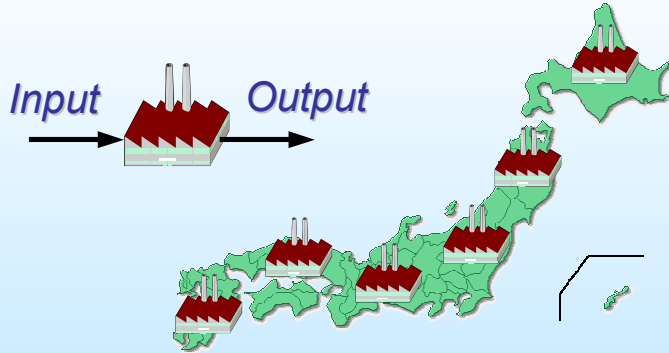


# **A New Inventory Data Model and Method for Uncertainty Evaluation in Life Cycle Assessment**

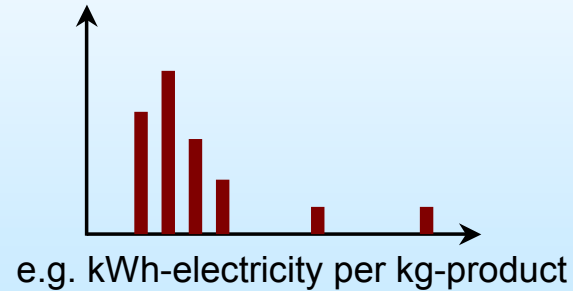
Hirokazu Sugiyama  
The University of Tokyo  
Swiss Federal Institute of Technology

# Introduction

Inventory analysis with industry



Market share



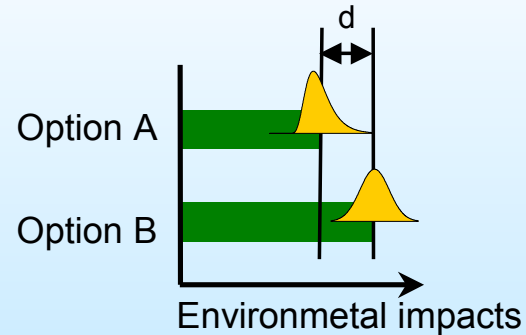
Source of uncertainty in LCI phase

...

*Differences in emission between factories which produce same product*

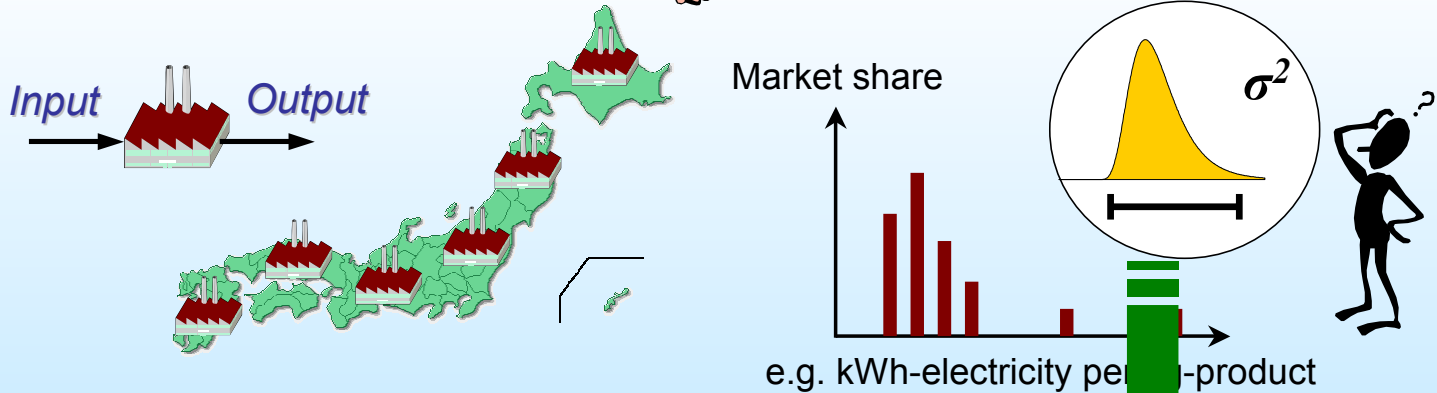
*Huijbregts, Int. J. LCA (1998)*

More informed decision making



# Introduction

Inventory analysis with industry  „Please don't publish individual data“



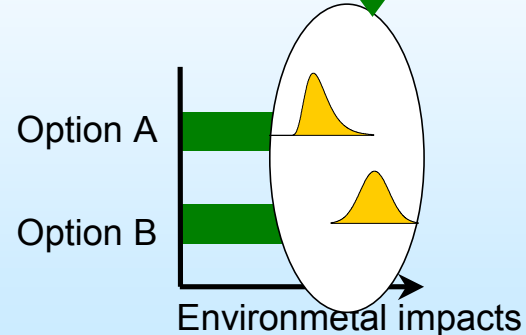
Source of uncertainty in LCI phase

...

*Differences in emission between factories which produce same product*

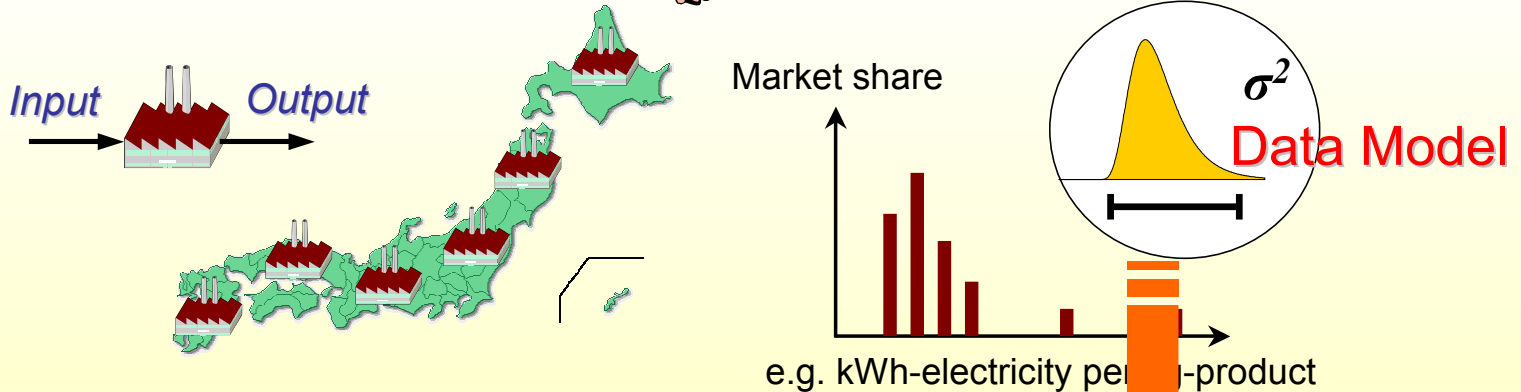
*Huijbregts, Int. J. LCA (1998)*

More informed decision making



# Objectives

Inventory analysis with industry  „Please don't publish individual data“



Source of uncertainty in LCI phase

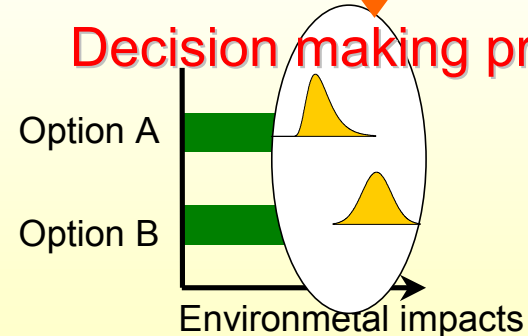
...

*Differences in emission between factories which produce same product*

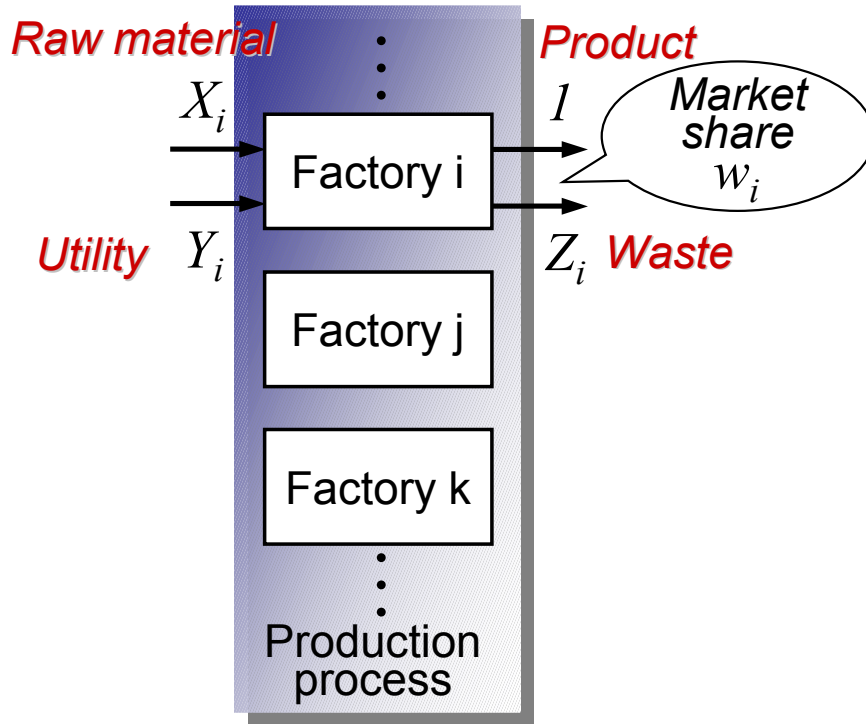
*Huijbregts, Int. J. LCA (1998)*

More informed decision making

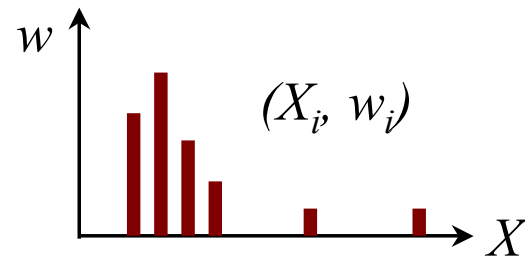
**Decision making procedure**



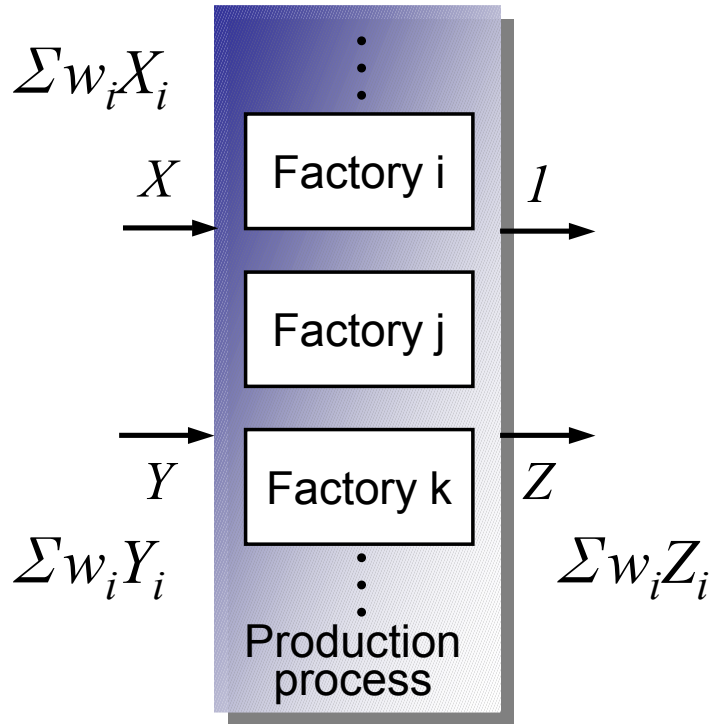
# Inventory data model: conventional



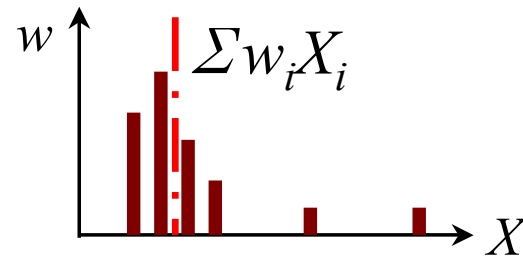
Difference in Input/Output per unit amount of production



# Inventory data model: conventional



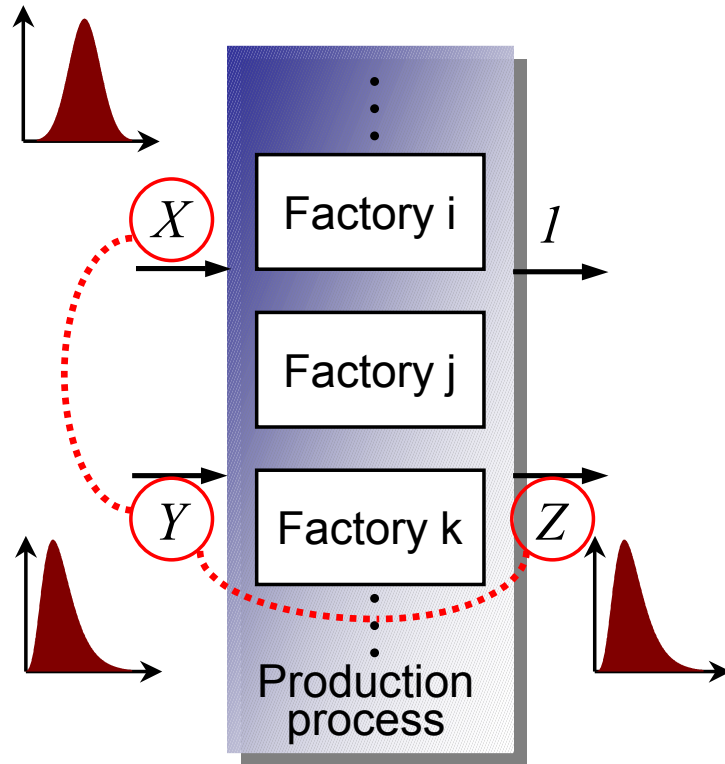
Difference in Input/Output per unit amount of production



Weighted average

- Information of scattering are lost
- LCA result is obtained as deterministic value

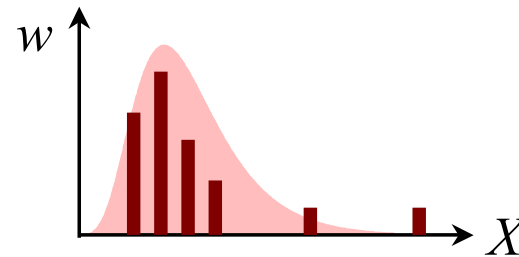
# Inventory data model: proposed



- 1) Probability distribution
- 2) Correlation coefficient



Difference in Input/Output per unit amount of production



Fitted probability distribution

- Scattering can be preserved
- Individual datapoints are masked

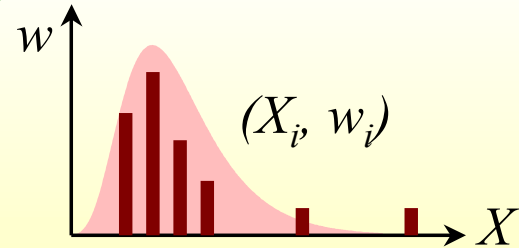
LCA result is obtained as probability distribution by Monte Carlo simulation.

# 1) Distribution fitting

Original data from industry  $(X_i, w_i)$   $\Rightarrow$  Fit distribution for  $X$

$X_i$  raw material/product in factory  $i$  ( $i=1\sim n$ )

$w_i$  marketing share of factory  $i$  ( $i=1\sim n$ )



Property of original data, Goodness-of-Fit statistics

$X = \underline{\text{Distribution}}(\underline{\text{parameter}})$   $\Rightarrow$  Lognormal (mean, standard dev.)

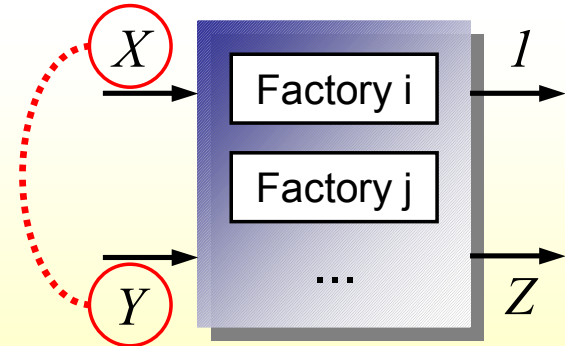
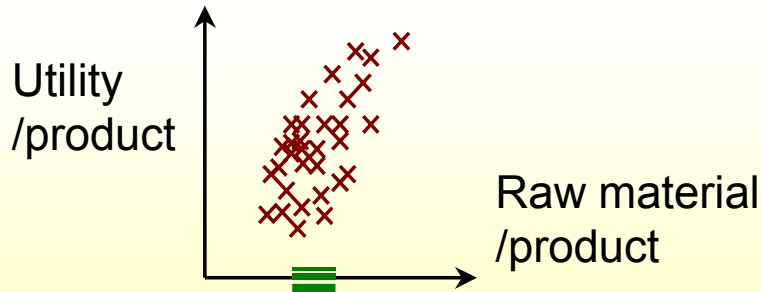
Maximum Likelihood Estimators  $\alpha$  which maximize

Likelihood function 
$$L(\alpha) = \prod_{i=1}^n (f(X_i, \alpha))^{Nw_i}$$

$\alpha$  is given by 
$$\frac{\delta L(\alpha)}{\delta \alpha} = 0$$



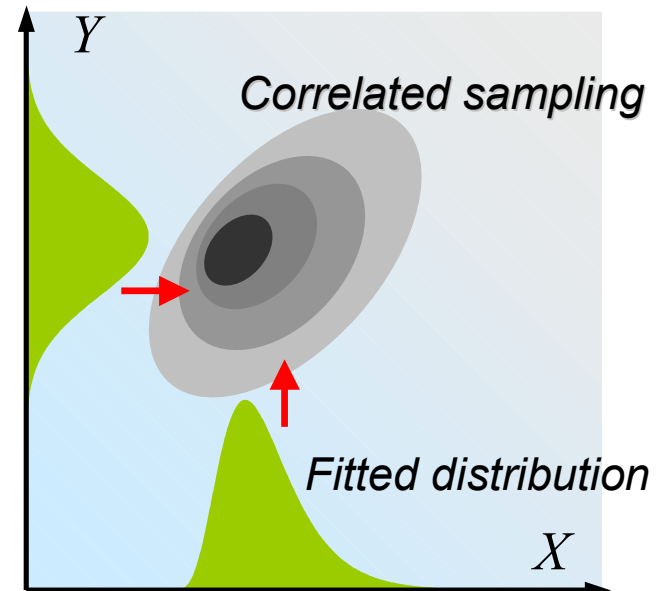
## 2) Correlation modeling



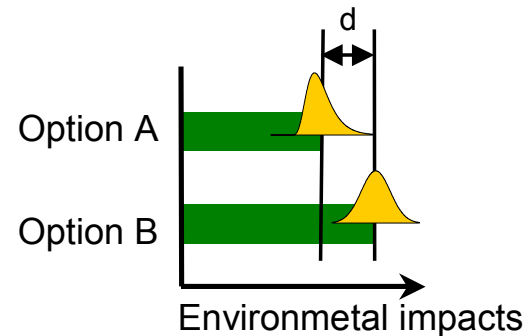
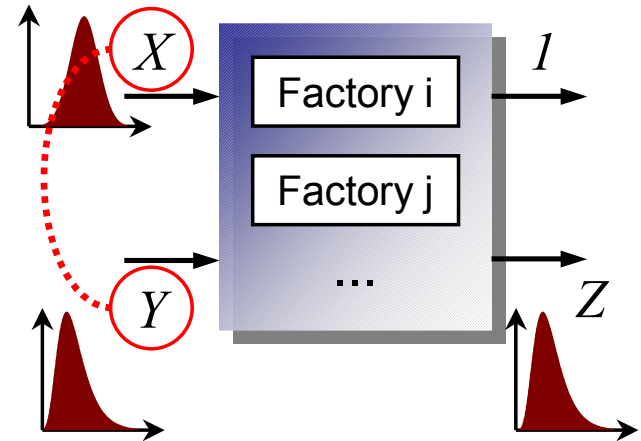
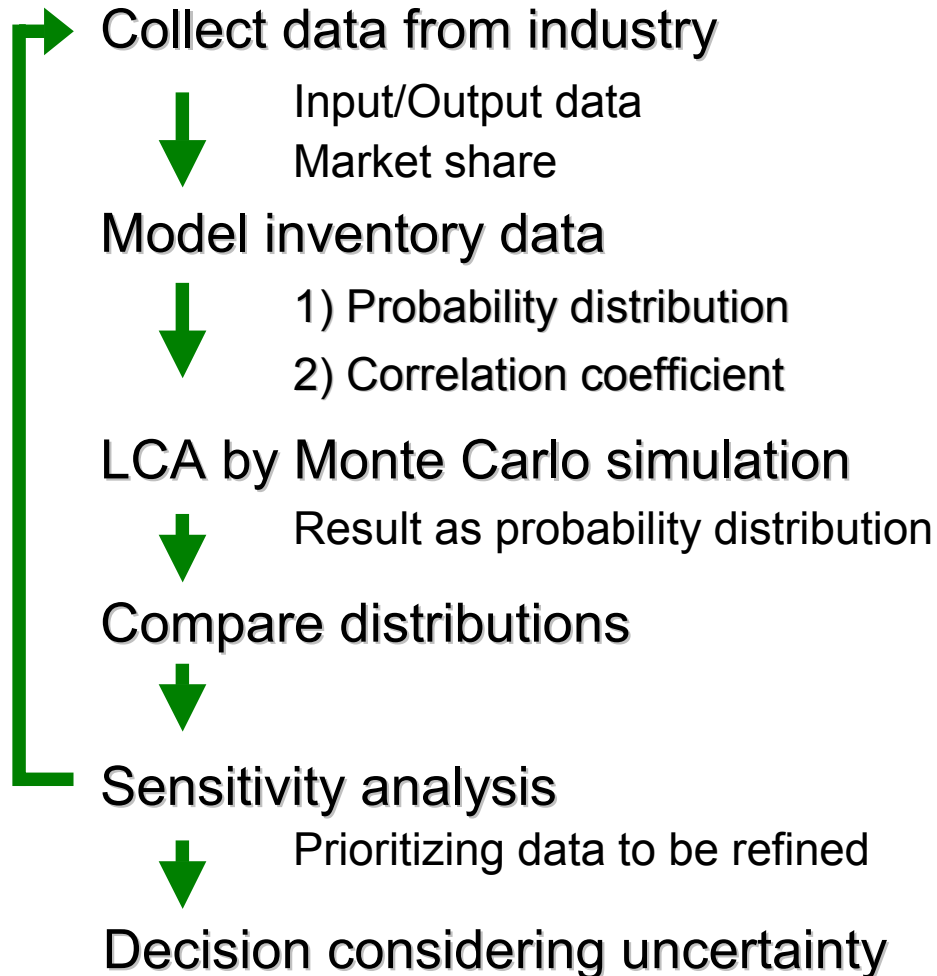
### Rank order correlation coefficient

$$r_{X-Y} = \frac{\sum_{i=1}^n \left( \text{rank}(X_i) - \frac{n+1}{2} \right) \left( \text{rank}(Y_i) - \frac{n+1}{2} \right)}{\frac{n(n+1)(n-1)}{2}}$$

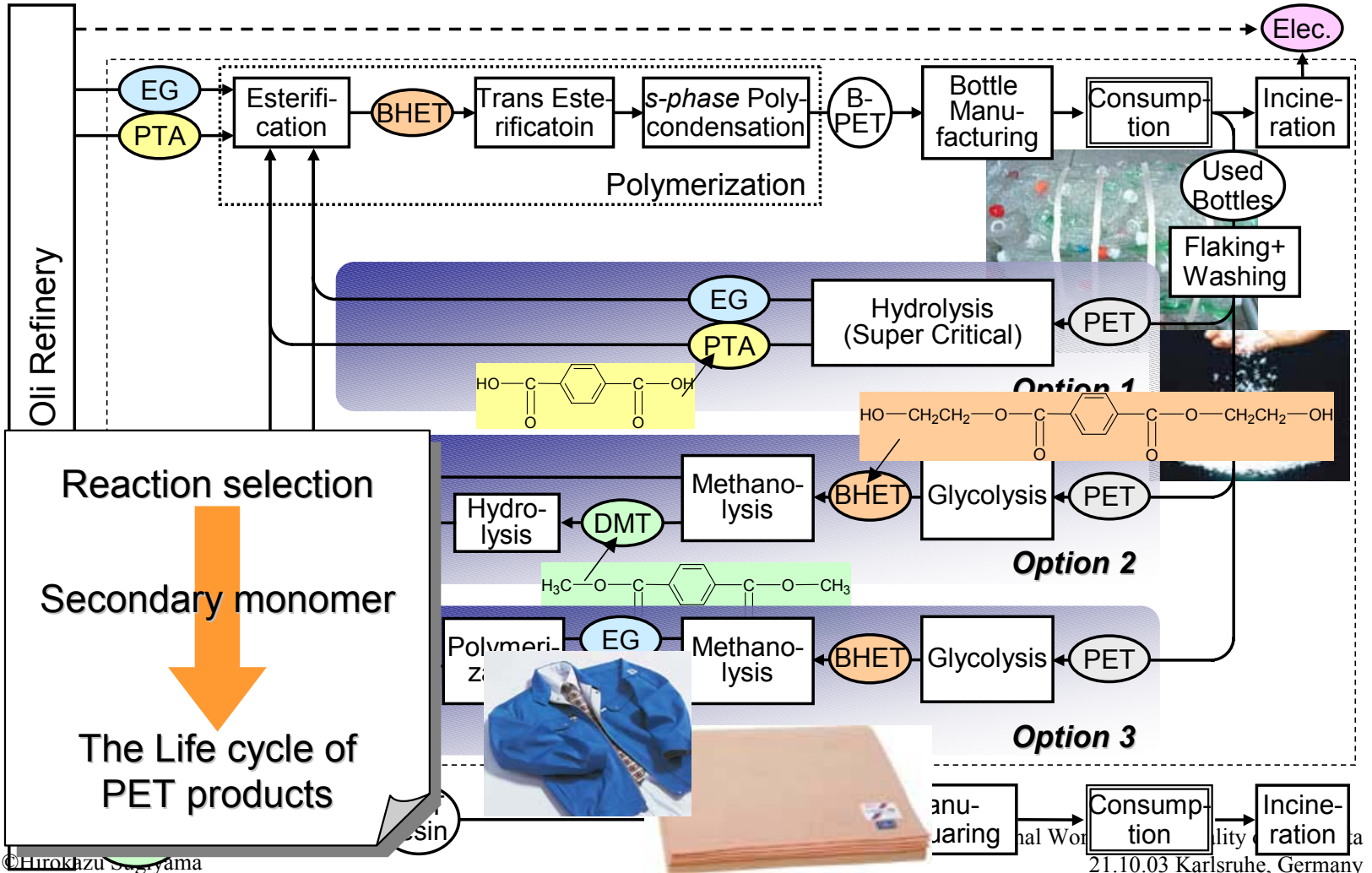
- Calculating correlation of rank order between parameters
- Suitable for correlated sampling in Monte Carlo simulation rather than regression coefficient



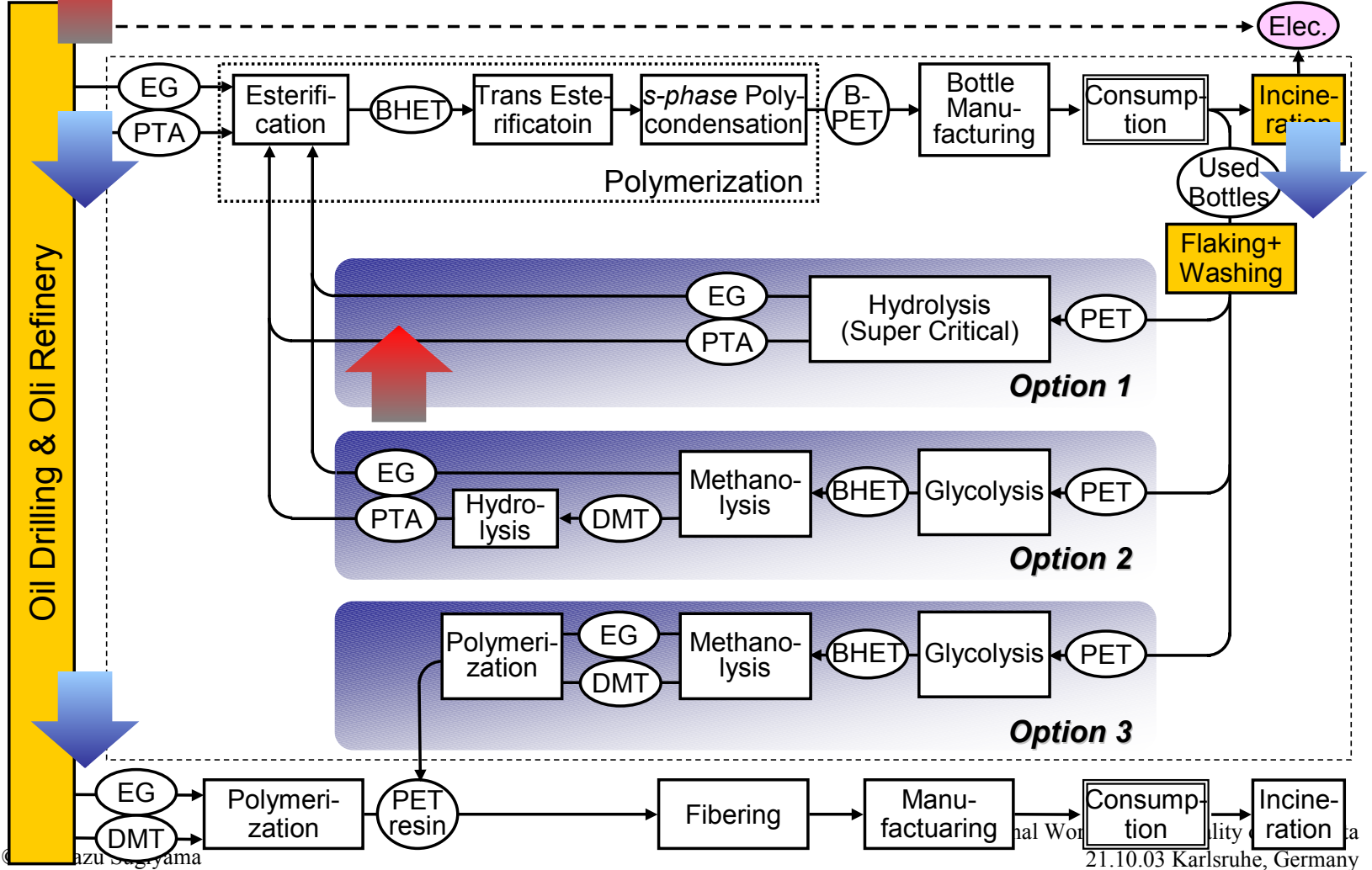
# Decision making procedure



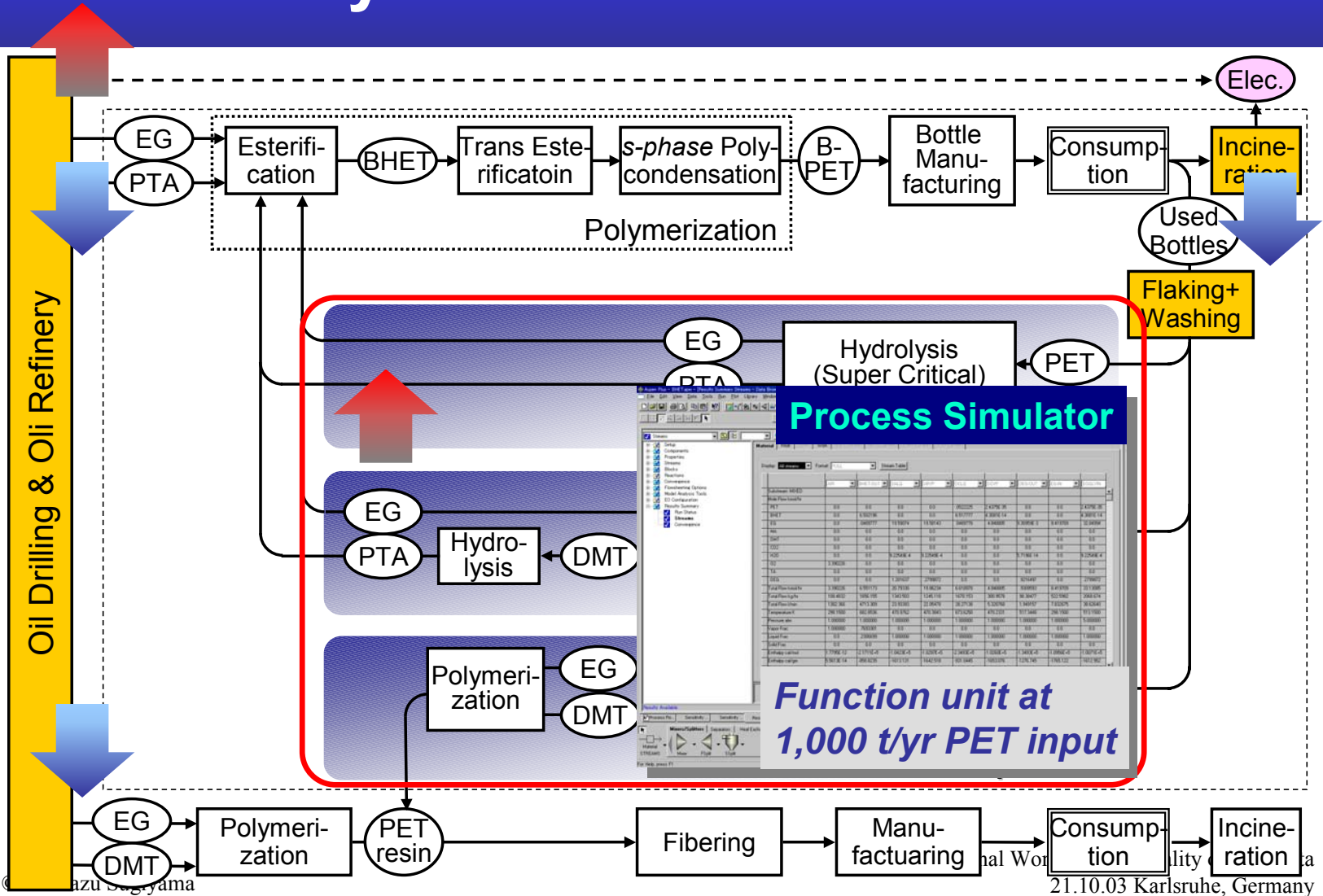
# Case Study



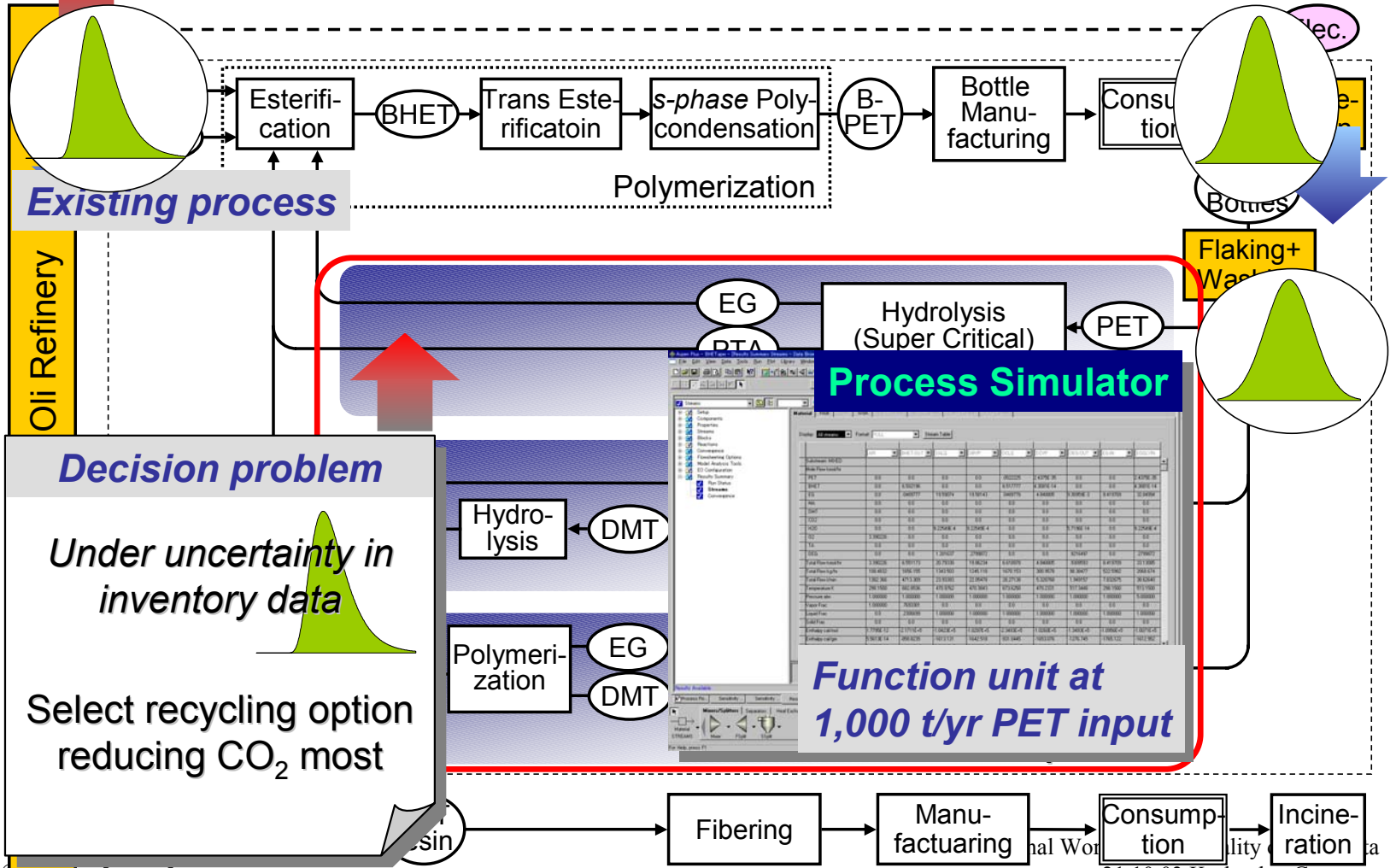
# Case Study



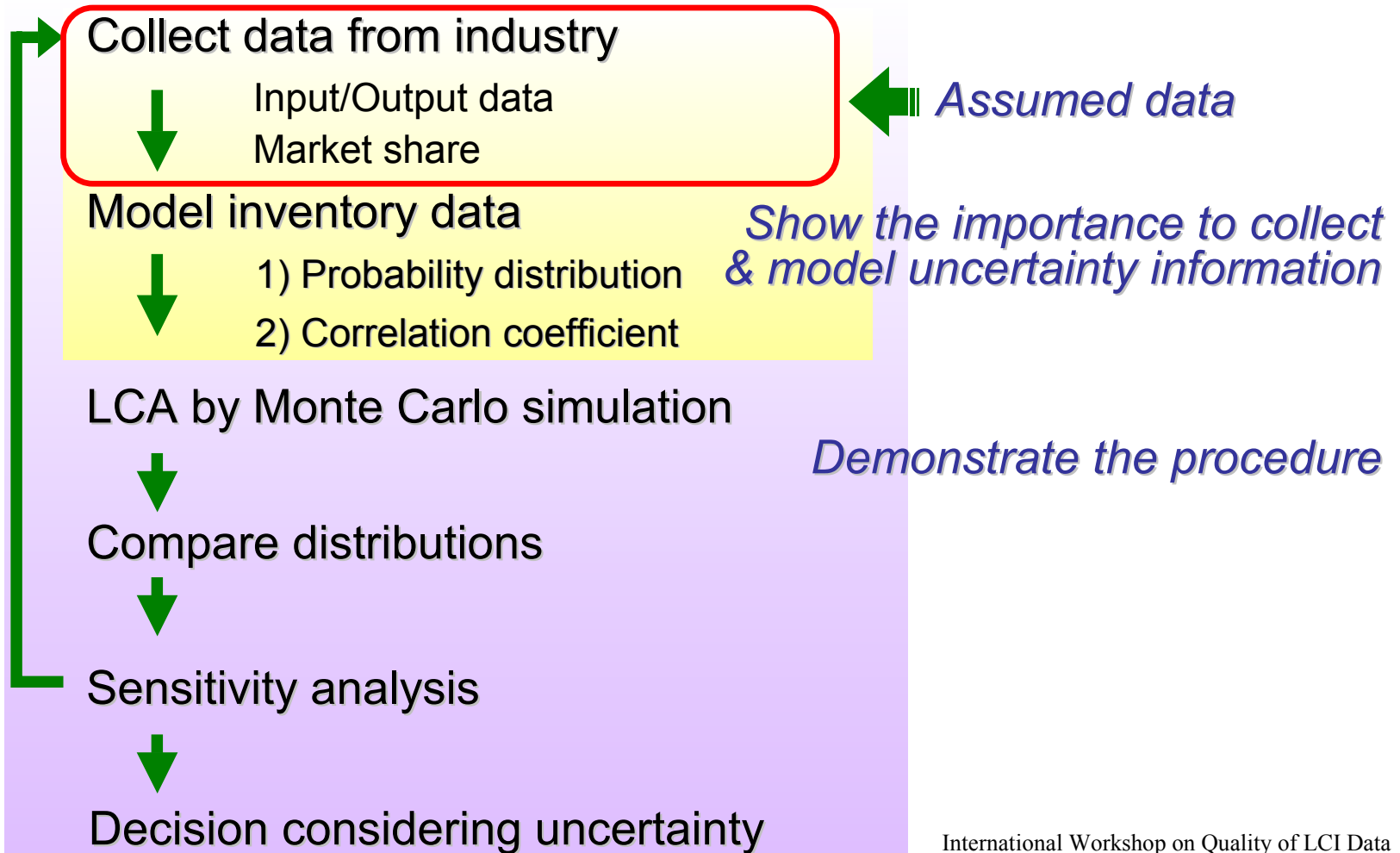
# Case Study



# Case Study

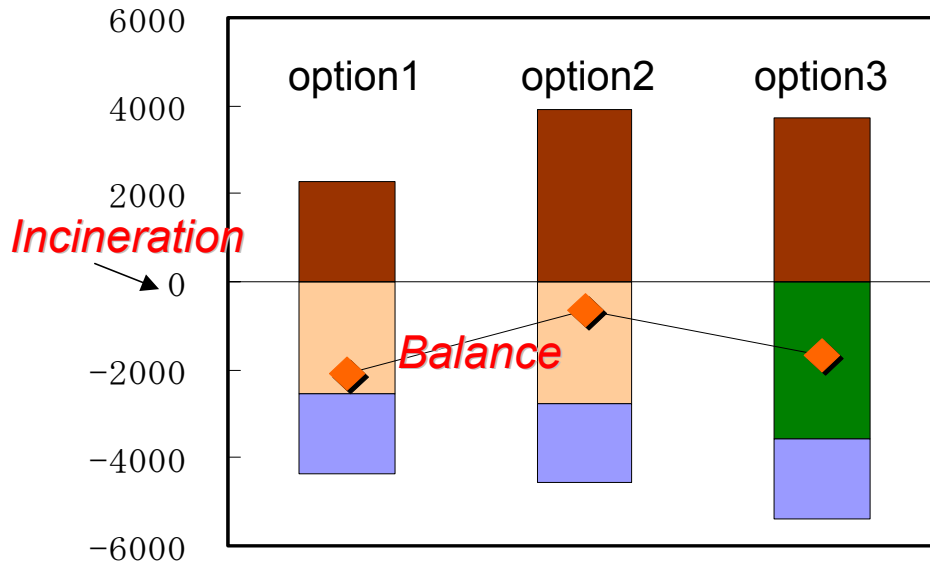


# Objectives in case study

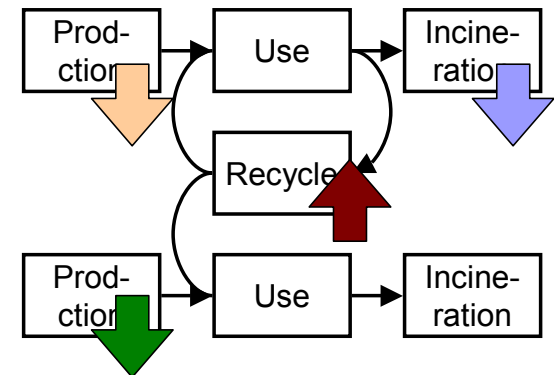


# LCA result: deterministic values

Changes of CO<sub>2</sub> emissions after installation of plant [t-CO<sub>2</sub>]



$$\Delta CO_2 = \text{Option 1-3 - Incineration}$$



Option1 (PET → PTA → PET bottle by super critical water) seems the best option

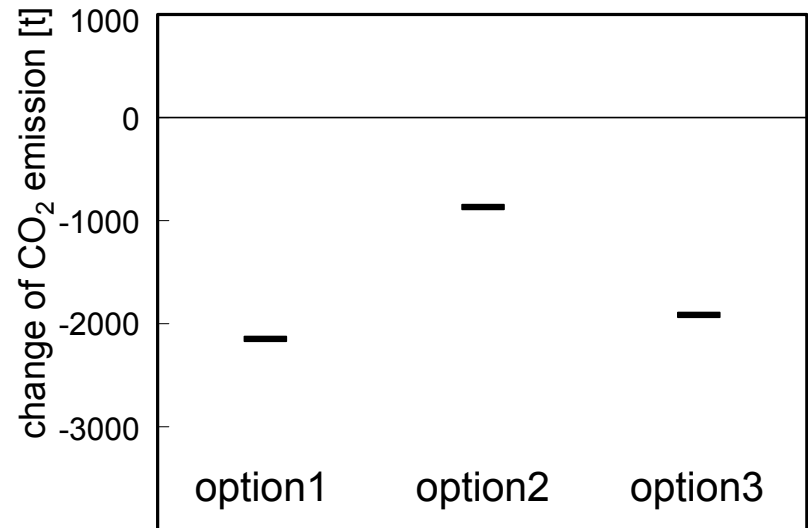
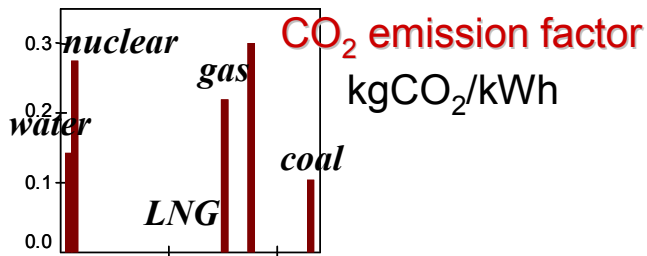
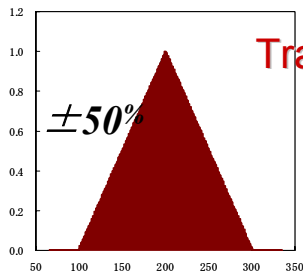
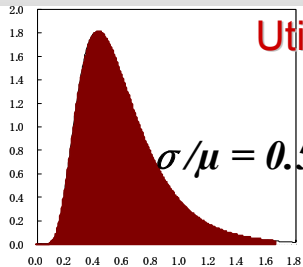


# LCA result: considering uncertainty

Inventory as probability distribution



$$\Delta CO_2 = Option1 \sim 3(p_{Opt.i}) - Incineration(p_{Inc.})$$

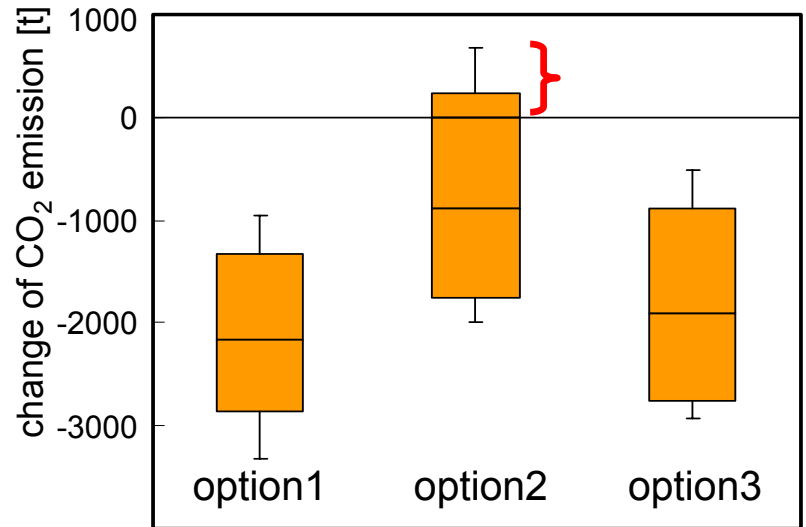
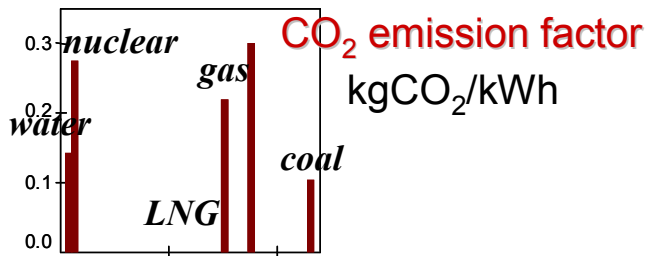
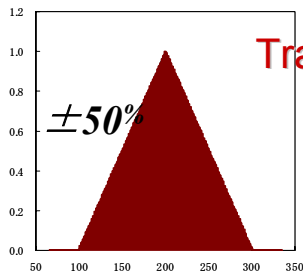
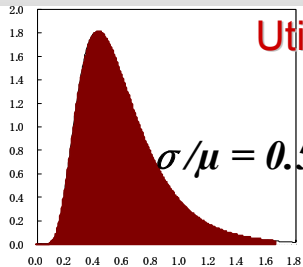


# LCA result: considering uncertainty

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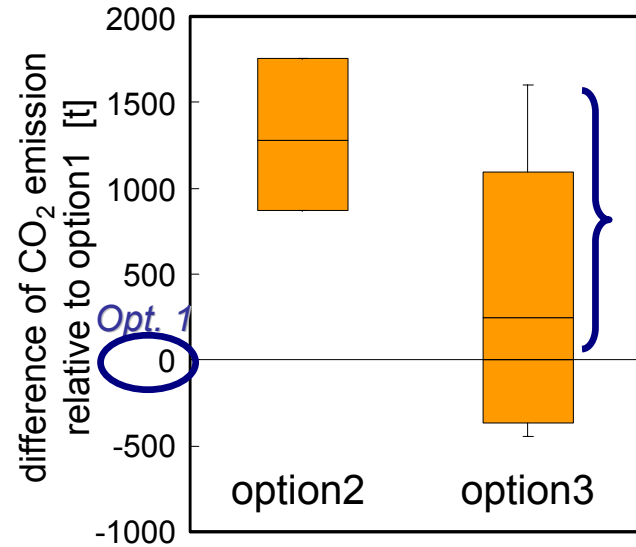
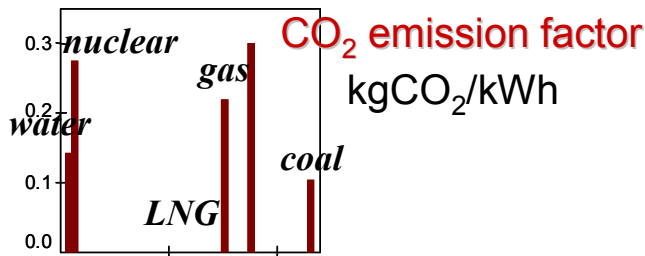
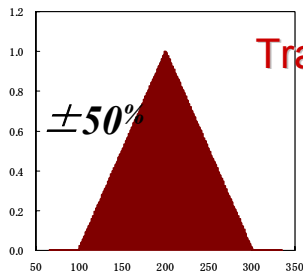
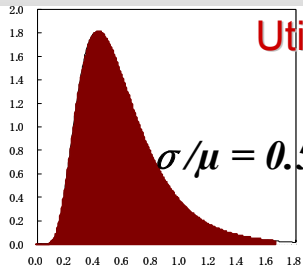
- Option1,3 result in the reduction of CO<sub>2</sub> by 99% confidence
- Option 2 does not necessarily lead to overall reduction

# Comparison: relative measurements

Inventory as probability distribution



$$\Delta CO_2 = Option_{2,3}(p_{Opt.2,3}) - Option\ 1(p_{Opt.1})$$



Integration over 0 = confidence that Option 1 superior to Option3 : 62%



Sensitivity analysis

# Sensitivity analysis: regression model

LCA Model

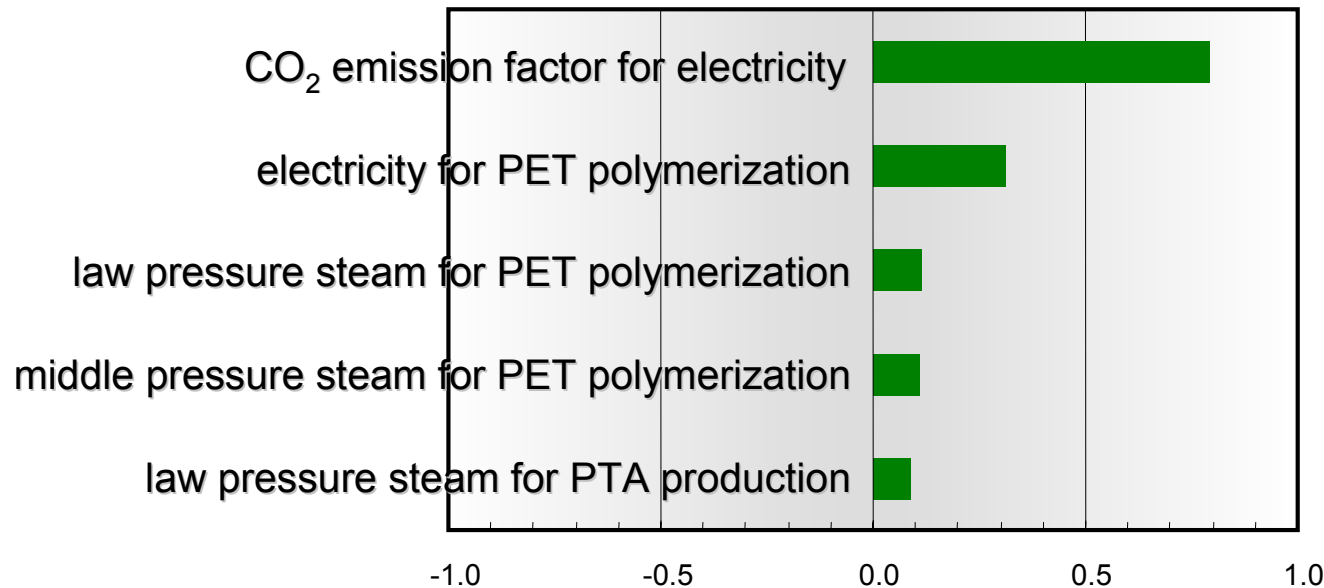
$$\Delta CO_2 = \text{Option 2,3}(p_{\text{opt.2,3}}) - \text{Option 1}(p_{\text{opt.1}})$$

Regression model

$$\sum_k a_k x_k + b$$

Inventory parameter

Standardized partial regression coefficient




Priority for the further data collection

# Conclusions

- *Data Model*

- Probability distribution for incorporation of uncertainty and for masking individual data
- Rank order correlation coefficient for correlated sampling in Monte Carlo simulation

- *Decision Making Procedure*

- LCA result in probability distribution
- Relative measurement + Sensitivity analysis
- Case study  *Assumption needed*

*Even obtaining the mean value is still difficult.*

# Conclusions

- *To help industry open more data for LCA practitioner...*
  - Clarification of data development procedure as data model is effective.
  - Even if assumed data is used, case studies illustrating the effectiveness of uncertainty evaluation are important.

# Acknowledgement

I would like to acknowledge

Prof. Dr. M. Hirao in The University of Tokyo

Prof. Dr. K. Hungerbühler in Swiss Federal Institute of Technology

for the supervision of the work and fruitful discussions.