

Scope 2 Technical Working Group Meeting

Meeting #16

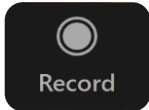
June 25, 2025



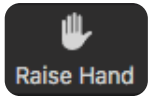
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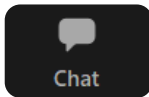
World Business
Council
for Sustainable
Development



This meeting is recorded.



Please use the Raise Hand function to speak during the call.



You can also use the chat function in the main control.



Recording, slides, and meeting minutes will be shared after the call.



Be mindful of sharing group discussion time; keep comments as succinct as possible.

Agenda

1. **Housekeeping**
2. **Goal of today's meeting and indicative voting**
3. **Voting**
4. **Next steps**



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Goal of today's meeting



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Goal of today's meeting

Understand and take formal record of TWG consensus across key revision areas to inform ISB decision-making on revision draft to take to public consultation.

Purpose of TWG indicative voting



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Role of the TWG in informing the recommendation to the ISB

The Scope 2 TWG plays an advisory, expert-driven role in shaping revisions to the Scope 2 Standard. Members are tasked with offering technical recommendations and identifying areas of alignment and disagreement, with the ISB serving as the final decision-making body.

The TWG indicative vote today is intended to:

- Document the level of consensus or disagreement across key Phase 1 revision topics
- Inform ISB decision-making at its July meeting
- Guide the development of content and priorities for a potential public consultation materials later this year
- Help the Secretariat determine which areas require additional development, clarification, or flexibility before public consultation, particularly between July and September.

Purpose of today's TWG indicative vote

This vote is indicative and advisory, not a final decision or approval. The purpose is to:

- Confirm where TWG support exists for the direction and framing of proposed updates that reflect the revised draft recommendations, developed in response to prior TWG polling and ISB pulse checks
- Identify where significant disagreement or alternative positions exist and should be elevated to the ISB with transparent documentation
- Provide a practical foundation for developing consultation materials that are both directionally sound and open to refinement based on public feedback

Focus areas for Revision Draft

TWG members are asked to focus on:

- High-level direction and conceptual alignment on proposed revisions;
- First-order rule framework changes, rather than secondary implementation details or specific geographic edge cases that may be addressed later in guidance
- Key principles and feasibility considerations, including identification of where flexibility or staged implementation may be necessary

Alternative Positions: Context and Next Steps

- In some areas, alternative positions have been developed by TWG members to reflect different approaches or priorities. These include both proposals that did not receive broad support in prior TWG or ISB input, and emerging ideas or directions not yet evaluated through formal polling or feedback.
- These alternatives will be shared with the ISB to ensure transparency on the range of views and to highlight well-developed minority perspectives for further consideration.
- TWG members who wish to sign onto an alternative proposal should notify the Secretariat by June 25th, if they have not already done so.

Indicative voting



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Response options for indicative voting

For each question select from the following responses:

- a) Yes, I fully support this direction
- b) Yes, I support the direction but with concerns or suggestions (please explain)
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion

“Please explain”

For the answers that note “please explain” you are requested to fill out a Microsoft Form with brief comments at the conclusion of today’s meeting (200 characters). Link to be posted in meeting chat.

Overall Direction of the Scope 2 Phase 1 Update

Q1. Overall Direction of 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?

- a) Yes, I fully support this direction.
- b) Yes, I support the direction but with concerns or suggestions (please explain)
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion.

Q2. Overall Direction of 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?

- a) Yes, I fully support this direction.
- b) Yes, I support the direction but with concerns or suggestions (please explain)
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion.

Location-based Method (1/3)

Q3. Location-based method 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)?

- a) Yes, I fully support this direction
- b) Yes, I support the direction but with concerns or suggestions (please explain)
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion.

Location-based Method (2/3)

Q4. Required use of most precise emission factor accessible

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

- a) Yes, I fully support this direction
- b) Yes, I support the direction but with concerns or suggestions (please explain)
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion

Location-based Method (3/3)

Q5. Definition of 'accessible'

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

- a) Yes, I fully support this direction
- b) Yes, I support the direction but with concerns or suggestions (please explain)
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion

3. Market-based Method (1/8)

Q6. Principle of Hourly Matching (Quality Criterion 4)

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?

Hourly matching shall be demonstrated using either metered or profiled data (generation and/or consumption), depending on data availability.

- a) Yes, I fully support this direction
- b) Yes, I support the direction but with concerns or suggestions (please explain)
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion

3. Market-based Method (2/8)

Q7.A. Principle of Deliverability (Quality Criterion 5)

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?

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.

- a) Yes, I fully support this direction
- b) Yes, I support the direction but with concerns or suggestions (please explain)
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion

3. Market-based Method (3/8)

Q7.B. Methodologies for Deliverability

Do you support the proposed methodologies for demonstrating deliverability as defined in the table 'Methodologies for demonstrating deliverability'?

- a) Yes, I fully support this direction.
- b) Yes, I support the direction but with concerns or suggestions (please explain)
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion

3. Market-based Method (4/8)

Q8.A. 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?

- a) Yes, I fully support this direction
- b) Yes, I support the direction but with concerns or suggestions (please explain)
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion

3. Market-based Method (5/8)

Q8.B. Pro rata allocation of Standard Supply Service

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?

- a) Yes, I fully support this direction
- b) Yes, I support the direction but with concerns or suggestions (please explain)
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion

3. Market-based Method (6/8)

Q9. 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?

- a) Yes, I fully support this direction.
- b) Yes, I support the direction but with concerns or suggestions (please explain).
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion.

3. Market-based Method (7/8)

Q10. 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?

- a) Yes, I fully support this direction.
- b) Yes, I support the direction but with concerns or suggestions (please explain).
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion.

3. Market-based Method (8/8)

Q11. 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 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 to be developed.)

- a) Yes, I fully support this direction.
- b) Yes, I support the direction but with concerns or suggestions (please explain).
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion.

4. Consequential Metric – Subgroup Proposal 1 (1/4)

Q12. Directional Support for Subgroup Proposal 1

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?

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 Proposal 1 is on the right track as a complementary impact metric to be developed further alongside inventory methods.

- a) Yes, I fully support this direction.
- b) Yes, I support the direction but with concerns or suggestions (please explain).
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion.

4. Consequential Metric – Subgroup Proposal 1 (2/4)

Q13. Additionality Criteria for the MIM

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?

- a) Yes, I fully support this direction.
- b) Yes, I support the direction but with concerns or suggestions (please explain).
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion.

4. Consequential Metric – Subgroup Proposal 1 (3/4)

Q14. 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?

- a) Yes, I fully support this direction.
- b) Yes, I support the direction but with concerns or suggestions (please explain).
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion.

4. Consequential Metric – Subgroup Proposal 1 (4/4)

Q15. 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?

- a) Yes, I fully support this direction.
- b) Yes, I support the direction but with concerns or suggestions (please explain).
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion.

5. Phase 1 Revisions: Market-based Method, Location-based Method + Consequential Impact Metric

Q16. 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?

- a) Yes, I fully support this direction.
- b) Yes, I support the direction but with concerns or suggestions (please explain).
- c) No, in order to support the direction, I have significant concerns that need to be addressed (please explain)
- d) No, I do not support the direction at all
- e) I'm not sure / need more discussion.

Next steps



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Next steps

- **Next meeting(s): The next two TWG meetings will be on subsequent days the last week of July.**
 - Meeting #17: Monday, July 28th, 09:00 EDT/15:00 CEST/21:00 CST
 - Meeting #18: Tuesday, July 29th, 17:00 EDT / 23:00 CEST / (+1) 05:00 CST

These meetings will be used to discuss and address any changes necessary to the Revision Draft and Marginal Emission Impact Proposal following the ISB vote on July 14th.

There will be no TWG meetings held in August.

- Meeting #19: Thursday, September 4th, 09:00 EDT/15:00 CEST/21:00 CST

Thank you!

If you'd like to stay updated on our work, please [subscribe](#) to GHG Protocol's email list to receive our monthly newsletter and other updates.

