Cold storage IMPs are available in a range of profiles and surfaces, including smooth surfaces that can be finished with coatings approved for use by the U.S. Department of Agriculture.

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asset management consultancy Currie & Brown found that the installed costs of IMP wall systems can be 25% lower in the U.S. and 27% lower in Canada compared to precast insulated concrete walls or standard tilt-up concrete walls.

Cold storage IMPs are available in a range of profiles and surfaces including smooth surfaces that can be finished with coatings approved for use by the U.S. Department of Agriculture. These easy-to-clean panels can withstand the heavy sanitization used in many food-processing plants and other cold storage facilities. Their tight-fitting interlocking joints resist moisture and eliminate the risk of toxic mold or bacterial growth.

As demand for cold storage facilities continues to increase, the need for building envelope solutions like IMPs are critical to protecting product safety and quality, while shrinking the facility's carbon footprint, cutting energy usage and reducing maintenance costs.

Karim Muri is vice president, marketing services and strategy development at Kingspan Insulated Panels North America.

## What Does EPA's Proposed PFAS Regulation Mean for Commercial Real Estate?

# A new designation for certain chemicals regulated by the Superfund law could impact property transactions.

By Jeffrey D. Marshall, PE, and Michael J. Miller, CHMM

Environmental due diligence is typically required when buying, selling or refinancing commercial and industrial property. An important part of this process is a Phase I Environmental Site Assessment (ESA), which checks for the presence or absence of known environmental issues linked to the release of hazardous substances under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), also known as the Superfund law. These ESAs also evaluate petroleum products that may have leaked into the environment.

When preparing an ESA report, environmental professionals use a set of regulations and industry standards. The most important are U.S. Environmental Protection Agency (EPA) regulation 40 CFR 312 - Innocent Landowners, Standards for Conducting All Appropriate Inquiries, and ASTM Standard E1527 – Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process. The most recent version of the ASTM standard is E1527-21, which went into effect on February 13. EPA has indicated that the prior version, E1527-13, will continue to be recognized through February 13, 2024.

Per- and polyfluoroalkyl substances (PFAS) are a large group of hazardous substances that have recently gained greater recognition due to their toxicity and widespread use in industrial and consumer products. On September 6, 2022, EPA proposed a rule designating two specific PFAS chemicals as CERCLA Hazardous Substances. Once this rule is finalized, which is expected sometime in 2023 or 2024, it will be mandatory for environmental professionals performing ESAs to consider them. Due to the extensive use of these so-called "forever chemicals," there is concern that PFAS-related issues will become very common.

An additional seven PFAS chemicals were identified on April 20, 2023, through an EPA Advanced Notice of Proposed Rule Making, indicating that

Per- and polyfluoroalkyl substances (PFAS) are a large group of hazardous substances that have recently gained greater recognition due to their toxicity and widespread use in industrial and consumer products. On September 6, 2022, EPA proposed a rule designating two specific **PFAS** chemicals as **CERCLA Hazardous** Substances.



Photo by Peter Downham, courtesy of Bridge Industrial

Environmental remediation efforts underway at a project in Belleville, New Jersey. The U.S. Environmental Protection Agency has proposed a rule designating two specific PFAS chemicals as hazardous substances under the Superfund law.

more PFAS will be identified and likely regulated in the future.

### Scope of CERCLA Hazardous Substances Listing

While there are an estimated 10,000 PFAS substances, the proposed rule only includes two specific PFAS chemicals, perfluorooctanoic acid (PFOA) and perfluorooctanesulfonic acid (PFOS). However, these two chemicals are among the most used because of their water- and oil-repelling properties. PFAS can be found in stain repellents for upholstery, carpeting, clothing and other products. They are also used in the manufacturing of non-stick cookware, in electric wire casing, pipe thread seal tape, surfactants and emulsifiers, vapor suppressants in metal plating operations, waterproof and breathable membranes, food wrappers and packaging, toilet paper and many more. Additionally, they can be found in firefighting foam used at airfields and in many industrial processes.

Determining whether PFOA and PFOS were used or released at a site is challenging because many records aren't specific to individual PFAS constituents.

Much of the literature regarding the use of PFAS in industrial processes and consumer products is not specific

### **Sites That May Contain PFAS**

### The September 6, 2022, Federal Register announcement

of the proposed rule change regarding PFAS lists U.S. industrial facilities that may be affected by the new regulation. The following EPA list can serve as a guide to environmental professionals who may need to perform environmental site assessments at such facilities:

NAICS Code	Potentially Affected U.S. Industrial Facilities
488119	Aviation operations
314110	Carpet manufacturers
811192	Car washes
325	Chemical manufacturing
332813	Chrome electroplating, anodizing and etching services
325510	Coatings, paints, and varnish manufacturers
325998	Firefighting foam manufacturers
562212	Landfills
339112	Medical devices
922160	Municipal fire departments and firefighting training centers, including Federal agencies that use, trained with and tested firefighting foams
322121 & 322130	Paper mills
325320	Pesticides and insecticides
324	Petroleum and coal product manufacturing
324110 & 424710	Petroleum refineries and terminals
352992	Photographic film manufacturers
325612	Polish, wax and cleaning product manufacturers
325211	Polymer manufacturers
323111 & 325910	Printing facilities where inks are used in photolithography
313210, 313220, 313230, 313240, & 313320	Textile mills (textiles and upholstery)
562	Waste management and remediation services
221320	Wastewater treatment plants



to individual PFAS constituents. When performing ESAs, environmental professionals will face the challenge of evaluating whether the subject facility used or released PFOA and PFOS. Additionally, they must evaluate whether their use or release affected the subject property.

### Is the Presence of PFOA/PFOS a Recognized Environmental Condition?

In many cases, the presence of PFOA/ PFOS in products does not pose a significant environmental risk. Like copper in electronics or phthalates in plastics, their presence is often considered a minor condition that isn't harmful to the environment. Much of the literature regarding the use of PFAS in industrial processes and consumer products is not specific to individual PFAS constituents. When performing ESAs, environmental professionals will face the challenge of evaluating whether the subject facility used or released PFOA and PFOS.

An environmental issue arises when there is a significant release of a hazardous substance that results in its presence in soil, water or air. This must be more than just a minor or trivial release. Therefore, professionals need to understand the definitions of certain ESA terms provided in ASTM E1527-21.

3.2.73 *recognized environmental conditions*, n—(1) the presence of *hazard*- ous substances or petroleum products in, on, or at the subject property due to a release to the environment; (2) the likely presence of hazardous substances or petroleum products in, on, or at the subject property due to a release or likely release to the environment; or (3) the presence of hazardous substances or petroleum products in, on, or at the subject property under

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## A Look Ahead

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conditions that pose a *material threat* of a future release to the *environment*.

3.2.20-*de minimis condition*, n - a condition related to a release that generally does not present a threat to human health or the *environment* and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies. A condition determined to be a *de minimis condition* is not a *recognized environmental condition*.

While PFOA/PFOS are in many products, it is possible that many uses will be considered de minimis and not harmful. For instance, leaching of On a related topic, when it comes to ESAs, the EPA has regulated the use of biosolids on land for decades. However, no databases or readily available records identify the sites that received biosolids or the amounts of biosolids applied. Therefore, when conducting an ESA, particularly at a current or former agricultural site, the environmental professional must consider the possibility that biosolids were previously used at the site, and they should examine any historical records that might be available.

trace amounts from outdoor furniture or fast-food wrappers is likely, but these are typically minor issues.

However, there are cases where contamination by PFOA and PFOS could lead to recognized environmental conditions. For example, they could be found in firefighting foam sites, certain industrial facilities and sites linked to PFAS waste.



Additionally, there are places where processed sewage sludge, also called biosolids, has been used, which may be of concern for environmental professionals conducting ESAs. Biosolids are commonly used as fertilizer on land in the U.S., such as agricultural fields, golf courses, home gardens, and other landscaped areas. The specific PFAS chemicals found in biosolids can vary, but PFOA and PFOS are common. The EPA is continuously working to assess PFAS, including PFOA and PFOS, in sewage and biosolids as part of its long-term efforts to address PFAS issues.

On a related topic, when it comes to ESAs, the EPA has regulated the use of biosolids on land for decades. However, no databases or readily available records identify the sites that received biosolids or the amounts applied. Therefore, when conducting an ESA, particularly at a current or former agricultural site, the environmental professional must consider the possibility that biosolids were previously used at the site, and they should examine any historical records that might be available.

### **Final Thoughts**

PFAS chemicals are in many industrial and commercial products, and it's possible for very small amounts to leak into the environment. But such leaks from many products will likely be considered minor and de minimis. Larger releases are more likely at certain industrial facilities, PFAS waste sites, PFAS firefighting foam sites, and possibly some sites where treated sewage sludge has been applied.

The current understanding of PFAS use and its impacts on human health and the environment is evolving. Its toxicity, environmental behavior, chemical properties and human exposure to individual PFAS chemicals are still being studied. As PFAS knowledge continues to evolve, so will its application to environmental due diligence practices for the commercial real estate industry. Jeffrey D. Marshall, PE, is a vice president and the practice leader for the Environmental Services Practice for SCS in the mid-Atlantic region. He is the SCS national expert for innovative technologies and emerging contaminants. Michael J. Miller, CHMM, is a vice president and the practice leader for the Environmental Services Practice for SCS in the Central region. He is SCS's national expert on due diligence.

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