

Scope 2 TWG Meeting Minutes

Meeting number 17

Date: 28 July 2025

Time: 09:00 – 11:00 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

Alex Bassen, Chair of GHG Protocol Independent Standards Board (ISB)

GHG Protocol Secretariat

1. Elliott Engelmann
2. Chelsea Gillis
3. Michael Macrae
4. Kevin Kurkul

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>Feedback from ISB</i> The Secretariat reviewed ISB decisions on the Scope 2 Phase 1 Revisions and Consequential Subgroup Marginal Impact Method Proposal	N/A
6	<i>Next steps</i> The Secretariat shared next steps, including the steps to support public consultation and the next meeting date of September 4 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.
- The Chair of the Independent Standards Board (ISB) joined the meeting to share remarks on the ISB's decisions for the Scope 2 Phase 1 Revisions and Consequential Subgroup Marginal Impact Method (MIM) Proposal and to hear TWG member feedback. The Chair expressed appreciation for the TWG's contributions and reaffirmed strong ISB support for advancing both the location-based method (LBM) and market-based method (MBM) to consultation. He explained that the MIM proposal did not receive sufficient ISB support due to concerns around the proposed additionality test, netting approach, and lack of alignment with the broader AMI framework. The ISB recognized the importance of sector-specific knowledge in electricity and noted that MIM should not be fully handed off to AMI but instead remain closely connected to the Scope 2 TWG. Discussions with the Secretariat and GHGP leadership are ongoing to determine how to best integrate consequential work into the evolving AMI structure while maintaining TWG involvement. The Chair emphasized that the MIM decision was not a rejection but a call for further development, and he underscored the need for clarity in distinguishing inventory and impact standards moving forward. Additional guidance on next steps will be forthcoming.

Outcomes (e.g. recommendations, options)

N/A

2. Feedback from ISB

Summary of discussion

- The Secretariat shared feedback on the ISB's decisions for the proposed Scope 2 Phase 1 Revisions and Consequential Subgroup MIM Proposal from the July ISB meeting.
 - The Secretariat summarized the ISB's decision-making process and materials provided, including voting structure (an A+B majority vote is required to proceed to consultation).
 - Summarize ISB's voting results as presented in slide #10, *Scope 2 TWG – Meeting 17 Presentation – 28 July 2025*
 - The secretariat emphasized the ISB's appreciation for the TWG's ongoing work and reiterated the ISB's strong support for advancing the LBM and MBM proposals to consultation. The ISB expressed appreciation for the transparency and completeness of information provided, including the opportunity to directly review TWG feedback and Alternative Positions beyond the proposed revisions.

- **On the Location-Based Method (LBM)**

- The secretariat reviewed ISB feedback including their strong support for the proposed improvements to the emissions factor (EF) hierarchy, and a request for further clarification on the definition and application of "accessibility" in emission factor selection. Members noted the importance of ensuring that high-quality data is available and practically usable.
- TWG members raised questions about emission factor datasets behind paywalls, with concerns that such restricted access could compromise comparability and fairness across reporting entities.
- There was also discussion of the proposal's language that entities "shall use the most precise accessible emission factors." Members observed that while the LBM does not require use of hourly profiles where unavailable, the use of the word "shall" could have been interpreted by some ISB members as implying an expectation of hourly matching in certain contexts. This may have contributed to at least one ISB member's negative vote.

- **On the Market-Based Method (MBM)**

- Discussion of ISB support for advancing to consultation while continuing to refine implementation details.
- ISB feedback topics flagged for further elaboration included:
 - Acceptable methods for estimating profiled loads and how these methods should be documented and justified.
 - Deliverability criteria, including how to define and apply these in regions where deliverable clean energy may be limited or less transparent.
 - Standard Supply Service (SSS), including how incrementality could serve as a backstop when default or utility supply structures are not clearly defined.
 - The need to assess and clarify exemptions, thresholds, and other mechanisms to reduce burden while preserving environmental integrity.
 - Recognition that policy revisions inherently require new processes and resources, and that phased implementation timelines may help accommodate varied market readiness.
- Several questions were raised:
 - Whether the consultation process could simultaneously help clarify implementation while also testing the direction of proposals.
 - How available data sources, such as CDP disclosures, align with proposed thresholds and exemptions, and whether additional benchmarks are needed to inform refinements.

- **On the Legacy Clause**

- Secretariat recapped ISB voting outcomes on support for development of a legacy clause that could allow existing long-term contracts that clearly align with the current Scope 2 Quality Criteria to continue to be counted as matched consumption, even if they do not meet hourly or deliverability requirements and the ISB's support, contingent on further detail.
- ISB requested full development of the implementation approach, including a complete draft text with clearly defined cutoff dates, qualifying contract criteria, how non-matched EACs would be incorporated into inventory reporting, and consistent application rules.
 - One question raised whether a long-term contract (e.g., 15 years) would retain eligibility for the full term or be capped at a set number of years. The TWG was encouraged to develop more complete implementation details to support ISB review.

- **On the Marginal Impact Method Proposal (MIM)**

- Recap of ISB vote results: The majority voted "no" on advancing the MIM proposal to consultation, citing the need for further foundational development before it could proceed.
- The ISB emphasized several areas for improvement:
 - The need for a clear and transparent distinction between inventory metrics (used for accounting) and impact metrics (used to quantify emissions outcomes).

- Concerns that the proposed additionality test lacked alignment with recognized frameworks. Specifically, the 6.4 test under the UNFCCC was noted as a more credible reference, and the ISB encouraged comparison with existing electricity-sector additionality standards.
- The proposed 50:50 weighting of build and operating margins was viewed as overly simplistic. The Board called for further analysis and justification to establish a credible approach to impact attribution.
- A stronger methodological basis is needed for calculating marginal emissions factors across markets. The ISB requested deeper development of these methods and clarity on how they would be applied internationally.
- The ISB raised concerns that a netting approach may be inappropriate for the Corporate Standard's inventory focus. While netting may be relevant in target-setting contexts, the GHG Protocol's primary function is emissions accounting, and guidance on target-setting may be better addressed separately.
- In discussion on how to proceed:
 - Board members reaffirmed support for continuing work on consequential impact methods through the AMI initiative. The ISB emphasized the importance of achieving consistency in consequential accounting methodologies across sectors and directed that future work on avoided emissions be carried out through the AMI TWG. Developing a unified framework within AMI would ensure methodological coherence, avoid duplicative complexity across standards, and support stronger alignment with the broader GHG accounting ecosystem.
 - The ISB majority agreed that while the MIM proposal was not yet ready for consultation, many of its core concepts remain relevant and should be advanced through the upcoming public consultation in the form of high-level questions or framing.
 - The Secretariat outlined plans to coordinate with the TWG to draft consultation questions focused on avoided emissions and related consequential impact topics. These questions will help inform future workstreams under AMI.
 - Multiple implementation pathways remain under consideration for electricity-sector-specific consequential methods, including joint AMI/Scope 2 efforts or continued development under AMI with formal links to the Scope 2 TWG.
- Clarifying questions raised by TWG members included:
 - Whether demand-side impacts, such as demand response or induced emissions, would continue to be captured under the avoided emissions framing. The Secretariat clarified that actions such as demand response would still be included.
 - What the consultation format would look like, whether it would include draft text or only high-level concepts. The Secretariat confirmed the intent to socialize key ideas and framing questions (rather than early regulatory-style text), with coordination from the TWG.

Outcomes

Next Steps

Summary of discussion

- The next meeting date is September 4th
- There are no TWG meetings scheduled in August.
- The secretariat shared that materials will be circulated to help support TWG member providing inputs into consultation.

Outcomes (e.g. recommendations, options)

N/A