

Scope 2 TWG Meeting Minutes

Meeting number 16

Date: 25 June 2025

Time: 17:00 – 19:30 EDT

Location: "Virtual" via Zoom

Attendees

Technical Working Group Members

1. Simone Accornero, Flexidao
2. Enam Akoetey-Eyiah, I-TRACK Standard Foundation
3. Avi Allison, Microsoft
4. Priya Barua, CEBA
5. Matthew Brander, University of Edinburgh Business School
6. Svend Brun Fjendbo Hansen, Ørsted
7. Pete Budden, NRDC
8. Charles Cannon, RMI
9. Yenhaw Chen, Taiwan Institute of Economic Research
10. Jules Chuang, Mt. Stonegate Green Asset Management Ltd.
11. Jessica Cohen, Constellation Energy Corporation
12. Killian Daly, EnergyTag
13. Abhilash Desu, Science Based Targets Initiative (SBTi)
14. Stuti Dubey, The D-REC Organization (Global Energy Equity & Climate Action Foundation)
15. Pengfei Fan, EPPEI
16. Neil Fisher, The NorthBridge Group
17. Aileen Garnett, Genesis Energy
18. Andrew Glumac, CDP
19. Zoe Godijn, Rio Tinto
20. Matthew Gray, TransitionZero
21. Hannah Hunt, Heineken
22. Mariné Iriart, Secretaria de Transición Energetica - Gobierno de Córdoba
23. Peggy Kellen, Center for Resource Solutions
24. Emma Konet, Tierra Climate
25. Stephen Lamm, Bloom Energy
26. Erik Landry, GRESB
27. Lissy Langer, Technical University of Denmark (DTU)
28. Irina Lazzerini, UNDP
29. Kelly Lichter, PepsiCo
30. Alain Mahieu, ENGIE
31. J. Andrea Méndez Velásquez, Atmosphere Alternative
32. Gregory Miller, Singularity Energy
33. Alex Perera, WRI
34. Yiwen Qiu, Independent
35. Henry Richardson, WattTime
36. Wilson Ricks, Princeton University
37. Alexandra Styles, HIR Hamburg Institut Research
38. Henrik Sundberg, H&M Group
39. Devon Swezey, Google
40. Kae Takase, Renewable Energy Institute
41. Linda Wamune, Energy Peace Partners
42. Sophia Wang, Gilead Sciences

Guests

None present

GHG Protocol Secretariat

1. Kyla Aiuto
2. Pankaj Bhatia
3. Elliott Engelmam
4. Chelsea Gillis
5. Michael Macrae
6. David Rich

Documents referenced

1. Scope 2 Phase 1 Revision Memo
2. Marginal Emission Impact Proposal

Item	Topic and Summary	Outcomes
1	<i>Welcome and goals of meeting</i> The Secretariat previewed the agenda, to take a formal record of TWG consensus across key revision areas, and a summary of next steps.	N/A
2	<i>Voting</i> The Secretariat conducted a vote on key Scope 2 Phase 1 Revisions and Consequential Subgroup Proposal 1	Voting results included in summary and discussion of outcomes.
6	<i>Next steps</i> The Secretariat shared next steps, including the next meeting dates of July 28 th and 29 th	N/A

Summary of discussion and outcomes

1. Welcome and goals of meeting

Summary of discussion

- The Secretariat outlined housekeeping and previewed the agenda: to outline the purpose of TWG voting and take a formal record of TWG consensus across key revision areas, and summarize next steps.
- The Secretariat outlined the purpose of the TWG vote. The TWG's indicative vote is intended to:
 - Document the level of consensus or disagreement across key Phase 1 revisions
 - Inform ISB decision-making
 - Help the Secretariat determine topics that need further discussion prior to public consultation.
- The Secretariat noted that all alternative proposal submissions, as written by the author(s), will be provided directly to the ISB.
- The Secretariat described the five voting options TWG members can select for each question.
- The Secretariat noted that TWG members have the opportunity to provide additional information about their voting choices via a short Microsoft Forms survey.

Outcomes (e.g. recommendations, options)

N/A

2. TWG Indicative Voting

Summary of discussion

- The Secretariat conducted indicative voting on the following questions.

Question 1 (overall direction LBM): Do you support the overall direction of proposed updates to the Location-Based Method, as reflected in Scope 2 Phase 1 Revision Memo Section 3?

Question 2 (overall direction MBM): Do you support the overall direction of the proposed updates to the Market-Based Method, as reflected in the Scope 2 Phase 1 Revision Memo Section 4?

Question 3 (emission factor hierarchy): Do you support the update to the location-based emission factor hierarchy to identify the most precise location-based emission factor according to spatial boundaries, temporal granularity, and emission factor type (consumption or production)?

Question 4 ('shall' requirement): Do you support a 'shall' requirement to use the most precise emission factor accessible for which activity data is also available?

Question 5 (definition of accessible): Do you support the proposed definition of accessible: publicly available, free to use, from a credible source?

Question 6 (principle of hourly matching): Do you support an update to scope 2 Quality Criteria 4 to require that all contractual instruments used in the market-based method be issued and redeemed for the same hour as the energy consumption to which the instrument is applied, except in certain cases of exemption? Hourly matching shall be demonstrated using either metered or profiled data (generation and/or consumption), depending on data availability.

Question 7A (principle of deliverability): Do you support an update to scope 2 Quality Criteria 5, to require that all contractual instruments used in the market-based method meet the principle of deliverability? Deliverability means it is plausible that electricity generated by a supplier could be included in the mix powering a reporting entity at the time of consumption.

Question 7B (methodologies for deliverability): Do you support the proposed methodologies for demonstrating deliverability as defined in the table 'Methodologies for demonstrating deliverability'?

Question 8A (definition of Standard Supply Service): Do you support the definition of Standard Supply Service (SSS) as including publicly supported or default electricity supply such as utility default service, government-mandated clean energy programs, or publicly owned facilities operated under a public service obligation for the purposes of market-based Scope 2 reporting?

Question 8B (pro rata allocation of SSS): Do you support the requirement that reporting entities may claim no more than their pro rata share of Standard Supply Service (SSS) resources under the market-based method?

Question 9 (residual mix): Do you support an updated definition of residual mix emission factors to reflect: the GHG intensity of electricity within the relevant market boundary and time interval that is not claimed through contractual instruments, including voluntary purchases or Standard Supply Service allocations?

Question 10 (fossil-based emission factor): Do you support a requirement that for any portion of electricity consumption not covered by a valid contractual instrument and where no residual mix emission factor is available, a reporter shall apply a fossil-based emission factor?

Question 11 (legacy clause): Do you support the introduction of a Legacy Clause that would allow existing long-term contracts eligible under the current Scope 2 Guidance framework to continue to be reported under the market-based method, even if they do not meet new hourly matching or deliverability requirements? (Note: Further details on implementation will be developed.)

Question 12 (overall direction MIM): Do you support continued development of the Consequential Measures Subgroup's Proposal 1 (Marginal Impact Method) as a complementary methodology to recognize the emissions impact of procurement and investment activities, outside the Scope 2 inventory?

Note: This question seeks your input on the concept and overall direction of the proposal, not on whether its reporting should be mandatory or optional. Decisions on reporting requirements will be made later as part of the broader 'Emission Report' framework under development by the Actions and Market Instruments (AMI) TWG. This vote will help determine whether the MIM proposal is on the right track as a complementary impact metric to be developed further alongside inventory methods.

Question 13 (additionality criteria): Do you support the additionality criteria as presented in the draft document, consisting of a regulatory test, a timing test, and either a positive list test or a financial additionality test?

Question 14 (calculation methodology): Do you support the calculation methodology as presented in the draft document, which applies marginal emission rates to load and generation, and includes both build and operating margin impacts?

Question 15 (net impact score): Do you support the recommendation as presented in the draft document, that companies net their induced consumption against their avoided emissions to calculate a net impact score?

Question 16 (overall direction): Do you support the overall direction of the Phase 1 revisions, including updates to location- and market-based method and the Consequential Measures Subgroup Proposal 1 under

development?

Outcomes

Indicative voting question	Yes, I fully support this direction	Yes, I support the direction but with concerns or suggestions	No, in order to support the direction I have significant concerns that need to be addressed	No, I do not support the direction at all	I'm not sure/ need more discussion	Total TWG members voted
Q1. Do you support the overall direction of proposed updates to the Location-Based Method, as reflected in Scope 2 Phase 1 Revision Memo Section 3?	28	12	1	1	1	43/45
Q2. Do you support the overall direction of the proposed updates to the Market-Based Method, as reflected in the Scope 2 Phase 1 Revision Memo Section 4?	18	12	11	1	1	43/45
Q3. Do you support the update to the location-based emission factor hierarchy to identify the most precise location-based emission factor according to spatial boundaries, temporal granularity, and emission factor type (consumption or production)?	32	5	1	1	3	42/45
Q4. Do you support a 'shall' requirement to use the most precise emission factor accessible for which activity data is also available?	29	8	2	2	1	42/45
Q5. Do you support the proposed definition of accessible: publicly available, free to use, and from a credible source?	31	8	1	0	2	42/45
Q6. Do you support an update to Scope 2 Quality Criterion 4 to require that all contractual instruments used in the market-based method be issued and redeemed for the same hour as the energy consumption to which the instrument is applied, except in certain cases of exemption?	21	6	11	5	0	43/45
Q7A. Do you support an update to Scope 2 Quality Criterion 5, to require that all contractual instruments used in the market-based method meet the principle of deliverability?	23	9	6	2	1	41/45
Q7B. Do you support the proposed methodologies for demonstrating deliverability as defined in the table	16	14	8	2	2	42/45

Methodologies for demonstrating deliverability?						
Q8A. Do you support the definition of Standard Supply Service (SSS) as including publicly supported or default electricity supply such as utility default service, government-mandated clean energy programs, or publicly owned facilities operated under a public service obligation for the purposes of market-based scope 2 reporting?	28	9	3	1	2	43/45
Q8B. Do you support the requirement that reporting entities may claim no more than their pro rata share of Standard Supply Service (SSS) resources under the market-based method?	35	3	1	2	1	42/45
Q9. Do you support an updated definition of residual mix emission factors to reflect: the GHG intensity of electricity within the relevant market boundary and time interval that is not claimed through contractual instruments, including voluntary purchases or Standard Supply Service allocations?	31	8	2	1	1	43/45
Q10. Do you support a requirement that for any portion of electricity consumption not covered by a valid contractual instrument and where no residual mix emission factor is available, a reporter shall apply a fossil-based emission factor?	29	7	2	2	3	43/45
Q11. Do you support the introduction of a Legacy Clause that would allow existing long-term contracts eligible under the current Scope 2 Guidance to continue to be reported under the market-based method, even if they do not meet new hourly matching or deliverability requirements?	26	12	2	0	2	42/45
Q12. Do you support continued development of the Consequential Measures Subgroup's Proposal 1(routine marginal emissions metrics) as a complementary methodology to recognize the emissions impact of procurement and investment activities, outside the Scope 2 inventory?	19	12	4	2	5	42/45
Q13. Do you support the additionality criteria as presented in the draft document, consisting of a regulatory test, a timing test, and either a positive list test or a financial additionality test?	21	5	6	2	9	43/45

Q14. Do you support the calculation methodology as presented in the draft document, which applies marginal emission rates to load and generation, and includes both build and operating margin impacts?	13	11	6	1	11	42/45
Q15. Do you support the recommendation as presented in the draft document, that companies net their induced consumption against their avoided emissions to calculate a net impact score?	17	10	4	5	7	43/45
Q16. Do you support the overall direction of the Phase 1 revisions, including updates to location- and market-based method and the Consequential Measures Subgroup Proposal 1 underdevelopment?	11	22	8	0	2	43/45

Next Steps

Summary of discussion

- The next meeting dates are June 28th and 29th 2025. These meetings will be used to share feedback from the ISB. The Secretariat will inform TWG members if they are expected to attend both meetings or if the same content will be covered in both.
- There are no TWG meetings scheduled in August.
- The first meeting after the August break is September 4th.

Outcomes (e.g. recommendations, options)

N/A