gross domestic product, the inflation rate, the unemployment rate – these are all estimates.

CBEI emission results are estimates, but, of course, many of the emissions totals presented in geographic and hybrid greenhouse gas inventories are also estimates, based on calculations of the average emission intensities of fuels, industry self-reporting on emissions from production, or elaborate systems for approximating the number of vehicle miles traveled and the average fuel efficiency of those vehicles. When measurement is not possible – as is the case for most economic and much physical data – the practice of using good estimates is commonplace.

IMPLAN estimates the consumption of households in every ZIP code, county and state of the United States based on annual data from the national Consumer Expenditure Survey,¹² a relatively small-scale survey that excludes several states each year, disguises the origins of surveys from several other states, and samples fewer than 100 households in each of the smaller states, and up to (roughly) 2,000 households in each of the largest states. The Consumer Expenditure Survey does not have enough respondents to give an accurate picture of consumption in any county or in most states. In order to customize these national data so they apply to each smaller area, IMPLAN divides the respondents into nine income groups. Using consumption profiles for each income group and income distribution data from the very large-scale American Community Survey and the U.S. Census, IMPLAN estimates each area's household expenditures.¹³

Given the availability of data, this is the most accurate method for estimating local area consumption. Indeed, detailed analysis of Consumer Expenditure Survey data by region shows that, after controlling for income, there are only very small differences in consumption patterns across regions, with the exception of a few categories of goods: transportation fuels, heating fuels, and electricity (see Stanton and Ackerman 2010). Fuel and electricity consumption do vary by income, but they also vary by climate and population density (Stanton et al. 2010). IMPLAN household consumption estimates for fuel and electricity, then, are likely to be inaccurate. Note, however, that for fuel and electricity CBEI uses its pre-purchase emissions analysis only to estimate the indirect emissions from refining and distributing fuels. For the

¹² Bureau of Labor Statistics (n.d.). *Consumer Expenditure Survey*. Washington, DC: U.S. Department of Labor. Available at <http://www.bls.gov/cex/>.

¹³ U.S. Census Bureau, American Community Survey (annual), <http://www.census.gov/acs/www/>, and 2000 U.S. Census, <http://www.census.gov/main/www/cen2000.html>.

direct emissions from burning fuels and generating the electricity used by consumers, CBEI uses the end-use emissions calculated by the Geographic Plus inventory.

The CBEI model is a work in progress, designed to utilize the best data available today and the best assumptions about the relationships between those data in order to estimate consumption-based emissions for sub-national regions of the United States. An important part of the model still under development is the translation of “producer prices” from IMPLAN data (the price paid for something at the factory door) to the more intuitive “consumer prices” (the price paid at a store). This organization of IMPLAN data makes it necessary for CBEI to treat the services of the retailer as a separate purchase – the dollars spent to buy bread are not readily connected to the retail “margin” (the mark-up that the retailer charges). In a future version of CBEI, we hope to use IMPLAN’s margin data to make this connection and present emissions for purchases made at the store, not the factory.

A final limitation of CBEI is its transferability to another region or year. In principle, creating a King County CBEI for 2009 would be fairly straightforward; the more similar the categories of emissions given in the 2009 Geographic Plus inventory, the simpler this process would be. Introducing King County IMPLAN data for 2009, and updating the various emissions coefficients and the mapping of use and disposal emissions to end-use sectors, however, is complicated and labor-intensive. Transferring CBEI to another jurisdiction is still more complicated, both technically and legally. Inventories vary greatly in their categorization of emissions – in CBEI development, we construct new mappings for each jurisdiction from scratch. It is also the case that IMPLAN data for King County and for the United States are embedded in the CBEI model, and these data cannot be transferred according to the terms of the IMPLAN licensing agreement. (When a CBEI project is complete, we transfer our license for IMPLAN data used in the project to the client.) Our long-range plan is to build a version of CBEI that would be generic and publically accessible, along with instructions for purchasing and importing IMPLAN data, constructing emissions coefficients, etc.

Using CBEI to Measure Policy Impacts

Greenhouse gas emissions inventories are often intended to inform a policy debate regarding local-area mitigation efforts. Abatement policies could affect emissions in a number of ways that can be tracked by observing changes in annual inventories. For the emissions embedded in consumer products, some of the most likely observable policy effects include:

- Local policies could affect local emission intensities (lowering emissions per dollar spent). In CBEI, this impact would be recorded in annual changes to King County’s emissions coefficients.
- National policy could affect national emissions intensities. In CBEI, this impact would be recorded in annual changes to U.S. emission coefficients.
- Global policies or policies elsewhere in the world could affect the emissions intensities of imports to the United States. In CBEI, this impact would be recorded in changes to the

foreign emission coefficients, although there would be some lag, as these data are not annual. The most recent available data are for 2004.

- Local policies could affect local fuel and electricity consumption patterns. In CBEI this impact would be recorded in the Use phase, which takes its data from the hybrid inventory.
- Local policies could affect local non-energy consumption patterns such that local consumption (by income group) became atypical for the United States. For CBEI to record this impact, IMPLAN data must be supplemented by additional data sources.

Options for supplementing CBEI's non-energy consumption data to monitor changes in local consumption patterns can take a few different forms. To observe the impact of policies aimed at reducing overall consumption, year-to-year changes in the jurisdiction's sales tax receipts (adjusting for any variation in rates) could be used to scale IMPLAN consumption data. One scaling factor could be applied to all non-energy consumption, or – if some disaggregation of sales tax sources exists – different scaling factors could be applied to a few different categories of emissions.

To observe the impacts of policies aimed at reducing the consumption of particular products, an annual survey of selected retail establishments could reveal changes in consumption patterns for specific, targeted items. With this information, scaling factors could be constructed for IMPLAN's consumption data for the targeted products. This survey of retailers could be as large or as small as time and budget allows. For many products, requesting multi-year sales data from the largest retailers could provide a very rich data source.

King County 2008 Consumption-Based Emissions, Results and Analysis

2.1. Relationship to Geographic Plus Inventory

Calculation of the CBEI 2008 consumption-based inventory for King County begins with the King County's 2008 "Geographic Plus" Greenhouse Gas Inventory (SEI 2010). Emissions from the King County's Geographic Plus inventory are used in two ways in CBEI calculations: first, Geographic Plus industrial and commercial emissions are used to construct emission intensities for King County-based production; and second, Geographic Plus end-use emissions are the basis for the use and disposal phases.

Table 1 shows the allocation of Geographic Plus emissions towards these two purposes. (Note that end use electricity and waste disposal emissions are needed to calculate the correct emissions intensities for King County production, but estimates of the emissions embedded in King County's purchase of electricity and waste disposal services are replaced with more accurate data on end-use emissions provided by the Geographic Plus inventory.) The consumption-based inventory results presented below have been adjusted to remove any double counting.

Table 1: King County's Geographic Plus Inventory by Emission Type, 2008

| <i>(million mT CO₂-e)</i> | Industrial/Commercial Emissions | End-Use Emissions |
|---|------------------------------------|-------------------|
| King County 2008 Geographic Plus | 12.18 | 11.05 |
| Transportation | 5.26 | 6.06 |
| Residential | | 5.97 |
| Government | | 0.09 |
| Industrial/Commercial | 5.26 | |
| Electricity | 2.29 | 2.54 |
| Residential | | 2.06 |
| Government | | 0.49 |
| Commercial | 1.79 | |
| Industrial | 0.50 | |
| Direct Fuel Use | 3.26 | 2.35 |
| Residential | | 2.07 |
| Government | | 0.29 |
| Commercial | 1.46 | |
| Industrial | 1.80 | |
| Process and Fugitive Gases | 1.20 | |
| Waste | | 0.09 |
| Agriculture | 0.16 | |

Note: Waste emissions shown in this table are based on “waste commitment” calculations and are taken from supplemental materials to the Geographic Plus inventory.

Source: Authors’ calculations based on SEI (2010).

CBEI calculations result in 47.75 mT CO₂-e in embedded pre-purchase emissions (see Table 2). To this, the Geographic Plus end-use emissions are added (11.05 mT CO₂-e) and adjustments are made for double-counting (-3.81 mT CO₂-e). Final consumption-based emissions for King County in 2008 are 54.99 mT CO₂-e. In the context of the United States, King County is an urban, relatively affluent area where most of what is consumed is imported from outside the county, and most of what is produced is purchased by consumers outside the county. King County’s consumption-based emissions are more than double (235 percent) of the emissions estimated in King County’s 2008 Geography Plus inventory (23.35 mT CO₂-e).

Table 2: Final Consumption-Based Emissions, King County 2008

| | (million mT CO ₂ -e) |
|--|---------------------------------|
| Embedded Pre-Purchase Emissions | 47.75 |
| Geographic Plus End-Use Emissions | 11.05 |
| Correction for Double-Counting Direct Emissions from Electricity and Waste | -3.81 |
| Final Consumption-Based Emissions | 54.99 |

Source: CBEI Version 2.0 (Stanton et al. 2011) for King County 2008.

2.2. King County’s Consumption-Based Inventory

Table 3 reports King County’s 2008 consumption-based emissions by life-cycle phase totaling 54.99 million metric tons CO₂-e. Production-phase emissions account for 62 percent of the total; pre-purchase transportation, 9 percent; wholesale and retail, less than 2 percent; use 27 percent; and post-consumer disposal less than 1 percent. In interpreting these results it is important to recall two points discussed in detail in Section 1:

- Vehicles and vehicle parts production emissions are the emissions embedded in cars purchased in King County in 2008, while this category’s use emissions are the end-use emissions from King County driving in 2008. Production emissions relate only to the cars purchased in 2008; use emissions relate to all cars driven in 2008.
- Pre-purchase emissions for each category include only the emissions embedded in a product when it leaves the factory. Emissions wholesale and retail activities (such as the electricity from running a freezer at a retail store), and from transportation to wholesalers and retailers, are included in the consumption-based emissions results but are not connected to the purchase of specific goods and services. Instead these

emissions are embedded in wholesale, retail, and pre-purchase transportation services (as if the consumer made separate purchases of, for example, (1) a bag of frozen corn, and (2) the service provided by the supermarket that sold the corn).

Table 3: King County 2008 Consumption-Based Emissions by Life-Cycle Phase

| <i>(million mT CO₂-e)</i> | GHG Emissions by Phase | | | | | Total |
|--------------------------------------|------------------------|-----------------------------|------------------|---------------|------------------------|---------------|
| | Production | Pre-Purchase Transportation | Wholesale/Retail | Use | Post-Consumer Disposal | |
| King County Total Emissions | 33.969 | 4.783 | 0.881 | 14.993 | 0.366 | 54.992 |
| Appliances, HVAC | 0.026 | 0.002 | 0.000 | 4.523 | 0.000 | 4.551 |
| Appliances, other | 0.259 | 0.011 | 0.000 | 2.300 | 0.001 | 2.571 |
| Clothing | 1.323 | 0.012 | 0.000 | 0.000 | 0.000 | 1.337 |
| Concrete, cement and lime | 0.003 | 0.000 | 0.000 | 0.000 | 0.000 | 0.003 |
| Construction | 3.692 | 0.433 | 0.024 | 0.000 | 0.063 | 4.212 |
| Electronics | 1.795 | 0.070 | 0.006 | 0.554 | 0.001 | 2.427 |
| Food and beverages | 7.052 | 0.552 | 0.015 | 0.000 | 0.131 | 7.750 |
| Forest products | 0.257 | 0.018 | 0.000 | 0.000 | 0.037 | 0.313 |
| Fuel, utilities, waste | 0.097 | 0.004 | 0.000 | 0.000 | 0.000 | 0.101 |
| Healthcare | 2.853 | 0.212 | 0.011 | 0.000 | 0.004 | 3.080 |
| Home, yard, office | 3.067 | 0.245 | 0.013 | 0.060 | 0.104 | 3.488 |
| Retailer and wholesale | 1.586 | 0.206 | 0.780 | 0.000 | 0.003 | 2.575 |
| Services | 4.494 | 0.283 | 0.008 | 0.000 | 0.016 | 4.801 |
| Transportation services | 0.448 | 2.244 | 0.003 | 0.000 | 0.000 | 2.696 |
| Vehicles and vehicle parts | 3.459 | 0.294 | 0.011 | 7.555 | 0.003 | 11.322 |
| Other | 3.558 | 0.195 | 0.009 | 0.000 | 0.004 | 3.767 |

Source: CBEI Version 2.0 (Stanton et al. 2011) for King County 2008.

Table 4 reports King County’s 2008 consumption-based emissions by type of consumer. Household emissions account for 76 percent of the total; business investment, 19 percent; and government, 5 percent. Recall that business investment refers to emissions embedded in businesses purchase of capital goods and net inventory, which cannot be associated with final purchases by households and governments (see discussion in Section 1).

As shown in Table 5, the largest categories are Vehicles and vehicle parts (21 percent) and Food and beverages (14 percent). These are also the largest categories of emissions from household consumption: Vehicles and vehicles parts (21 percent), and Food and beverages (18 percent).

Table 6 reports consumption-based emissions by subcategory. Cars and light trucks is the subcategory with the greatest emissions (11 percent), followed Appliances, HVAC (8.3 percent), and Other (7 percent). No other subcategories exceed 5 percent of consumption-based emissions.

Table 4: King County 2008 Consumption-Based Emissions by Consumer Type

| <i>(million mT CO₂-e)</i> | GHG Emissions by Type of Consumer | | | Total |
|--------------------------------------|-----------------------------------|--------------|---------------|---------------|
| | Household | Government | Investment | |
| King County Total Emissions | 41.743 | 3.045 | 10.205 | 54.992 |
| Appliances, HVAC | 3.925 | 0.620 | 0.007 | 4.551 |
| Appliances, other | 2.085 | 0.477 | 0.009 | 2.571 |
| Clothing | 1.330 | 0.007 | 0.000 | 1.337 |
| Concrete, cement and lime | 0.002 | 0.001 | 0.000 | 0.003 |
| Construction | 0.600 | 0.437 | 3.175 | 4.212 |
| Electronics | 1.106 | 0.251 | 1.070 | 2.427 |
| Food and beverages | 7.644 | 0.091 | 0.015 | 7.750 |
| Forest products | 0.264 | 0.049 | 0.000 | 0.313 |
| Fuel, utilities, waste | 0.090 | 0.008 | 0.003 | 0.101 |
| Healthcare | 2.995 | 0.034 | 0.051 | 3.080 |
| Home, yard, office | 1.770 | 0.037 | 1.681 | 3.488 |
| Retailer and wholesale | 2.351 | 0.015 | 0.208 | 2.575 |
| Services | 4.498 | 0.229 | 0.074 | 4.801 |
| Transportation services | 2.403 | 0.125 | 0.168 | 2.696 |
| Vehicles and vehicle parts | 8.804 | 0.371 | 2.146 | 11.322 |
| Other | 1.878 | 0.292 | 1.597 | 3.767 |

Source: CBEI Version 2.0 (Stanton et al. 2011) for King County 2008.

Table 5: King County 2008 Consumption-Based Emissions, Share by Category

| <i>(million mT CO₂-e)</i> | GHG Emissions by Type of Consumer | | | Total |
|--------------------------------------|-----------------------------------|---------------|---------------|---------------|
| | Household | Government | Investment | |
| King County Total Emissions | 100.0% | 100.0% | 100.0% | 100.0% |
| Vehicles and vehicle parts | 21.1% | 12.2% | 21.0% | 20.6% |
| Food and beverages | 18.3% | 3.0% | 0.1% | 14.1% |
| Services | 10.8% | 7.5% | 0.7% | 8.7% |
| Appliances, HVAC | 9.4% | 20.4% | 0.1% | 8.3% |
| Construction | 1.4% | 14.3% | 31.1% | 7.7% |
| Other | 4.5% | 9.6% | 15.6% | 6.8% |
| Home, yard, office | 4.2% | 1.2% | 16.5% | 6.3% |
| Healthcare | 7.2% | 1.1% | 0.5% | 5.6% |
| Transportation services | 5.8% | 4.1% | 1.6% | 4.9% |
| Retailer and wholesale | 5.6% | 0.5% | 2.0% | 4.7% |
| Appliances, other | 5.0% | 15.6% | 0.1% | 4.7% |
| Electronics | 2.6% | 8.3% | 10.5% | 4.4% |
| Clothing | 3.2% | 0.2% | 0.0% | 2.4% |
| Forest products | 0.6% | 1.6% | 0.0% | 0.6% |
| Fuel, utilities, waste | 0.2% | 0.3% | 0.0% | 0.2% |
| Concrete, cement and lime | 0.0% | 0.0% | 0.0% | 0.0% |

Source: CBEI Version 2.0 (Stanton et al. 2011) for King County 2008.

Table 6: King County 2008 Consumption-Based Emissions by Subcategory

| <i>(million mT CO₂-e)</i> | GHG Emissions by Type of Consumer | | | Total |
|---|-----------------------------------|--------------|---------------|---------------|
| | Household | Government | Investment | |
| King County Total Emissions | 41.743 | 3.045 | 10.205 | 54.992 |
| Appliances, HVAC | 3.925 | 0.620 | 0.007 | 4.551 |
| Appliances, other | 2.085 | 0.477 | 0.009 | 2.571 |
| Lighting fixtures and bulbs | 0.808 | 0.334 | 0.001 | 1.143 |
| Ranges and microwaves | 0.325 | 0.025 | 0.000 | 0.350 |
| Refrigerators and freezers | 0.346 | 0.094 | 0.000 | 0.440 |
| Washers and dryers | 0.420 | 0.019 | 0.000 | 0.439 |
| Other appliances | 0.186 | 0.004 | 0.008 | 0.198 |
| Clothing | 1.330 | 0.007 | 0.000 | 1.337 |
| Concrete, cement and lime | 0.002 | 0.001 | 0.000 | 0.003 |
| Construction | 0.600 | 0.437 | 3.175 | 4.212 |
| Non-residential construction | 0.000 | 0.412 | 2.134 | 2.545 |
| Prefabricated buildings | 0.001 | 0.001 | 0.001 | 0.002 |
| Residential construction and remodeling | 0.600 | 0.024 | 1.041 | 1.664 |
| Electronics | 1.106 | 0.251 | 1.070 | 2.427 |
| Computer service and equipment | 0.385 | 0.110 | 0.963 | 1.459 |
| Other electronics | 0.720 | 0.141 | 0.107 | 0.968 |
| Food and beverages | 7.644 | 0.091 | 0.015 | 7.750 |
| Beverages | 0.823 | 0.001 | 0.001 | 0.825 |
| Condiments, oils and sweeteners | 0.155 | 0.001 | 0.000 | 0.157 |
| Dairy | 0.828 | 0.019 | 0.000 | 0.848 |
| Fresh fruit, nuts and vegetables | 0.339 | 0.001 | 0.003 | 0.343 |
| Frozen food | 0.200 | 0.001 | 0.000 | 0.201 |
| Grains, baked goods, cereals, roasted nuts, nut butters | 0.786 | 0.006 | 0.000 | 0.792 |
| Poultry and eggs | 0.475 | 0.002 | 0.000 | 0.476 |
| Processed fruit, nuts and vegetables | 0.231 | 0.005 | 0.000 | 0.236 |
| Red meat | 1.292 | 0.028 | 0.000 | 1.320 |
| Restaurants | 1.804 | 0.021 | 0.000 | 1.825 |
| Seafood | 0.068 | 0.002 | 0.011 | 0.081 |
| Other food and agriculture | 0.642 | 0.004 | 0.000 | 0.646 |
| Forest products | 0.264 | 0.049 | 0.000 | 0.313 |
| Paper and cardboard | 0.245 | 0.043 | 0.000 | 0.288 |
| Other processed forest products | 0.019 | 0.005 | 0.000 | 0.024 |
| Unprocessed forest products | 0.000 | 0.000 | 0.000 | 0.001 |
| Fuel, utilities, waste | 0.090 | 0.008 | 0.003 | 0.101 |
| Gasoline, heating fuels, other petroleum products | 0.000 | 0.000 | 0.000 | 0.000 |
| Natural gas distribution | 0.000 | 0.000 | 0.000 | 0.000 |
| Oil and gas extraction | 0.006 | 0.004 | 0.003 | 0.014 |
| Power generation and supply | 0.000 | 0.000 | 0.000 | 0.000 |
| Waste management | 0.000 | 0.000 | 0.000 | 0.000 |
| Water- sewage and other systems | 0.083 | 0.004 | 0.000 | 0.087 |

Table 6 (continued): King County 2008 Consumption-Based Emissions by Subcategory

| (million mT CO ₂ -e) | GHG Emissions by Type of Consumer | | | Total |
|---|-----------------------------------|--------------|---------------|---------------|
| | Household | Government | Investment | |
| King County Total Emissions | 41.743 | 3.045 | 10.205 | 54.992 |
| Healthcare | 2.995 | 0.034 | 0.051 | 3.080 |
| Healthcare services | 2.419 | 0.002 | 0.000 | 2.421 |
| Medicines and other healthcare supplies | 0.576 | 0.032 | 0.051 | 0.659 |
| Home, yard, office | 1.770 | 0.037 | 1.681 | 3.488 |
| Home furnishings | 0.453 | 0.002 | 0.014 | 0.470 |
| Household supplies | 0.841 | 0.013 | 0.001 | 0.856 |
| Lawn and garden | 0.298 | 0.012 | 0.003 | 0.313 |
| Media and office supplies (except paper) | 0.176 | 0.010 | 1.662 | 1.849 |
| Retailer and wholesale | 2.351 | 0.015 | 0.208 | 2.575 |
| Retailers | 1.901 | 0.000 | 0.074 | 1.975 |
| Wholesale | 0.450 | 0.015 | 0.135 | 0.600 |
| Services | 4.498 | 0.229 | 0.074 | 4.801 |
| Banks, financial, legal, real estate, insurance | 1.375 | 0.030 | 0.000 | 1.405 |
| Building services | 0.012 | 0.003 | 0.000 | 0.014 |
| Education and day care | 0.885 | 0.025 | 0.000 | 0.910 |
| Hotels, motels, entertainment, media | 1.285 | 0.035 | 0.013 | 1.333 |
| Other services | 0.941 | 0.136 | 0.061 | 1.138 |
| Transportation services | 2.403 | 0.125 | 0.168 | 2.696 |
| Car rental, repair and wash | 0.267 | 0.003 | 0.000 | 0.270 |
| Transportation services, air | 0.955 | 0.043 | 0.038 | 1.036 |
| Transportation services, mass transit | 0.043 | 0.005 | 0.000 | 0.049 |
| Transportation services, rail | 0.033 | 0.004 | 0.009 | 0.046 |
| Transportation services, truck | 1.033 | 0.063 | 0.120 | 1.217 |
| Transportation services, water | 0.026 | 0.004 | 0.000 | 0.030 |
| Transportation services, other | 0.045 | 0.003 | 0.000 | 0.048 |
| Vehicles and vehicle parts | 8.804 | 0.371 | 2.146 | 11.322 |
| Aircraft | 0.007 | 0.061 | 2.027 | 2.095 |
| Cars and light trucks | 6.141 | 0.090 | 0.000 | 6.231 |
| Heavy duty trucks | 2.276 | 0.117 | 0.066 | 2.459 |
| Other road vehicles | 0.147 | 0.001 | 0.002 | 0.149 |
| Railroad rolling stock | 0.000 | 0.001 | 0.011 | 0.012 |
| Ships and boats | 0.044 | 0.034 | 0.016 | 0.094 |
| Vehicle parts | 0.190 | 0.067 | 0.024 | 0.281 |
| Other | 1.878 | 0.292 | 1.597 | 3.767 |

Table 7 reports King County’s 2008 consumption-based emissions by location of emissions. Note that a large fraction of emissions associated with Services were released outside King County. Consumers frequently purchase services from outside of King County (by using an electronic service, or by taking a trip outside of the county). In addition, services providers located within King County purchase intermediate goods and services from outside of King County; for example, a King County hair dresser will purchase shampoo and styling gel made outside of King County.

Table 7: King County 2008 Consumption-Based Emissions by Location

| <i>(million mT CO₂-e)</i> | GHG Emissions by Location of Emission | | | Total |
|--------------------------------------|---------------------------------------|--------------------------|---------------|---------------|
| | King County | Inside-US- Outside-KC | Foreign | |
| King County Total Emissions | 15.154 | 25.882 | 13.957 | 54.992 |
| Appliances, HVAC | 2.580 | 1.957 | 0.015 | 4.551 |
| Appliances, other | 0.240 | 2.139 | 0.191 | 2.571 |
| Clothing | 0.006 | 0.066 | 1.265 | 1.337 |
| Concrete, cement and lime | 0.000 | 0.001 | 0.001 | 0.003 |
| Construction | 0.738 | 2.338 | 1.135 | 4.212 |
| Electronics | 0.154 | 1.270 | 1.003 | 2.427 |
| Food and beverages | 0.483 | 5.457 | 1.810 | 7.750 |
| Forest products | 0.040 | 0.177 | 0.096 | 0.313 |
| Fuel, utilities, waste | 0.008 | 0.062 | 0.032 | 0.101 |
| Healthcare | 0.348 | 2.038 | 0.694 | 3.080 |
| Home, yard, office | 0.653 | 1.618 | 1.217 | 3.488 |
| Retailer and wholesale | 0.522 | 1.597 | 0.455 | 2.575 |
| Services | 0.830 | 2.882 | 1.089 | 4.801 |
| Transportation services | 0.527 | 1.149 | 1.019 | 2.696 |
| Vehicles and vehicle parts | 7.656 | 1.752 | 1.914 | 11.322 |
| Other | 0.368 | 1.379 | 2.020 | 3.767 |

Source: CBEI Version 2.0 (Stanton et al. 2011) for King County 2008.

In 2008, King County consumption of coffee and tea resulted in 0.046 million mT CO₂-e. Only 4 percent of these emissions originated within King County; 54 percent were released in the rest of the United States, and 42 percent were released outside of the United States.

2.3. Emissions Intensity Comparison

King County consumers purchase commodities that are made in King County, made in the rest of the United States, and made in foreign countries. Because emissions intensities (emissions per dollar) differ in each of these production locations, if King County residents were to change their purchasing habits – buy more foreign-made products, for example – King County’s consumption-based emissions inventory would change. Table 8 compares King County’s

consumption-based emissions with the estimated emissions if King County consumers continued to buy the same dollar-value of items, but chose to buy them from the rest of the United States or from foreign countries; these comparisons are made for pre-purchase emissions only (not for use and disposal phase emissions¹⁴) and are organized by consuming sector.

Table 8: Emissions Results with Adjusted Emissions Intensities

| | <i>(millions of mT CO₂-e)</i> | | | | |
|------------------------------|---|---|---|---|--|
| | King County Pre-Purchase Emissions | In-County Final Demand at US Intensities | In-U.S. Final Demand at US- Import Intensities | Ratio of KC-at-US to King County | Ratio of KC&US- at-Foreign to King County |
| | <i>(King County)</i> | <i>(KC at US)</i> | <i>(KC&US at Foreign)</i> | | |
| King County Emissions | 47.749 | 55.105 | 86.256 | 1.154 | 1.806 |
| Appliances, HVAC | 0.028 | 0.028 | 0.038 | 1.010 | 1.373 |
| Appliances, other | 0.270 | 0.272 | 0.335 | 1.006 | 1.239 |
| Clothing | 1.336 | 1.345 | 1.504 | 1.006 | 1.126 |
| Concrete, cement and lime | 0.003 | 0.004 | 0.002 | 1.177 | 0.785 |
| Construction | 4.149 | 4.876 | 8.941 | 1.175 | 2.155 |
| Electronics | 1.871 | 1.959 | 2.967 | 1.047 | 1.585 |
| Food and beverages | 7.619 | 8.074 | 10.247 | 1.060 | 1.345 |
| Forest products | 0.276 | 0.285 | 0.343 | 1.033 | 1.243 |
| Fuel, utilities, waste | 8.217 | 11.613 | 12.241 | 1.413 | 1.490 |
| Healthcare | 3.077 | 3.287 | 9.604 | 1.068 | 3.122 |
| Home, yard, office | 3.324 | 3.452 | 9.207 | 1.038 | 2.770 |
| Retailer and wholesale | 2.572 | 2.943 | 8.235 | 1.144 | 3.202 |
| Services | 4.785 | 5.301 | 9.490 | 1.108 | 1.983 |
| Transportation services | 2.695 | 4.059 | 4.252 | 1.506 | 1.578 |
| Vehicles and vehicle parts | 3.764 | 3.871 | 4.589 | 1.028 | 1.219 |
| Other | 3.763 | 3.739 | 4.261 | 0.994 | 1.132 |

Source: CBEI Version 2.0 (Stanton et al. 2011) for King County 2008.

Table 8 does not compare emissions intensities. Instead, it compares actual 2008 emissions with emissions in two “what-if” scenarios: (1) what if everything purchased in King County that is made in King County were instead made in the rest of the United States (at U.S. average emission intensities); and (2) what if everything purchased in King County that is made in the U.S. (including in King County) were instead made in another country (at the average emissions intensities of current U.S. imports). Purchasing King County-made commodities from the rest of

¹⁴ Pre-purchase emissions are reported before adjustment for double-counting.

the United States would increase 2008 emissions by 15 percent. Purchasing U.S.-made commodities from other countries would increase 2008 emissions by 81 percent.

Technical Model Description

The CBEI model estimates the consumption-based greenhouse gas emissions of a particular area in a particular year. This section discusses the CBEI technical methodology in detail.

Abbreviations:

King County = Study Area = SA

Inside-U.S.-Outside-SA = UX

United States including SA = US

Outside of the United States = Foreign = FR

3.1. Step 1: Emissions Coefficients

In the CBEI model, greenhouse gas coefficients represent the quantity of emissions released per dollar of activity in each IMPLAN sector. CBEI calculates direct coefficients (the emissions intensity of a production process, not including upstream effects) for the Study Area and the United States, and uses existing data for direct plus indirect coefficients (including upstream effects) for foreign imports to the United States. (The original data for foreign emissions intensities are available only in the direct+indirect form.)

CBEI's direct coefficients are the per dollar emissions, by sector, that result only from activities in the originating production sector; direct coefficients do not include indirect, or upstream, emissions. Production sectors are based on industrial and commercial IMPLAN codes (1 to 427), which correspond to NAICS codes 11 to 81. Sectors 428 to 440 do not have direct emissions,¹⁵ although they might have direct+indirect emissions if their indirect emissions are positive.

Direct coefficients are presented in CBEI in kg CO₂-e per dollar of industrial and commercial output for 2008. Separate direct coefficients are calculated for Study Area and the United States based on Study Area and U.S. emissions inventories and economic output, respectively.

Direct coefficients:

Dcoef_SA Study Area direct coefficients

Dcoef_US U.S. direct coefficients

¹⁵ IMPLAN sectors 361 and 428 to 440 have no direct greenhouse gas emissions, although they may purchase inputs that required emissions for their production. Most of these sectors are purely labor. A few (scrap, used goods) are trade in second-hand materials; all greenhouse gas emissions from the production of these materials are assigned to their first use. Owner-occupied dwellings refers to the "service" of owning or renting a home; the manufacturing and transport of construction materials, emissions associated with construction activities, and fuel and electricity emissions of owning or renting a home are counted elsewhere in the model.

King County Direct Coefficients

Data:

King County's 2008 "Geographic Plus" Greenhouse Gas Inventory (SEI 2010)

Emission allocations:

See KC08-00-1_MasterSpreadsheet_123010 CBEI Mapping.xlsx for a full mapping of the Geographic Plus inventory to King County direct coefficients.

- Transportation: Several data sources are used to allocate transportation emissions household, government, and commercial uses and relevant IMPLAN sectors; see "KC2008 Transportation Allocation.xlsx" for calculations and detailed methodology.
- Electricity: All end-use electricity emissions are allocated to Sector 31, "Electricity, and distribution services."
- Commercial building emissions from direct fuel: After removing government from total commercial (based on the government share of commercial heating and cooling emissions¹⁶), these emissions are allocated to all commercial sectors (319-427) in proportion to their gross output (GO_SA).
- Industry direct fuel, process, and fugitive gases: Allocated to the appropriate IMPLAN sectors using supplemental data on NAICS and SIC codes.¹⁷ In the few cases where no information was available to assign emissions to particular IMPLAN sectors, these emissions are allocated to all industrial sectors (41-318), or to all industrial sectors not otherwise accounted for with specific emission assignments, in proportion to their gross output (GO_SA).
- Waste, landfills: Waste disposal emissions are based on a "waste-in-place" methodology, and are taken from supplement materials to the Geographic Plus inventory.
- Waste, wastewater treatment: Allocated to Sector 33, "Water, sewage treatment, and other utility services."
- Agriculture: Enteric emissions from livestock and manure management are allocated to Sectors 11-14; soil management is allocated to sectors 1-10.

Study Area direct coefficients:

¹⁶ U.S. Energy Information Administration (2008), Table B18, Table A1, see "KC2008 CBEI Sources for Direct Coefficients.xlsx."

¹⁷ Data obtained from EDGAR (SEC n.d.) and the "Bridge between NAICS and SIC" in the 1997 Economic Census (U.S. Census Bureau 1997).

$$Dcoef_SA = \frac{SA \text{ total production emissions}}{GO_SA}$$

where GO_SA (defined below) is SA economic output by sector

Note that here, and throughout this methodology, calculations are for each of 440 sectors, unless otherwise noted. For simplicity sake, we omit the subscript indicating the sector number throughout.

U.S. Direct Coefficients

Data:

Emission of Greenhouse Gases in the United States 2008 (U.S. Energy Information Administration 2009)

Emission allocations:

- Transportation: Several data sources are used to allocate transportation emissions household, government, and commercial uses and relevant IMPLAN sectors; see “KC2008 Transportation Allocation.xlsx” for calculations and detailed methodology.
- Electricity: Allocated to Sector 31, “Electricity, and distribution services”.
- Industry energy: Allocated to specific IMPLAN sectors in proportion to U.S. EIA 2001 data (Schipper 2006).

Industry non-energy: Allocated to specific sectors or groups of sectors based on U.S. EIA 2008 data (EIA 2009(EIA 2009 Table 15, “U.S. Carbon Dioxide Emissions from Other Sources, 1990-2008”)(EIA 2009 Table 15, “U.S. Carbon Dioxide Emissions from Other Sources, 1990-2008”), and allocated to sectors within these groups in proportion to their gross output (GO_US).

- Commercial: Allocated to all commercial sectors (319-427) in proportion to their gross output (GO_SA).
- Other gases: Allocated to specific sectors or groups of sectors based on U.S. EIA 2008 data (EIA 2009) and allocated to sectors within these groups in proportion to their gross output (GO_US).

U.S. direct coefficients:

$$Dcoef_US = \frac{US \text{ total production emissions}}{GO_US}$$

where GO_US (defined below) is U.S. economic output by sector

Foreign Direct+Indirect Coefficients

Data:

Multi-Regional Input-Output (MRIO) International Emissions Data 2004 (Peters 2010)

Direct+indirect coefficient calculations from CBEI direct coefficients:

DIcoef_CBEI_US U.S. direct+indirect coefficients (generated by CBEI model)

1. Transpose Dcoef_US from column to row vector.
2. DIcoef_CBEI_US_Transpose = Dcoef_US_Transpose × TypeI_Matrix_US
3. Transpose DIcoef_CBEI_US_Transpose from row to column vector.

Direct+indirect coefficients from Peters data:

DIcoef_IM_US U.S. “imports” direct+indirect coefficients (for foreign final and intermediate goods used in foreign final products imported to the United States)

DIcoef_GL_US U.S. “global” direct+indirect coefficients (for foreign intermediate goods used in U.S. final products)

U.S. Import Coefficients: DIcoef_IM_US

4. Calculate values using Peters international data set by sector (i):
 - a. Emissions coefficient for final imports into the U.S. in i sectors:

$$\text{PetersDIcoef_Imports_US} = \frac{(\text{US total emissions} - \text{US global emissions})}{(\text{US total output} - \text{US global output})}$$

- b. Value of final imports into the U.S. in i sectors:
$$\text{PetersImports_US} = \text{US total output} - \text{US global output}$$
5. Peters international GHG coefficient data (2001 dollars) in sectors (i) are converted to 2006 dollars using the U.S. CPI-U.
 6. Each IMPLAN sector (j) is mapped to 1 to 3 Peters (2008 dollars) sectors (i). In some cases several GTAP sectors fall under a single IMPLAN sector, and vice versa. Groupings of GTAP sectors into IMPLAN sectors are unique such that 57 GTAP sectors (i) become 51 GTAP-sector groups (m):

$$i = 57 \text{ GTAP sectors}$$

$$j = 440 \text{ IMPLAN sectors}$$

$$k = 1\text{st}/2\text{nd}/3\text{rd GTAP sector per IMPLAN sector}$$

$i(j, k)$ maps IMPLAN to GTAP

$m(j) = i(j, 1)$ - in practice, there are 51 unique values of m

n = a GTAP sector or group of 2 or 3 sectors, all mapped to the same IMPLAN sector (i.e., a value taken on by $m(j)$)

$$7. DIcoef_IM_US_unweighted_j = \frac{\sum_k (PetersDIcoef_Imports_US_{i(j,k)} * PetersImports_US_{i(j,k)})}{\sum_k PetersImports_US_{i(j,k)}}$$

$$8. US_TCO_n = \sum_j US_TCO_j, \text{ summed over all } j \text{ for which } m(j) = n$$

$$9. US_TCO \times DIcoef_CBEI_US_n = \sum_j (DIcoef_CBEI_US_j * US_TCO_j), \text{ summed over all } j \text{ for which } m(j) = n$$

$$10. PetersWeight_j = \frac{US_TCO \times DIcoef_CBEI_US_{m(j)}}{US_TCO_{m(j)}}$$

$$11. DIcoef_IM_US_j = DIcoef_IM_US_unweighted_j * \left(\frac{DIcoef_CBEI_US_j}{PetersWeight_j} \right)^{0.5}$$

U.S. Global Coefficients: DIcoef_GL_US

1. Calculate values using Peters international data set by sector (i):

a. U.S. global emission coefficients (for U.S. final production including domestic and imported intermediate goods – direct+indirect):

$$PetersDIcoef_Global_US = \frac{US \text{ global emissions}}{US \text{ global output}}$$

b. U.S. domestic-only emissions (for U.S. final production including only domestic intermediate goods – direct+indirect):

$$PetersDIcoef_DomesticOnly_US = US \text{ domestic only}$$

c. Ratio of Peters U.S. global to Peters U.S. domestic-only emissions:

$$PetersCoefRatio = \frac{PetersDIcoef_Global_US}{PetersDIcoef_DomesticOnly_US}$$

d. Value of production in the U.S. by sector:

$$PetersGlobal_US = US \text{ global output}$$

2. Each IMPLAN sector (j) is mapped to 1 to 3 Peters (2006 dollars) sectors (i). In some cases several GTAP sectors fall under a single IMPLAN sector, and vice versa. Groupings of GTAP sectors into IMPLAN sectors are unique such that 57 GTAP sectors (i) become 51 GTAP-sector groups (m):

i = 57 GTAP sectors

j = 509 IMPLAN sectors

k = 1st/2nd/3rd GTAP sector per IMPLAN sector

i(j, k) maps IMPLAN to GTAP

$$3. \text{CoefRatio}_j = \frac{\sum_k (\text{PetersCoefRatio}_{i(j,k)} * \text{PetersGlobal_US}_{i(j,k)})}{\sum_k \text{PetersGlobal_US}_{i(j,k)}}$$

$$4. \text{DIcoef_GL_US}_j = \text{CoefRatio}_j * \text{DIcoef_CBEI_US}_j$$

3.2. Step 2: Intermediary Pre-Purchase Emissions by Emitting Sector

Final Demand

Final demand data are extracted from IMPLAN databases as “regional institutional demand”¹⁸ for the Study Area and for the United States in producer prices and terms. IMPLAN reports final demand for four types of institutions responsible for expenditures: personal or household consumption; Study-Area-based federal government; state and local government entities; and business investment expenditures in capital formation and net inventory replacement (see Table 9). Final business investment demand does not include other business-to-business transactions. (Note that, as is standard in economic analysis, these data include the “service” provided by government salaries and benefits, and government purchases, but exclude transfer payments such as Social Security or unemployment compensation.¹⁹)

King County’s final demand in 2008 was 0.9 percent of total final demand in the United States:

¹⁸ “Regional institutional demand” is IMPLAN’s term for final demand for commodities by households and government, plus firms’ investment in equipment or inventory.

¹⁹ Government expenditures on employment (just like other pure-labor sectors such as household domestic work) have direct emissions coefficients of zero; labor by itself does not cause greenhouse gas emissions. Any emissions associated with government employees spending their salaries (as consumers) are accounted for as part of “household” final demand, so there is no double-counting of emissions.

Table 9: Final Demand for King County and United States, 2008 (millions \$)

| | Households | State and Local Government | Federal Government | Business Investment | Total |
|----------------------|-------------------|-----------------------------------|---------------------------|----------------------------|--------------|
| King County | | | | | |
| <i>million \$</i> | \$93,313 | \$11,699 | \$4,129 | \$40,458 | \$149,599 |
| <i>percent</i> | 62.4% | 7.8% | 2.8% | 27.0% | 100.0% |
| United States | | | | | |
| <i>million \$</i> | \$10,299,248 | \$2,147,637 | \$1,114,883 | \$2,377,205 | \$15,938,973 |
| <i>percent</i> | 64.6% | 13.5% | 7.0% | 14.9% | 100.0% |

Source: IMPLAN 2008 data for King County (MIG 2010).

CBEI multiplies final demand by IMPLAN input-output matrices to calculate gross (or direct plus indirect) demand. Gross demand is calculated for the Study Area (including the Study Area’s final and intermediate purchases of commodities produced in the Study Area); and Inside-US-Outside-SA (including the Study Area’s final and intermediate purchase of commodities produced Inside-US-Outside-SA, and intermediate purchases used to produce final products consumed in King County produced Inside-US-Outside-SA). Gross demand for each location of production is then multiplied by the appropriate emissions coefficients (Study Area or U.S.). (Note that final and intermediate demand for foreign commodities – including King County’s final and intermediate purchase of commodities produced in foreign countries – are calculated somewhat differently because of data constraints as described below.)

“Producer prices and terms” indicates that IMPLAN’s reported final demand in a given commodity sector reflects payments to that commodity’s production sector, not the retail price paid by the ultimate purchasers of the commodity. Few purchases are made directly from industrial sectors. Instead, finished products typically pass through several hands before reaching the customer, and a portion of each consumer dollar spent on any product is retained by wholesale, retail, and transportation firms. For example, for a \$1 cookie purchase, 25 cents is estimated, on average, to be retained by the retailer, 9 cents is paid to the wholesaler, 3 cents goes to pre-purchase transportation, and 63 cents is paid to the manufacturer. The portions retained by businesses other than the producer are the margin or mark up.

CBEI does not include any calculation of final demand from margining activities that would associate a particular good’s emissions with the share of each consumer dollar spent on retail, wholesale, and transportation of a good before purchase. Instead, CBEI takes the dollars spent by King County consumers on margining activities (retail, wholesale, and transportation) to be separate purchases of these services – the convention followed in IMPLAN demand data.

IMPLAN data (where xx is the data year):

SAxx_CD_10000 Study Area 20xx Commodity Demand by 10000 (Household) Institution

SAxx_CD_11000 Study Area 20xx Commodity Demand by 11000 (Federal Government) Institution

SAxx_CD_12000 Study Area 20xx Commodity Demand by 12000 (State and Local Government) Institution

SAxx_CD_14000 Study Area 20xx Commodity Demand by 14000 (Investment) Institution

SAxx_CD_Intm Study Area 20xx Commodity Demand, Intermediate

SAxx_IM_10000 Study Area 20xx Imports by 10000 (Household) Institution

SAxx_IM_11000 Study Area 20xx Imports by 11000 (Federal Government) Institution

SAxx_IM_12000 Study Area 20xx Imports by 12000 (State and Local Government) Institution

SAxx_IM_14000 Study Area 20xx Imports by 14000 (Business Investment) Institution

SAxx_TCO Study Area 20xx Total Commodity Output

SAxx_EX_Frn Study Area 20xx Exports, Foreign

SAxx_EX_Dom Study Area 20xx Exports, Domestic

TypeI_Matrix_SA Study Area 20xx Type I Multiplier Matrix

USxx_CD_Inst United States 20xx Commodity Demand by All Institutions

USxx_CD_Intm United States 20xx Commodity Demand, Intermediate

USxx_IM_Inst United States 20xx Imports by All Institutions

USxx_IM_Intm United States 20xx Imports, Intermediate

USxx_TCO United States 20xx Total Commodity Output

TypeI_Matrix_US United States 20xx Type I Multiplier Matrix

Data year adjustment (where yy is year under study):

SAxx_GDP GDP for study area in IMPLAN data year xx (in xx year dollars)

SAyy_GDP GDP for study area in emissions data year yy (in xx year dollars)

USxx_GDP GDP for United States in IMPLAN data year xx (in xx year dollars)

US_{yy}_GDP GDP for United States in emissions data year yy (in xx year dollars)

$$SA_{xxyy_GDPratio} = \frac{SA_{yy_GDP}}{SA_{xx_GDP}}$$

$$US_{xxyy_GDPratio} = \frac{US_{yy_GDP}}{US_{xx_GDP}}$$

If IMPLAN data year and emissions data year are the same, both ratios are set equal to 1. If IMPLAN data year and emissions data year differ, then all dollar-denominated data are multiplied by Study Area or U.S. ratios, as appropriate. After these ratios are applied, the variables are renamed removing "SA_{xx}" for study area variables and "xx" (but leaving "US_") for U.S. variables.

Foreign import rate:

FIR_10000 =

...if CD_10000 = 0 or IM_10000 = 0, then 0

...otherwise (CD_10000 and IM_10000 not equal to 0):

Minimum of:

$$\frac{IM_{10000}}{CD_{10000}}$$

or

$$\frac{US_IM_INST}{US_CD_INST}$$

Identical calculations for 10000, 11000, 12000, 14000

Final demand by production geography:

Study Area Final Demand for Study Area products:

$$FD_{10000_SA} = CD_{10000} - IM_{10000}$$

Study Area Final Demand for U.S. products:

$$FD_{10000_US} = CD_{10000} \times (1 - FIR_{10000})$$

Study Area Final Demand for foreign products:

$$FD_{10000_FR} = CD_{10000} \times FIR_{10000}$$

Identical calculations for all institutions: 10000, 11000, 12000, 14000

Gross demand by production geography:

Study Area Gross Demand for Study Area final products and Study Area intermediate production used in Study Area final production:

$$GD_{10000_SA} = TypeI_Matrix_SA \times FD_{10000_SA}$$

Study Area Gross Demand for Inside-US-Outside-SA final products and Inside-US-Outside-SA intermediate goods used in final products purchased in Study Area:

$$GD_{10000_UX} = GD_{10000_US} - GD_{10000_SA}$$

Note: GD_{10000_UX} is restricted to non-negative numbers.

where:

Study Area Gross Demand for U.S. final products and U.S. intermediate goods used in final products purchased in Study Area:

$$GD_{10000_US} = TypeI_Matrix_US \times FD_{10000_US}$$

Note: GD_{10000_US} is restricted to be equal to or greater than FD_{10000_US} .

Identical calculations and restrictions for 10000, 11000, 12000, 14000

Total Gross Output (an input to direct coefficient development):

$$GO_SA = SA_TCO$$

$$GO_US = US_TCO$$

Greenhouse Gas Emissions

Greenhouse gas emissions are reported in CBEI in thousands of metric tons of CO₂-e and are calculated as follows (see Figure 7):

- Emissions from Study Area consumption of Study-Area-made final commodities are the product of the Study Area's in-area gross demand and the Study Area direct coefficients for each of the 440 IMPLAN sectors.
- All other emissions from the Study Area's consumption of U.S.-made final commodities (including Inside-US-Outside-SA indirect emissions from the Study Area's consumption of U.S.-made final commodities) are the product of the Study Area's U.S. gross demand and the U.S. direct coefficients less the product of the Study Area's in-area gross demand and the Study Area direct coefficients.
- Foreign emissions results from the Study Area's consumption of final products are calculated in two pieces:

- The Study Area’s final demand for foreign-made goods is multiplied by the MRIO direct+indirect coefficients for “U.S. imports.”
- Emissions from the production of foreign-made intermediate goods used in the Study Area and Inside-US-Outside-SA production for the Study Area’s final consumption are the product of the Study Area’s U.S. final demand and the “U.S. global” direct+indirect coefficients less CBEI’s U.S. direct+indirect coefficients.

Figure 7: CBEI Emission Calculation Schematic

| Final production locale: | Study Area (SA) | Inside-US-Outside-SA (UX) | Foreign (FR) |
|--|--|---------------------------|---|
| Stage of production by locale: | | | |
| Final Production | | | |
| Intermediate production: SA (used in final production by column) | SA direct+indirect demand * SA direct coefficient + UX direct+indirect demand + US coefficient | | FR1 = FR direct demand * "Import" direct+indirect coefficient |
| Intermediate production: UX (used in final production by column) | | | |
| Intermediate production: FR (used in final production by column) | FR2 = US direct demand * "Global - US" direct+indirect coefficient | | |

Note: $FR = FR1 + FR2$

Source: CBEI Version 2.0 (Stanton et al. 2011).

Emissions coefficients:

- SA production of final and intermediate goods (direct)
- U.S. production of final and intermediate goods (direct)
- “U.S. Imports”: FR production of final goods sold to United States (direct+indirect)
- “U.S. Global”: FR production of intermediate goods sold to United States (direct+indirect)
- U.S. production of final and intermediate goods (direct+indirect)

Two ways to calculate emissions (depending on emissions coefficient data availability):

Emissions = Direct demand * direct+indirect coefficient

where, Direct coefficient * I/O matrix = direct+indirect coefficient

Emissions = Direct+indirect demand * direct coefficient

where, I/O matrix * Direct demand = direct+indirect (gross) demand

Emissions calculations:

Emissions released in the Study Area from Study Area consumption:

$$EM_{10000_SA} = GD_{10000_SA} \times Dcoef_SA$$

Emissions released Inside-US-Outside-SA from Study Area consumption:

$$EM_{10000_UX} = GD_{10000_UX} \times Dcoef_US$$

Emissions released outside of the United States from Study Area consumption:

$$EM_{10000_FR} = (FD_{10000_FR} \times DIcoef_IM_US) + (FD_{10000_US} \times (DIcoef_GL_US - DIcoef_CBEI_US))$$

Identical calculations for 10000, 11000, 12000, 14000

Pre-purchase emissions correction:

For transparency in presentation, the 14000 emissions results for sectors 37 and 38 (residential construction and remodeling) are added to the 10000 results for sectors 37 and 38. This change is made for all locations of emission (SA, UX, and FR) and all phases. That is, all emissions related to residential construction that would otherwise be classified as business investment consumption (a convention in economics) are instead classified as household consumption.

Greenhouse Gas Emissions by Phase

Designating emission phases:

- Each sector's emissions belong to one and only one life-cycle phase.
- Unless otherwise specified, all sectors' emissions belong to the "production" phase.
- The following sectors' emissions belong to the "pre-purchase transportation" phase:
 - 332-338 transportation sectors
- The following sectors' emissions belong to the "wholesale+retail" phase:
 - 319 wholesale trade
 - 320-331 retail sectors

EM_10000_SA_Prd Household, study-area, production-phase emissions

EM_10000_SA_Trn Household, study-area, pre-purchase-transportation-phase emissions

EM_10000_SA_WhR Household, study-area, wholesale-retail-phase emissions

Identical calculations for 10000, 11000, 12000, 14000 and SA, UX, FR

3.3. Step 3: Reorganizing Results From Emitting Sector To Consuming Sector

To reclassify pre-purchase emissions from their emitting sectors to their consuming sectors, CBEI is run in its “Life-Cycle-Analysis” mode:

- Standard CBEI results are the pre-purchase consumption-based emissions of the Study Area as a whole.
- To calculate the pre-purchase emissions for each sector of final demand separately requires re-running CBEI 440 times using the appropriately circumscribed demand vector (i.e., demand for each sector is run separately).
- Study Area consumption-based emissions are reorganized on this principle by running CBEI for each of the Study Area’s 440 sectors of demand individually and recording the total emissions generated by that run as that sector’s emissions.
- This method results in the same total CBEI emissions for the SA as a normal run, but a different distribution of emissions across sectors.

3.4. Step 4: Final Results, Adding Use and Disposal Emissions

Final CBEI results add use and post-consumer disposal emissions to the pre-purchase emissions, organized by consuming sector, and adjust for double counting.

Use and Disposal results:

- Use and post-consumer disposal phase emissions (and, therefore, final CBEI results) are calculated at the sub-category level and cannot be presented by sector.
- Use and disposal emissions (and final results) are reported for three institutions only: households, and a combined “government” institution (local and state government plus federal government), and investment.

EM_10000_SA_Use Household, study-area, use-phase emissions

EM_10000_SA_Dsp Household, study-area, post-consumer disposal-phase emissions

EM_11000+12000_SA_Use Government, study-area, use-phase emissions

EM_11000+12000_SA_Dsp Government, study-area, post-consumer disposal-phase emissions

Use Phase

The use life-cycle phase includes all post-purchase emissions, with the exception of disposal emissions. Specifically, the use phase consists of emissions from direct fuel use by households and government (for heating or other appliances), household and government transportation from the Geographic Plus inventory, households and governments direct electricity emissions from the Geographic Plus inventory, and the indirect emissions for household and government fuel and electricity purchases as calculated in the pre-purchase model. Indirect emissions in the use phase are sector-specific the ratio of indirect to direct emissions from the pre-purchase results multiplied by the end-use emissions from the Geographic Plus inventory.

Use phase calculations disaggregate fuel and electricity emissions into the categories and sub-categories of commodities that utilize fuel and electricity – cars, furnaces, appliances, electronics, lighting, etc. (Double-counting is corrected by subtracting from the pre-purchase results the indirect fuel and direct+indirect electricity emissions included in the use phase, as described below.) For calculations, see KC2008 Use and Disposal.xlsx; for data sources see KC08-00-1_MasterSpreadsheet_123010 CBEI Mapping.xlsx and KC2008 Use and Disposal Sources.xlsx.

Post-Consumer Disposal Phase

The post-consumer disposal life-cycle phase consists of emissions from post-consumer waste in landfills and waste combustion.²⁰ Emissions from household and government purchase of waste disposal services are calculated in supplemental materials to the King County 2008 Geographic Plus inventory (SEI 2010) and disaggregated into the categories and sub-categories of commodities that become waste products. (Double-counting is corrected as described below.) For calculations see KC2008 Use and Disposal.xlsx; for data sources see KC08-00-1_MasterSpreadsheet_123010 CBEI Mapping.xlsx and KC2008 Use and Disposal Sources.xlsx.

Final Consumption-Based Emissions Results

Final consumption emissions for the production, pre-purchase transportation, and wholesale+retail phases are the pre-purchase emissions by consuming sector for these phases, summed across sub-categories (i.e., there are no sector results) and summed across the 11000 and 12000 institutions (for a single “government consumer”), with a few adjustments (below), and renamed as, for example, 5P_EM_10000_SA_Prd (where 5P refers to “five-phase” results).

There is some double counting between the pre-purchase model and the use and post-consumer disposal phases. In order to correct for this double counting it is necessary to zero

²⁰ Landfill emissions here are calculated on the basis of future lifetime emissions from each year’s disposal (sometimes called “methane commitment”). An alternative method, “waste in place,” estimates each year’s actual emissions from past and present disposal; the existing King County 2008 Geographic Plus inventory (SEI 2010) uses the latter method.

out the following emissions in the five-phase results from the production, pre-purchase transportation, and wholesale/retail phases:

5P_EM_10000, sub-category “Gasoline, heating fuels, other petroleum”

5P_EM_11000+12000, sub-category “Gasoline, heating fuels, other petroleum”

5P_EM_10000, sub-category “Natural gas distribution”

5P_EM_11000+12000, sub-category “Natural gas distribution”

5P_EM_10000, sub-category “Power generation and supply”

5P_EM_11000+12000, sub-category “Power generation and supply”

5P_EM_10000_SA, sub-category “Waste management”

5P_EM_11000+12000_SA, sub-category “Waste management”

3.5. CBEI Demand Modeler

CBEI “Demand Modeler” is a separate tool used to calculate emissions for a user-determined subset of Study Area final demand (that is, dollar values of King County demand defined by economic sector and by type of consumer – households, federal government, local and state government, and investment). The “Modeler” can be used to view the consumption-based emissions of the demand for a single IMPLAN category, subcategory or sector, where emission results are disaggregated by emitting industry, type of consumer, life-cycle phase, and location of emission. Emission results for a single sector of demand can be viewed in the intermediary CBEI pre-purchase results by consuming sector emissions, but to see emissions by contributing emitting sectors or to do analysis based on custom demand profiles, it is necessary to do a sector-specific analysis using the Modeler.

This method can be used to determine the (emitting) sector-by-sector emissions associated with that actual or speculative demand for a single commodity sector. For example, if the user enters a demand profile representing King County’s consumption of cheese, the CBEI “Modeler” would return sector-by-sector emissions from all of the direct and upstream purchases associated with King County’s consumption of cheese.

3.6. CBEI in Access and Excel

System Overview

The controller program for the CBEI system, written in Microsoft Access, is *CBEI.accdb*.

The main back-end database files for the system are in *CBEI_Data.accdb*, another Access database file.

Accessory functions are provided in other Access databases, including:

- *CBEI_Mapping_Data.accdb*
- *CBEI_Foreign_YYYY.accdb*
- *CBEI_SA_Direct_Coefficients_YYYY.accdb*
- *CBEI_US_Direct_Coefficients_YYYY.accdb*

Accessory functions are provided, as well, by the following Excel workbook, which receives intermediate results from queries made available in *CBEI_Data.accdb*:

- *SAYYYY CBEI Use and Disposal.xlsx*

Output from the system is provided by a series of queries made available in *CBEI_Data.accdb* and which feed into the following Excel workbooks:

- *SAYYYY CBEI Results.xlsx*
- *SAYYYY CBEI Modeler Results.xlsx*

System Structure

The components of the system listed above must reside in the same subdirectory for the system to operate correctly.

A subdirectory of this directory, named *CBEI UserReports*, must be present as well. It serves as a repository for snapshots of the Excel browser files which receive their data from the queries in *CBEI_Data.accdb*.

Parameterization

System parameters are maintained in Table: *tblParam* (in *CBEI.accdb*), in order to make the system as flexible as possible.

System Linkage

In order for the system to work correctly, it must have its various components relinked whenever the system is installed, moved or copied. This process is invoked by the first button on the *Main Menu* in the controller program, labeled *Refresh Data Connections*. The macro invoked by this button is *Init_Relink*, which performs the following sequence of actions:

- Relinking all Access databases
 - *m_Initialize_RelinkAllDBsToLocalDirectory*: Relinks all tables in all Access databases in the system to the set of files in the current system directory, i.e. the same directory in which CBEI.accdb resides.
- Resetting data connections in all Excel workbooks in the system to Access queries in current system directory
 - *XL_ResetDataConnectionToAccess*: This function resets the target of Access Data Connections within Excel workbooks to the relevant Access database in the current system directory, and does this, in Macro: *Init_Relink*, for the following:
 - The Use and Disposal workbook, designated above as SAyyyyy CBEI Use and Disposal.xls, (and, more specifically, in the parameter table)
 - *m_XLBrowser_ResetConnections*: This macro resets all the data connections from the Complete Emissions Browser (in Excel) to their sources in CBEI_Data.accdb (Access)
 - *m_XLBrowser_ResetConnections*: This macro resets all the data connections from the Complete Emissions Browser (in Excel) to their source in CBEI_Data.accdb (Access)
 - *m_XLModelerBrowser_ResetConnections*: This macro resets all the data connections from the Demand Modeler Browser (in Excel) to their sources in CBEI_Data.accdb (Access)

Enabling Macros

If the directory, or directory tree, within which the system resides is not designated as a Secure Location (via the Trust Center in Access), it will be necessary to enable macros manually each time one starts the system. If this is the case, the system will prompt the user to press, at startup, the required button to enable macros. This is necessary to do for proper functioning of the CBEI system.

Startup

At startup, once macros have been enabled, the rest of Macro: *autoexec* runs and it displays the Main Menu (Form: *frmMainMenu*).

Main Menu

The form, *frmMainMenu*, is the hub of the user-interface for the system.

Button: “Perform Emissions Calculations” invokes Form: *frmEmissionsCalculations*, which provides methods for performing the main calculation streams.

Emissions Processing

The system does Emissions Processing in two basic modes:

- Complete Emissions Processing
- Demand Modeler Processing

In order for each of these to take place, two preliminary operations are performed, invoked when the *Perform Emissions Calculations* button on the *Main Menu* is pressed and before the *Emissions Processing Menu* is displayed:

- Initialization of Matrix Arrays
- Standard Emissions Processing

Initialization of Matrix Arrays

Two large matrices are used repeatedly in calculations and are loaded preliminarily into memory from their static storage in Access tables in order to optimize processing time.

Macro: *m_Initialize_Matrix_Arrays* carries out this process and does it in three steps:

- Function: *initializeMatrixArrays*
 - Creates the variable *numSectors* from the *NumberOfSectors* value in the parameter table

- Dimensions the array *Type_I_SAxx_Matrix* to *numSectors* x *numSectors*
- Dimensions the array *Type_I_USxx_Matrix* to *numSectors* x *numSectors*
- Function: *initialize_Matrix* loads Table: *tbl_Type_I_SAxx*, which stores the Study Area matrix, into the memory array named *Type_I_SAxx_Matrix*
- Function: *initialize_Matrix* loads Table: *tbl_Type_I_USxx*, which stores the US matrix, into the memory array named *Type_I_USxx_Matrix*

Standard Emissions Processing: Overview

Standard Emissions Processing performs several calculations that are required for Complete Emissions and Demand Modeler processing. Notably, these are:

- Setting up the phase tables
- Calculating the GDP ratios which are multiplicative factors used to calculate demand values for an Emissions Study year which may be different from an EmissionsData year
- Calculating values for and storing them in Table: *tblIMPLAN_Adjusted*, which represents the values stored in Table: *tblIMPLAN_Raw* multiplied times the GDP ratios.
- Calculating and storing the values for emissions Coefficients in Table: *tblCoefficients_Standard*.

As well, Standard Emissions Processing produces results in Table: *tblFinalDemand_Standard* and Table: *tblEmissions_Standard*, which represent aggregate calculations based on the input data.

Standard Emissions Processing: Details

Main driver: Macro *m_AllCalculatedResults_Standard_Update*. This routine calls all the necessary steps in sequence:

- Macro *m_tblPhase*_Update* sets up the phase tables, which contain lists of sectors corresponding to each of the three phases that form part of standard processing.
- Macro *m_tblCBEIPParam_Calc_Update* initializes various system variables, notably the GDP ratio between the study year and the data year.

- Macro *m_tblIMPLAN_Adjusted_Standard_Update* creates, from the raw IMPLAN data, a secondary “adjusted” table which represents a calculation based on the GDP ratios.
- Macro *m_tblFinalDemand_Standard_Update* is the first major piece of Standard processing, and the one that takes the longest time to execute. It involves loading *tblFinalDemand_Standard*, which is derived from a series of calculations which load the work table, *tblFinalDemand*. Multiple of the resultant vectors in *tblFinalDemand* are generated by a matrix multiplication that loads Leontieff matrices, stored in the tables *tbl_Type_I_SAxx* and *tbl_Type_I_USxx*, and derives a product from them and a series of demand vectors stored in *tblFinalDemand*. That series of calculations is executed by the Macro *m_tblFinalDemand_Update*, which, as an example calls Macro *m_tblFinalDemand_GD_10000_SA_Update* which performs the species of matrix multiplication in question by invoking the VBA function *arrayMMult_Store*, which one can find in Module: *Main*.
- Macro *m_tblCoefficients_Update* updates *tblCoefficients*, through a series of subsidiary macros and queries, and, to this end, uses vectors derived from *CBEI_SA_Direct_Coefficients_2008.accdb* and *CBEI_US_Direct_Coefficients_2008.accdb*. To retrieve those vectors – delivered as queries from those databases, this macro makes use of a series of routines, evident, for example, in Macro *m_tblCoefficients_Dcoef_SA_Update*, which constructs a query to the relevant target database depending on the current path of the system. (See, for example, the function, also in Module: *Main*, *qryCoefficients_Dcoef_SA_Construct*) which creates the appropriate query code for this retrieval function and uses it, in the context of the macro, to load a vector array in *tblCoefficients*, which is then used in subsequent calculations.
- Macro *m_tblEmissions_Standard_Update* calls Macro *m_tblEmissions_Update* and performs the final calculations of the first three phases of emissions based on the results thus far calculated and stored in *tblFinalDemand* and *tblCoefficients*. These results are stored in the work table *tblEmissions*, and finally stored in *tblEmissions_Standard*.

Complete Emissions Processing

Complete Emissions Processing involves a similar set of routines to Standard Processing, with the following exceptions:

- Calculations for each sector of *tblEmissions_LCA_Complete* (which is the final result of the process) is derived by isolating each row of the original IMPLAN data (found in *tblIMPLAN_Adjusted*) and running , iteratively, the entire series of calculations for *tblFinalDemand* and *tblEmissions*.

This process is driven by the Macro *m_tblEmissions_LCA_Complete_Update* , which invokes the VBA function *LCAComplete_CalcAndStore_AllSector* (in Module: *Main*) which, in turn, commands the process which isolates each row of *tblIMPLAN_Adjusted* and stores the final results, ultimately, in *tblEmissions_LCA_Complete*.

The Complete Emissions Process is very execution intensive (running a sequence of about a million different calculations) and are best run on a local (not a networked) directory on a fast machine.

- The last two phases, for emissions related to use and disposal, are calculated as follows. Macro *m_tblUseAndDisposal_Update* creates vectors that go into *tblUseAndDisposal*, and which are retrieved by the Excel program *CBEI Use and Disposal.xlsx*.
- In order that the Excel program is updated with the values from Access, Macro: *m_tblUseAndDisposal_Update* then executes a VBA function (found in Module: *Main*) *XL_RefreshLocalWorkbook* which does this through an automation interface between Access and Excel.
- Macro: *m_tblEmissions_5Phase_Update* performs a series of routines that use results derived from the calculations in the Excel workbook in combination with subtotals (corresponding to sector subcategories) to produce the results for the use and disposal phases, which are stored in the table *tblEmissions_5Phase*. A routine which tailors specialized instances, Macro: *m_tblEmissions_5Phase_Tailor* ,is run subsequently to modify the results in *tblEmissions_5Phase*.
- Output to the Excel reporting module is summarized through a series of queries, among them *qry__OUTPUT_Emissions_3Phase_Standard* and *qry__OUTPUT_Emissions_5Phase_Standard*.

Demand Modeler

The Demand Modeler process is very similar to the Complete Emissions process, with the provision for enabling the user to fill in sample data for final demand. That process of filling in can be done through the form *frmLCAModeler* which calls the form *frmLCAModeler_Input*.

Macro *m_tblEmissions_LCA_Modeler_Update* is the main routine for the Demand Modeler. It runs through a very similar set of steps to the routine which runs the Complete Emissions process, except that, instead of running the processes based on each line of the

tblIMPLAN_Adjusted, it uses instead, each line of the final demand data input by the user, in *tblDemand_LCAModeler*. The main macro calls a VBA function, *LCAModeler_CalcAndStore_AllSector*) which, akin to the version for the Complete Emissions process, runs through the full calculation process iteratively. Results are stored in *tblEmissions_LCAModeler*.

Modeler results are transmitted to the Excel reporting interface through the queries *qry__OUTPUT_Emissions_3Phase_LCA_Complete* and *qry__OUTPUT_Emissions_3Phase_LCA_Modeler*.

Again, the Demand Modeler processes do not generate 5-phase output.

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Appendix: CBEI Sectors, Sub-Categories, and Categories

| Category | Subcategory | # | Sector Name |
|---------------------------|---|-----|--|
| Appliances, HVAC | Heating and cooling appliances | 215 | Heating equipment (except warm air furnaces) |
| Appliances, HVAC | Heating and cooling appliances | 216 | Air conditioning, refrigeration, and warm air heating equipment |
| Appliances, other | Lighting fixtures and bulbs | 259 | Electric lamp bulbs and parts |
| Appliances, other | Lighting fixtures and bulbs | 260 | Lighting fixtures |
| Appliances, other | Ranges and microwaves | 262 | Household cooking appliances |
| Appliances, other | Refrigerators and freezers | 263 | Household refrigerators and home freezers |
| Appliances, other | Washers and dryers | 264 | Household laundry equipment |
| Appliances, other | Other appliances | 261 | Small electrical appliances |
| Appliances, other | Other appliances | 265 | Other major household appliances |
| Clothing | Clothing | 86 | Knit apparel |
| Clothing | Clothing | 87 | Cut and sewn apparel from contractors |
| Clothing | Clothing | 88 | Mens and boys cut and sewn apparel |
| Clothing | Clothing | 89 | Womens and girls cut and sewn apparel |
| Clothing | Clothing | 90 | Other cut and sew apparel |
| Clothing | Clothing | 91 | Apparel accessories and other apparel |
| Clothing | Clothing | 93 | Footwear |
| Concrete, cement and lime | Concrete, cement and lime | 160 | Cement |
| Concrete, cement and lime | Concrete, cement and lime | 161 | Ready-mix concrete |
| Concrete, cement and lime | Concrete, cement and lime | 162 | Concrete pipes, bricks, and blocks |
| Concrete, cement and lime | Concrete, cement and lime | 163 | Other concrete products |
| Concrete, cement and lime | Concrete, cement and lime | 164 | Lime and gypsum products |
| Construction | Non-residential construction | 34 | Newly constructed nonresidential commercial and health care structures |
| Construction | Non-residential construction | 35 | Newly constructed nonresidential manufacturing structures |
| Construction | Non-residential construction | 36 | Other newly constructed nonresidential structures |
| Construction | Non-residential construction | 39 | Maintained and repaired nonresidential structures |
| Construction | Prefabricated buildings | 101 | Manufactured homes (mobile homes) |
| Construction | Prefabricated buildings | 102 | Prefabricated wood buildings |
| Construction | Prefabricated buildings | 186 | Plates and fabricated structural products |
| Construction | Residential construction and remodeling | 37 | Newly constructed residential permanent site single- and multi-family structures |
| Construction | Residential construction and remodeling | 38 | Other newly constructed residential structures |
| Construction | Residential construction and remodeling | 40 | Maintained and repaired residential structures |
| Electronics | Computer service and equipment | 234 | Electronic computers |
| Electronics | Computer service and equipment | 235 | Computer storage devices |
| Electronics | Computer service and equipment | 236 | Computer terminals and other computer peripheral equipment |
| Electronics | Computer service and equipment | 257 | Software, blank audio and video media, mass reproduction |
| Electronics | Computer service and equipment | 352 | Data processing- hosting- ISP- web search portals |
| Electronics | Computer service and equipment | 371 | Custom computer programming services |
| Electronics | Computer service and equipment | 372 | Computer systems design services |
| Electronics | Computer service and equipment | 373 | Other computer related services, including facilities management |
| Electronics | Other electronics | 212 | Photographic and photocopying equipment |
| Electronics | Other electronics | 237 | Telephone apparatus |
| Electronics | Other electronics | 238 | Broadcast and wireless communications equipment |
| Electronics | Other electronics | 239 | Other communications equipment |
| Electronics | Other electronics | 240 | Audio and video equipment |
| Food and beverages | Beverages | 66 | Coffee and tea |
| Food and beverages | Beverages | 70 | Soft drinks and manufactured ice |
| Food and beverages | Beverages | 71 | Beer, ale, malt liquor and nonalcoholic beer |
| Food and beverages | Beverages | 72 | Wine and brandies |
| Food and beverages | Beverages | 73 | Distilled liquors except brandies |
| Food and beverages | Condiments, oils and sweeteners | 1 | Oilseeds |
| Food and beverages | Condiments, oils and sweeteners | 44 | Corn sweeteners, corn oils, and corn starches |
| Food and beverages | Condiments, oils and sweeteners | 45 | Soybean oil and cakes and other oilseed products |
| Food and beverages | Condiments, oils and sweeteners | 46 | Shortening and margarine and other fats and oils products |

| Category | Subcategory | # | Sector Name |
|--------------------|---|-----|--|
| Food and beverages | Condiments, oils and sweeteners | 48 | Raw and refined sugar from sugar cane |
| Food and beverages | Condiments, oils and sweeteners | 49 | Refined sugar from sugar beets |
| Food and beverages | Condiments, oils and sweeteners | 67 | Flavoring syrups and concentrates |
| Food and beverages | Condiments, oils and sweeteners | 68 | Seasonings and dressings |
| Food and beverages | Dairy | 12 | Dairy cattle and milk products |
| Food and beverages | Dairy | 55 | Fluid milk and butter |
| Food and beverages | Dairy | 56 | Cheese |
| Food and beverages | Dairy | 57 | Dry, condensed, and evaporated dairy products |
| Food and beverages | Dairy | 58 | Ice cream and frozen desserts |
| Food and beverages | Fresh fruit, nuts and vegetables | 3 | Vegetables and melons |
| Food and beverages | Fresh fruit, nuts and vegetables | 4 | Fruit |
| Food and beverages | Fresh fruit, nuts and vegetables | 5 | Tree nuts |
| Food and beverages | Frozen food | 53 | Frozen foods |
| Food and beverages | Grains, baked goods, cereals, roasted nuts, nut butters | 2 | Grains |
| Food and beverages | Grains, baked goods, cereals, roasted nuts, nut butters | 43 | Flour and malt |
| Food and beverages | Grains, baked goods, cereals, roasted nuts, nut butters | 47 | Breakfast cereal products |
| Food and beverages | Grains, baked goods, cereals, roasted nuts, nut butters | 51 | Chocolate confectioneries from purchased chocolate |
| Food and beverages | Grains, baked goods, cereals, roasted nuts, nut butters | 52 | Nonchocolate confectioneries |
| Food and beverages | Grains, baked goods, cereals, roasted nuts, nut butters | 62 | Bread and bakery products |
| Food and beverages | Grains, baked goods, cereals, roasted nuts, nut butters | 63 | Cookies, crackers, and pasta |
| Food and beverages | Grains, baked goods, cereals, roasted nuts, nut butters | 64 | Tortillas |
| Food and beverages | Grains, baked goods, cereals, roasted nuts, nut butters | 65 | Snack foods including nuts, seeds and grains, and chips |
| Food and beverages | Poultry and eggs | 13 | Poultry and egg products |
| Food and beverages | Poultry and eggs | 60 | Processed poultry meat products |
| Food and beverages | Processed fruit, nuts and vegetables | 54 | Canned, pickled and dried fruits and vegetables |
| Food and beverages | Red meat | 11 | Cattle from ranches and farms |
| Food and beverages | Red meat | 59 | Processed animal (except poultry) meat and rendered byproducts |
| Food and beverages | Restaurants | 413 | Restaurant, bar, and drinking place services |
| Food and beverages | Seafood | 17 | Fish |
| Food and beverages | Seafood | 61 | Seafood products |
| Food and beverages | Other food and agriculture | 7 | Tobacco |
| Food and beverages | Other food and agriculture | 8 | Cotton |
| Food and beverages | Other food and agriculture | 9 | Sugarcane and sugar beets |
| Food and beverages | Other food and agriculture | 10 | All other crop farming products |
| Food and beverages | Other food and agriculture | 14 | Animal products, except cattle, poultry and eggs |
| Food and beverages | Other food and agriculture | 18 | Wild game products, pelts, and furs |
| Food and beverages | Other food and agriculture | 19 | Agriculture and forestry support services |
| Food and beverages | Other food and agriculture | 41 | Dog and cat food |
| Food and beverages | Other food and agriculture | 42 | Other animal food |
| Food and beverages | Other food and agriculture | 50 | Chocolate cacao products and chocolate confectioneries |
| Food and beverages | Other food and agriculture | 69 | All other manufactured food products |
| Food and beverages | Other food and agriculture | 74 | Cigarettes, cigars, smoking and chewing tobacco, and reconstituted tobacco |
| Forest products | Paper and cardboard | 105 | Paper from pulp |
| Forest products | Paper and cardboard | 106 | Paperboard from pulp |
| Forest products | Paper and cardboard | 107 | Paperboard containers |
| Forest products | Paper and cardboard | 108 | Coated and laminated paper, packaging paper and plastics film |
| Forest products | Paper and cardboard | 109 | All other paper bag and coated and treated paper |

| Category | Subcategory | # | Sector Name |
|------------------------|---|-----|---|
| Forest products | Paper and cardboard | 110 | Paper and paperboard stationary products |
| Forest products | Paper and cardboard | 112 | All other converted paper products |
| Forest products | Other processed forest products | 97 | Engineered wood members and trusses |
| Forest products | Other processed forest products | 98 | Reconstituted wood products |
| Forest products | Other processed forest products | 99 | Wood windows and doors and millwork |
| Forest products | Other processed forest products | 100 | Wood containers and pallets |
| Forest products | Other processed forest products | 103 | All other miscellaneous wood products |
| Forest products | Other processed forest products | 104 | Wood pulp |
| Forest products | Unprocessed forest products | 15 | Forest, timber, and forest nursery products |
| Forest products | Unprocessed forest products | 16 | Logs and roundwood |
| Forest products | Unprocessed forest products | 95 | Dimension lumber and preserved wood products |
| Forest products | Unprocessed forest products | 96 | Veneer and plywood |
| Fuel, utilities, waste | Gasoline, heating fuels, other petroleum products | 115 | Refined petroleum products |
| Fuel, utilities, waste | Natural gas distribution | 32 | Natural gas, and distribution services |
| Fuel, utilities, waste | Oil and gas extraction | 20 | Oil and natural gas |
| Fuel, utilities, waste | Oil and gas extraction | 28 | Oil and gas wells |
| Fuel, utilities, waste | Oil and gas extraction | 29 | Support services for oil and gas operations |
| Fuel, utilities, waste | Oil and gas extraction | 119 | All other petroleum and coal products |
| Fuel, utilities, waste | Oil and gas extraction | 120 | Petrochemicals |
| Fuel, utilities, waste | Oil and gas extraction | 121 | Industrial gas |
| Fuel, utilities, waste | Power generation and supply | 31 | Electricity, and distribution services |
| Fuel, utilities, waste | Waste management | 390 | Waste management and remediation services |
| Fuel, utilities, waste | Water- sewage and other systems | 33 | Water, sewage treatment, and other utility services |
| Healthcare | Healthcare services | 394 | Offices of physicians, dentists, and other health practitioners |
| Healthcare | Healthcare services | 395 | Home health care services |
| Healthcare | Healthcare services | 396 | Medical and diagnostic labs and outpatient and other ambulatory care services |
| Healthcare | Healthcare services | 397 | Private hospital services |
| Healthcare | Healthcare services | 398 | Nursing and residential care services |
| Healthcare | Medicines and other healthcare supplies | 132 | Medicines and botanicals |
| Healthcare | Medicines and other healthcare supplies | 133 | Pharmaceutical preparations |
| Healthcare | Medicines and other healthcare supplies | 134 | In-vitro diagnostic substances |
| Healthcare | Medicines and other healthcare supplies | 135 | Biological products (except diagnostic) |
| Healthcare | Medicines and other healthcare supplies | 305 | Surgical and medical instrument, laboratory and medical instruments |
| Healthcare | Medicines and other healthcare supplies | 306 | Surgical appliances and supplies |
| Healthcare | Medicines and other healthcare supplies | 307 | Dental equipment and supplies |
| Healthcare | Medicines and other healthcare supplies | 308 | Ophthalmic goods |
| Healthcare | Medicines and other healthcare supplies | 309 | Dental laboratories |
| Home, yard, office | Home furnishings | 82 | Carpets and rugs |
| Home, yard, office | Home furnishings | 83 | Curtains and linens |
| Home, yard, office | Home furnishings | 295 | Wood kitchen cabinets and countertops |
| Home, yard, office | Home furnishings | 296 | Upholstered household furniture |
| Home, yard, office | Home furnishings | 297 | Nonupholstered wood household furniture |
| Home, yard, office | Home furnishings | 298 | Metal and other household furniture |
| Home, yard, office | Home furnishings | 303 | Mattresses |
| Home, yard, office | Home furnishings | 304 | Blinds and shades |
| Home, yard, office | Household supplies | 111 | Sanitary paper products |
| Home, yard, office | Household supplies | 138 | Soaps and cleaning compounds |

| Category | Subcategory | # | Sector Name |
|------------------------|---|-----|---|
| Home, yard, office | Household supplies | 139 | Toilet preparations |
| Home, yard, office | Household supplies | 142 | Plastics packaging materials and unlaminated films and sheets |
| Home, yard, office | Household supplies | 153 | Pottery, ceramics, and plumbing fixtures |
| Home, yard, office | Household supplies | 156 | Flat glass |
| Home, yard, office | Household supplies | 157 | Other pressed and blown glass and glassware |
| Home, yard, office | Household supplies | 159 | Glass products made of purchased glass |
| Home, yard, office | Household supplies | 184 | Cutlery, utensils, pots, and pans |
| Home, yard, office | Household supplies | 270 | Storage batteries |
| Home, yard, office | Household supplies | 271 | Primary batteries |
| Home, yard, office | Household supplies | 310 | Jewelry and silverware |
| Home, yard, office | Household supplies | 318 | Brooms, brushes, and mops |
| Home, yard, office | Lawn and garden | 6 | Greenhouse, nursery, and floriculture products |
| Home, yard, office | Lawn and garden | 130 | Fertilizer |
| Home, yard, office | Lawn and garden | 131 | Pesticides and other agricultural chemicals |
| Home, yard, office | Lawn and garden | 204 | Lawn and garden equipment |
| Home, yard, office | Media and office supplies (except paper) | 313 | Office supplies (except paper) |
| Home, yard, office | Media and office supplies (except paper) | 341 | Newspapers |
| Home, yard, office | Media and office supplies (except paper) | 342 | Periodicals |
| Home, yard, office | Media and office supplies (except paper) | 343 | Books |
| Home, yard, office | Media and office supplies (except paper) | 344 | Directories and mailing lists |
| Home, yard, office | Media and office supplies (except paper) | 345 | Software |
| Home, yard, office | Media and office supplies (except paper) | 346 | Motion pictures and videos |
| Home, yard, office | Media and office supplies (except paper) | 347 | Sound recordings |
| Retailer and wholesale | Retailers | 320 | Retail Services - Motor vehicle and parts |
| Retailer and wholesale | Retailers | 321 | Retail Services - Furniture and home furnishings |
| Retailer and wholesale | Retailers | 322 | Retail Services - Electronics and appliances |
| Retailer and wholesale | Retailers | 323 | Retail Services - Building material and garden supply |
| Retailer and wholesale | Retailers | 324 | Retail Services - Food and beverage |
| Retailer and wholesale | Retailers | 325 | Retail Services - Health and personal care |
| Retailer and wholesale | Retailers | 326 | Retail Services - Gasoline stations |
| Retailer and wholesale | Retailers | 327 | Retail Services - Clothing and clothing accessories |
| Retailer and wholesale | Retailers | 328 | Retail Services - Sporting goods, hobby, book and music |
| Retailer and wholesale | Retailers | 329 | Retail Services - General merchandise |
| Retailer and wholesale | Retailers | 330 | Retail Services - Miscellaneous |
| Retailer and wholesale | Retailers | 331 | Retail Services - Nonstore, direct and electronic sales |
| Retailer and wholesale | Wholesale | 319 | Wholesale trade distribution services |
| Services | Banks, financial, legal, real estate, insurance | 354 | Monetary authorities and depository credit intermediation services |
| Services | Banks, financial, legal, real estate, insurance | 355 | Nondepository credit intermediation and related services |
| Services | Banks, financial, legal, real estate, insurance | 356 | Securities, commodity contracts, investments, and related services |
| Services | Banks, financial, legal, real estate, insurance | 357 | Insurance |
| Services | Banks, financial, legal, real estate, insurance | 358 | Insurance agencies, brokerages, and related services |
| Services | Banks, financial, legal, real estate, insurance | 359 | Funds, trusts, and other financial services |
| Services | Banks, financial, legal, real estate, insurance | 360 | Real estate buying and selling, leasing, managing, and related services |

| Category | Subcategory | # | Sector Name |
|----------|---|-----|--|
| Services | Banks, financial, legal, real estate, insurance | 367 | Legal services |
| Services | Banks, financial, legal, real estate, insurance | 368 | Accounting, tax preparation, bookkeeping, and payroll services |
| Services | Building services | 388 | Services to buildings and dwellings |
| Services | Education and day care | 391 | Elementary and secondary education from private schools |
| Services | Education and day care | 392 | Education from private junior colleges, colleges, universities, and professional schools |
| Services | Education and day care | 393 | Other private educational services |
| Services | Education and day care | 399 | Child day care services |
| Services | Hotels, motels, entertainment, media | 348 | Radio and television entertainment |
| Services | Hotels, motels, entertainment, media | 349 | Cable and other subscription services |
| Services | Hotels, motels, entertainment, media | 350 | Internet publishing and broadcasting services |
| Services | Hotels, motels, entertainment, media | 351 | Telecommunications |
| Services | Hotels, motels, entertainment, media | 364 | Video tape and disc rental services |
| Services | Hotels, motels, entertainment, media | 402 | Performing arts |
| Services | Hotels, motels, entertainment, media | 403 | Spectator sports |
| Services | Hotels, motels, entertainment, media | 404 | Promotional services for performing arts and sports and public figures |
| Services | Hotels, motels, entertainment, media | 405 | Independent artists, writers, and performers |
| Services | Hotels, motels, entertainment, media | 406 | Museum, heritage, zoo, and recreational services |
| Services | Hotels, motels, entertainment, media | 408 | Bowling activities |
| Services | Hotels, motels, entertainment, media | 409 | Amusement parks, arcades, and gambling recreation |
| Services | Hotels, motels, entertainment, media | 410 | Other amusements and recreation |
| Services | Hotels, motels, entertainment, media | 411 | Hotels and motel services, including casino hotels |
| Services | Hotels, motels, entertainment, media | 412 | Other accommodation services |
| Services | Other services | 114 | Printing support services |
| Services | Other services | 339 | Couriers and messengers services |
| Services | Other services | 340 | Warehousing and storage services |
| Services | Other services | 353 | Other information services |
| Services | Other services | 363 | General and consumer goods rental services except video tapes and discs |
| Services | Other services | 365 | Commercial and industrial machinery and equipment rental and leasing services |
| Services | Other services | 366 | Leasing of nonfinancial intangible assets |
| Services | Other services | 369 | Architectural, engineering, and related services |
| Services | Other services | 370 | Specialized design services |
| Services | Other services | 374 | Management, scientific, and technical consulting services |
| Services | Other services | 375 | Environmental and other technical consulting services |
| Services | Other services | 376 | Scientific research and development services |
| Services | Other services | 377 | Advertising and related services |
| Services | Other services | 378 | Photographic services |
| Services | Other services | 379 | Veterinary services |
| Services | Other services | 380 | All other miscellaneous professional, scientific, and technical services |
| Services | Other services | 381 | Management of companies and enterprises |
| Services | Other services | 382 | Employment services |
| Services | Other services | 383 | Travel arrangement and reservation services |
| Services | Other services | 384 | Office administrative services |
| Services | Other services | 385 | Facilities support services |
| Services | Other services | 386 | Business support services |
| Services | Other services | 387 | Investigation and security services |
| Services | Other services | 389 | Other support services |
| Services | Other services | 400 | Individual and family services |
| Services | Other services | 401 | Community food, housing, and other relief services, including rehabilitation services |
| Services | Other services | 407 | Fitness and recreational sports center services |
| Services | Other services | 416 | Electronic and precision equipment repairs and maintenance |
| Services | Other services | 418 | Personal and household goods repairs and maintenance |

| Category | Subcategory | # | Sector Name |
|----------------------------|---------------------------------------|-----|--|
| Services | Other services | 419 | Personal care services |
| Services | Other services | 420 | Death care services |
| Services | Other services | 421 | Dry-cleaning and laundry services |
| Services | Other services | 422 | Other personal services |
| Services | Other services | 423 | Services from religious organizations |
| Services | Other services | 424 | Grantmaking, giving, and social advocacy services |
| Services | Other services | 425 | Civic, social, and professional services |
| Services | Other services | 426 | Cooking, housecleaning, gardening, and other services to private households |
| Services | Other services | 427 | US Postal delivery services |
| Transportation services | Car rental, repair and wash | 362 | Automotive equipment rental and leasing services |
| Transportation services | Car rental, repair and wash | 414 | Automotive repair and maintenance services, except car washes |
| Transportation services | Car rental, repair and wash | 415 | Car wash services |
| Transportation services | Transportation services, air | 332 | Air transportation services |
| Transportation services | Transportation services, mass transit | 336 | Mass transit |
| Transportation services | Transportation services, rail | 333 | Rail transportation services |
| Transportation services | Transportation services, truck | 335 | Truck transportation services |
| Transportation services | Transportation services, water | 334 | Water transportation services |
| Transportation services | Transportation services, other | 337 | Pipeline transportation services |
| Transportation services | Transportation services, other | 338 | Scenic and sightseeing transportation services and support activities for transportation |
| Vehicles and vehicle parts | Aircraft | 284 | Aircraft |
| Vehicles and vehicle parts | Cars and light trucks | 276 | Automobiles |
| Vehicles and vehicle parts | Cars and light trucks | 277 | Light trucks and utility vehicles |
| Vehicles and vehicle parts | Heavy duty trucks | 278 | Heavy duty trucks |
| Vehicles and vehicle parts | Other road vehicles | 281 | Motor homes |
| Vehicles and vehicle parts | Other road vehicles | 282 | Travel trailers and campers |
| Vehicles and vehicle parts | Other road vehicles | 292 | Motorcycles, bicycles, and parts |
| Vehicles and vehicle parts | Railroad rolling stock | 289 | Railroad rolling stock |
| Vehicles and vehicle parts | Ships and boats | 290 | Ships |
| Vehicles and vehicle parts | Ships and boats | 291 | Boats |
| Vehicles and vehicle parts | Vehicle parts | 118 | Petroleum lubricating oils and greases |
| Vehicles and vehicle parts | Vehicle parts | 150 | Tires |
| Vehicles and vehicle parts | Vehicle parts | 279 | Motor vehicle bodies |
| Vehicles and vehicle parts | Vehicle parts | 280 | Truck trailers |
| Vehicles and vehicle parts | Vehicle parts | 283 | Motor vehicle parts |
| Vehicles and vehicle parts | Vehicle parts | 285 | Aircraft engines and engine parts |
| Vehicles and vehicle parts | Vehicle parts | 286 | Other aircraft parts and auxiliary equipment |
| Vehicles and vehicle parts | Vehicle parts | 288 | Propulsion units and parts for space vehicles and guided missiles |
| Vehicles and vehicle parts | Vehicle parts | 294 | All other transportation equipment |
| Other | Other | 21 | Coal |
| Other | Other | 22 | Iron ore |
| Other | Other | 23 | Copper, nickel, lead, and zinc |
| Other | Other | 24 | Gold, silver, and other metal ore |
| Other | Other | 25 | Natural stone |
| Other | Other | 26 | Sand, gravel, clay, and ceramic and refractory minerals |
| Other | Other | 27 | Other nonmetallic minerals |
| Other | Other | 30 | Support services for other mining |
| Other | Other | 75 | Fiber filaments, yarn, and thread |
| Other | Other | 76 | Broadwoven fabrics and felts |
| Other | Other | 77 | Woven and embroidered fabrics |
| Other | Other | 78 | Nonwoven fabrics and felts |
| Other | Other | 79 | Knitted fabrics |
| Other | Other | 80 | Finished textiles and fabrics |
| Other | Other | 81 | Coated fabric coating |
| Other | Other | 84 | Textile bags and canvas |
| Other | Other | 85 | All other textile products |

| Category | Subcategory | # | Sector Name |
|----------|-------------|-----|--|
| Other | Other | 92 | Tanned and finished leather and hides |
| Other | Other | 94 | Other leather and allied products |
| Other | Other | 113 | Printed materials |
| Other | Other | 116 | Asphalt paving mixtures and blocks |
| Other | Other | 117 | Asphalt shingles and coating materials |
| Other | Other | 122 | Synthetic dyes and pigments |
| Other | Other | 123 | Alkalies and chlorine |
| Other | Other | 124 | Carbon black |
| Other | Other | 125 | All other basic inorganic chemicals |
| Other | Other | 126 | Other basic organic chemicals |
| Other | Other | 127 | Plastics materials and resins |
| Other | Other | 128 | Synthetic rubber |
| Other | Other | 129 | Artificial and synthetic fibers and filaments |
| Other | Other | 136 | Paints and coatings |
| Other | Other | 137 | Adhesives |
| Other | Other | 140 | Printing inks |
| Other | Other | 141 | All other chemical products and preparations |
| Other | Other | 143 | Unlaminated plastics profile shapes |
| Other | Other | 144 | Plastics pipes and pipe fittings |
| Other | Other | 145 | Laminated plastics plates, sheets (except packaging), and shapes |
| Other | Other | 146 | Polystyrene foam products |
| Other | Other | 147 | Urethane and other foam products (except polystyrene) |
| Other | Other | 148 | Plastics bottles |
| Other | Other | 149 | Other plastics products |
| Other | Other | 151 | Rubber and plastics hoses and belts |
| Other | Other | 152 | Other rubber products |
| Other | Other | 154 | Bricks, tiles, and other structural clay products |
| Other | Other | 155 | Clay and nonclay refractory products |
| Other | Other | 158 | Glass containers |
| Other | Other | 165 | Abrasive products |
| Other | Other | 166 | Cut stone and stone products |
| Other | Other | 167 | Ground or treated mineral and earth products |
| Other | Other | 168 | Mineral wool |
| Other | Other | 169 | Miscellaneous nonmetallic mineral products |
| Other | Other | 170 | Iron and steel and ferroalloy products |
| Other | Other | 171 | Steel products from purchased steel |
| Other | Other | 172 | Aluminum products |
| Other | Other | 173 | Aluminum alloys |
| Other | Other | 174 | Aluminum products from purchased aluminum |
| Other | Other | 175 | Copper |
| Other | Other | 176 | Nonferrous metals (except copper and aluminum) |
| Other | Other | 177 | Rolled, drawn, extruded and alloyed copper |
| Other | Other | 178 | Rolled, drawn, extruded and alloyed nonferrous metals (except copper and aluminum) |
| Other | Other | 179 | Ferrous metals |
| Other | Other | 180 | Nonferrous metals |
| Other | Other | 181 | All other forged, stamped, and sintered metals |
| Other | Other | 182 | Custom roll formed metals |
| Other | Other | 183 | Crowned and stamped metals |
| Other | Other | 185 | Handtools |
| Other | Other | 187 | Ornamental and architectural metal products |
| Other | Other | 188 | Power boilers and heat exchangers |
| Other | Other | 189 | Metal tanks (heavy gauge) |
| Other | Other | 190 | Metal cans, boxes, and other metal containers (light gauge) |
| Other | Other | 191 | Ammunition |
| Other | Other | 192 | Arms, ordnance, and accessories |
| Other | Other | 193 | Hardware |
| Other | Other | 194 | Spring and wire products |

| Category | Subcategory | # | Sector Name |
|----------|-------------|-----|--|
| Other | Other | 195 | Machined products |
| Other | Other | 196 | Turned products and screws, nuts, and bolts |
| Other | Other | 197 | Coated, engraved, heat treated products |
| Other | Other | 198 | Valves and fittings other than plumbing |
| Other | Other | 199 | Plumbing fixture fittings and trims |
| Other | Other | 200 | Balls and roller bearings |
| Other | Other | 201 | Fabricated pipes and pipe fittings |
| Other | Other | 202 | Other fabricated metals |
| Other | Other | 203 | Farm machinery and equipment |
| Other | Other | 205 | Construction machinery |
| Other | Other | 206 | Mining and oil and gas field machinery |
| Other | Other | 207 | Other industrial machinery |
| Other | Other | 208 | Plastics and rubber industry machinery |
| Other | Other | 209 | Semiconductor machinery |
| Other | Other | 210 | Vending, commercial, industrial, and office machinery |
| Other | Other | 211 | Optical instruments and lens |
| Other | Other | 213 | Other commercial and service industry machinery |
| Other | Other | 214 | Air purification and ventilation equipment |
| Other | Other | 217 | Industrial molds |
| Other | Other | 218 | Metal cutting and forming machine tools |
| Other | Other | 219 | Special tools, dies, jigs, and fixtures |
| Other | Other | 220 | Cutting tools and machine tool accessories |
| Other | Other | 221 | Rolling mills and other metalworking machinery |
| Other | Other | 222 | Turbines and turbine generator set units |
| Other | Other | 223 | Speed changers, industrial high-speed drives, and gears |
| Other | Other | 224 | Mechanical power transmission equipment |
| Other | Other | 225 | Other engine equipment |
| Other | Other | 226 | Pumps and pumping equipment |
| Other | Other | 227 | Air and gas compressors |
| Other | Other | 228 | Material handling equipment |
| Other | Other | 229 | Power-driven handtools |
| Other | Other | 230 | Other general purpose machinery |
| Other | Other | 231 | Packaging machinery |
| Other | Other | 232 | Industrial process furnaces and ovens |
| Other | Other | 233 | Fluid power process machinery |
| Other | Other | 241 | Electron tubes |
| Other | Other | 242 | Bare printed circuit boards |
| Other | Other | 243 | Semiconductor and related devices |
| Other | Other | 244 | Electronic capacitors, resistors, coils, transformers, and other inductors |
| Other | Other | 245 | Electronic connectors |
| Other | Other | 246 | Printed circuit assemblies (electronic assemblies) |
| Other | Other | 247 | Other electronic components |
| Other | Other | 248 | Electromedical and electrotherapeutic apparatus |
| Other | Other | 249 | Search, detection, and navigation instruments |
| Other | Other | 250 | Automatic environmental controls |
| Other | Other | 251 | Industrial process variable instruments |
| Other | Other | 252 | Totalizing fluid meters and counting devices |
| Other | Other | 253 | Electricity and signal testing instruments |
| Other | Other | 254 | Analytical laboratory instruments |
| Other | Other | 255 | Irradiation apparatus |
| Other | Other | 256 | Watches, clocks, and other measuring and controlling devices |
| Other | Other | 258 | Magnetic and optical recording media |
| Other | Other | 266 | Power, distribution, and specialty transformers |
| Other | Other | 267 | Motor and generators |
| Other | Other | 268 | Switchgear and switchboard apparatus |
| Other | Other | 269 | Relay and industrial controls |
| Other | Other | 272 | Communication and energy wires and cables |

| Category | Subcategory | # | Sector Name |
|----------|-------------|-----|---|
| Other | Other | 273 | Wiring devices |
| Other | Other | 274 | Carbon and graphite products |
| Other | Other | 275 | All other miscellaneous electrical equipment and components |
| Other | Other | 287 | Guided missiles and space vehicles |
| Other | Other | 293 | Military armored vehicles, tanks, and tank components |
| Other | Other | 299 | Institutional furniture |
| Other | Other | 300 | Office Furniture |
| Other | Other | 301 | Custom architectural woodwork and millwork |
| Other | Other | 302 | Showcases, partitions, shelving, and lockers |
| Other | Other | 311 | Sporting and athletic goods |
| Other | Other | 312 | Dolls, toys, and games |
| Other | Other | 314 | Signs |
| Other | Other | 315 | Gaskets, packing and sealing devices |
| Other | Other | 316 | Musical instruments |
| Other | Other | 317 | All other miscellaneous manufactured products |
| Other | Other | 361 | Imputed rental services of owner-occupied dwellings |
| Other | Other | 417 | Commercial and industrial machinery and equipment repairs and maintenance |
| Other | Other | 428 | * Not a unique commodity (electricity from fed govt utilities) |
| Other | Other | 429 | Products and services of Fed Govt enterprises (except electric utilities) |
| Other | Other | 430 | * Not a unique commodity (passenger transit by state & local govt) |
| Other | Other | 431 | * Not a unique commodity (electricity from state & local govt utilities) |
| Other | Other | 432 | Products and services of State & Local Govt enterprises (except electric utilities) |
| Other | Other | 433 | Used and secondhand goods |
| Other | Other | 434 | Scrap |
| Other | Other | 435 | Rest of the world adjustment |
| Other | Other | 436 | Noncomparable foreign imports |
| Other | Other | 437 | * Employment and payroll only (state & local govt, non-education) |
| Other | Other | 438 | * Employment and payroll only (state & local govt, education) |
| Other | Other | 439 | * Employment and payroll only (federal govt, non-military) |
| Other | Other | 440 | * Employment and payroll only (federal govt, military) |