GHG Protocol
Scope 2 Technical Working Group
Workshop Summary

20-22 October 2026: Washington DC/online

Summary of outcomes and remaining questions

30 October 2026

1. Purpose

This document summarizes the outcomes of the Scope 2 Technical Working Group workshop held from 20 to 22 October 2026 in Washington DC and online. It also summarizes what questions remain open by topic. Thirty-nine of forty-six TWG members participated in the TWG workshop, either in person or online.

This document is a starting point for the TWG's further work in subgroups to help resolve the open questions in the TWG memos and finalize straw-proposal text over the coming weeks. The aim is for the subgroups to bring recommendations to the broader TWG at the November 23rd and 24th meetings. Indicative voting at the November TWG meetings will form the recommendations that the Secretariat will bring to the ISB for its 15 December meeting. Materials are due to the ISB on 1 December.

2. Context for the Results

- **Informal polls.** The polls at the workshop were informal shows of hands, in the room and online. They were taken to gauge where views stood and to support the direction of the TWG's next steps.
- **Participation.** Between 36 and 39 of the 46 TWG members took part each day, and between 17 and 31 responded to each poll. Counts come from Secretariat notes and session transcripts, and some sources differ slightly. Some deliverability polls were taken on a no-objections basis and therefore have no counts.
- **Conditional questions.** Some results should be read as conditional on other elements.
- **Chatham House Rule.** The workshop was held under the Chatham House Rule. No views are to be attributed to individuals or organizations.
- **Further input.** Members are invited to raise corrections and further input through the subgroups and at the November TWG meetings.

3. Direction of Travel

The workshop's central outcome is a shared direction of travel that participants will develop as a single TWG proposal, rather than as separate alternative proposals. Alternatives may still be submitted in writing to the ISB if TWG members wish to do so.

In an informal poll, 22 participants indicated support for the following direction as one they could collectively support, with details to be further developed. When asked, no members indicated opposition.

The direction is designed to provide a complete GHG picture of electricity consumption and procurement actions, including the following elements (with varied support for whether each element should be required or recommended):

1. **Location-based inventory:** Improved location-based method (LBM) based on a hierarchy of the best available data.
2. **Market-based inventory:** The market-based method (MBM) is based on hourly matching and deliverability. Meeting incrementality is recommended ("should"), while disclosing the share of procurement that is incremental is required ("shall").
3. **Consequential/GHG impact metric(s):** Electricity consequential impact metric(s) for (A) consumption and (B) procurement (+/-), reported in the GHG impact statement, with a disclaimer where reporting is not feasible.
4. **Key indicators:** Reporting of specific indicators to be defined, such as: CFE matching score (%) (hourly, monthly, annual) and % of consumption from CFE from one or more: incrementality, long-term original offtake agreements, SSS included (if applicable), other (TBD).

The workshop also identified an indicative direction on the following topics. Section 4 provides further details on how the level of support was gauged.

- **Incrementality.** The TWG indicated support for incrementality to be included in the scope 2 market-based method as a recommendation (rather than as a requirement) with a requirement to report the percentage of electricity procurement that is incremental. They supported two options in the standard for determining incrementality: either through a long-term offtake contract or a defined age limit for the generating asset.
- **Deliverability.** The TWG indicated support for defining deliverability based on a plausible physical connection between generation and consumption. Support was reached on three options to determine physical connection, which would be used to establish deliverable market boundaries. Rather than applying these options as a fixed hierarchy, the selected option would vary region-by-region based on balancing the decision-making criteria (integrity, impact, and feasibility). The TWG supported establishing standardized default boundaries rather than each reporting company defining boundaries case by case.
- **Phased transition to new scope 2 requirements and recommendations.** The TWG indicated support for the new MBM to be phased in based on company size (electricity use). Under this approach, new rules would phase in earlier for the largest electricity users and later for others. The 2015 Scope 2 Guidance would remain available for a longer period as transition relief, with the new method phasing in before the current method phases out. Dates, thresholds, and readiness conditions would still need to be defined. In a pulse check, 26 participants indicated the discussion of the transition and existing contracts was moving in the right direction.
- **Smaller companies.** The TWG indicated support for an approach where, if MBM reporting is required for larger companies, it would be optional to report for companies below a size or load threshold.
- **Location-based method.** The TWG indicated support for a ranked emission factor hierarchy to be provided, with clearer rules on which emission factors may be used.

Open questions

- **Market-based method.** Open questions include whether reporting under the MBM should be required or recommended where qualifying data are available, how to define exemptions and thresholds, and how existing long-term contracts are treated. Design details that remain open include:
    - **Incrementality:** Treatment of existing clean generation and fallback emission factors when no residual mix is available (fossil vs. location-based grid average); contract definitions and execution timing for long-term offtake; asset-age parameters and rules across technologies/storage; and unaddressed topics including capacity upgrades, repowering, and contract renewals.
    - **Deliverability:** whether to add additional criteria beyond the three supported options; treatment of emerging markets and islanded grids; methodologies for cross-border deliverability; drawing the deliverable market boundary for each region and defining who sets and maintains the boundaries.
    - **Standard Supply Service:** whether SSS remains a requirement, how it applies across differing national regulatory frameworks, order of operations for claiming allocated certificates, and interaction with utility-specific emission factors.
    - **Transition and readiness:** Setting exact phase-in dates and load thresholds; defining regional data readiness conditions and who determines them and defining reporting requirements when markets have mixed data availability during the transition.
- **Location-based method.** Key open questions include resolving the emission factor hierarchy order (recency-first vs. spatial-first) and setting quality criteria for credible sources. Several questions were not yet reached, including spatial boundary rules, whether the preference for consumption-based factors is required or recommended, and the use of load profiles.
- **Consequential/GHG impact metric(s).** Its method(s) and how its reporting status relates to the MBM's, remain to be developed.

Next steps

The TWG subgroups will take these questions forward to the November TWG meetings, working toward a finalized TWG recommendation for the ISB in December. (For *consequential/GHG impact metrics*, see next steps in Section 4.8).

4. Outcomes by Topic

For each topic, this section sets out the indicative direction from the workshop, what remains open, and where the related questions sit in the TWG memos. The heading for each indicative direction says how it was gauged. Topics with a memo come first, followed by topics without one.

4.1 Incrementality

Indicative direction (informal polls)

- **Definition of incrementality.** The poll compared two options developed by the TWG.
    - Long-term offtake OR an asset-age limit (25 of 29 responses)
    - Long-term offtake only (4 responses)
- Under the leading option, procurement qualifies as incremental while the asset is within an age limit, or for the original offtaker for the full contract term. About 15 years was discussed for the age limit. A third option, asset age only, received no support in discussion and was not polled.

- **Status of incrementality in the MBM.** Asked whether incrementality should be required, recommended ("should") with required disclosure of the incremental share, or not included, the leading response was a recommendation with required disclosure (20 of 26 responding, with 4 for "required" and 2 for "not included").
- Members noted these results could shift depending on how existing clean generation and Statement 3 are treated.

Still open

Existing Clean Generation and Fallback Rate (Polled, unresolved)

- Incrementality limits which clean generation a company can claim. The TWG considered two ways existing clean generation that does not meet it could still be reflected in the MBM:
    - 2A, procurement: whether companies may count procurement from existing clean generation up to the grid's clean share
    - 2B, fallback rate: where no residual mix exists, as in many markets, whether unmatched consumption uses a fossil rate, which leaves existing clean generation out, or the location-based grid average, which includes it
- Assuming incrementality is required, members were asked to choose one combination of 2A and 2B:
    - Yes to 2A, with a fossil fallback (2B) (13 of 25 responding).
    - Yes to 2A with a location-based fallback (7 of 25)
    - No to 2A with a location-based fallback (5 of 25).
    - No to 2A with a fossil fallback was dropped after a first round.
- Member rationale diverged:
    - 2A: some supported it as recognizing legacy resources and reflecting the physical grid, while others said it conflicts with the rationale for incrementality
    - Fossil fallback: avoids double counting and keeps an incentive to procure, but overstates emissions in clean grids
    - Grid average: reflects the electricity consumed, but double counts
- **Status of poll:** unresolved. Views were divided, and the poll assumed incrementality is required, while the leading response on its status was "should."

Long-Term Offtake Pathway (details discussed in breakout, not polled)

- How to define a qualifying contract, including framing it to cover vertically integrated utilities, community solar, and similar arrangements
- Treatment of resale within the initial contract window, and how the secondary market would work
- Whether the contract must be signed before commercial operation or before final investment decision
- Whether smaller companies can participate, and what information certificates would need to carry for tracking and audit

Age Limit and Asset Types (details discussed in breakout, not polled)

- Age-limit length, with about 15 years discussed (aligned with average contract length and RE100), and whether it should be the same for all technologies and regions
- Merchant projects, and the "merchant tail" after an initial contract ends
- Storage, which has shorter initial contracts, and longer-lived assets such as nuclear

Topics Not Yet Addressed

- Capacity upgrades, life extension, repowering, and generation allocated on an organization's behalf (memo Q3 - Q5 and Q7)
- Whether an original offtaker's eligibility extends to contract renewals (memo Q6)

4.2 Deliverability

Indicative direction (pulse checks, no objections raised)

- **Definition of deliverability:** Plausible physical connection between generation and consumption.
- **Criteria to demonstrate plausible physical connection:**
  A. An interconnected transmission grid under a single balancing authority and/or centralized market dispatch; or
  B. A regional, national or multi-national boundary set by an authorized government or regulatory authority based on transmission limits or congestion using published data by system operators or regulators; or
  C. A synchronous grid/zone.
  - *Note: These revise the criteria in the memo's draft text.*
- In a pulse check, no objections were raised to treating criteria A, B, and C as options rather than a hierarchy, with the criterion for each region selected region-by-region (based on balancing of integrity, impact and feasibility) rather than by reporting organizations.
- **Standardized Default Boundaries:** Many members supported standardized default boundaries, set by the GHG Protocol or a designated entity, relieving reporting organizations from defining their own boundaries case by case.
- Exceptions were raised as likely to be needed for islanded grids and emerging markets, but direction is still open.

Still open

Emerging-Market Power Pools (Pulse check, unresolved)

- The TWG considered whether intergovernmental power pools in emerging markets should qualify as deliverable market boundaries, and if so, whether cross-border links must be operational (Option A) or need only exist (Option B) or be included in the pool's regional master plan for interconnection (Option C). The breakout favored Option A. Member perspectives diverged:
  - *Feasibility:* some members asked to allow trade based on planned regional integration.
  - *Integrity:* others supported requiring operational links to help ensure integrity.
- **Status of pulse check:** Unresolved. Two members objected to Option A in the plenary pulse check, and members differed on whether the question concerned trade within or between pools.

Alternative Boundary Criteria (discussed in breakout, not polled)

- Some members proposed criteria beyond A, B and C, but these were not put to the wider group:
  - *Option D* (raised for national unified markets): A unified market under a national regulator featuring connected grids and regular power trading, or a market officially designated as unified through national policy or regulation. Members differed on whether criterion B already covers this case.
  - *Option E* (proposed for emerging markets): Generation and consumption may be considered within the same market boundary where credible physical and operational arrangements, supported where relevant by regulatory recognition, provide a reasonable expectation that generation could serve consumption, without requiring centralized dispatch, a single balancing authority, or sophisticated congestion data.

Boundary Design (discussed in breakout, not polled)

- Boundary width: broad boundaries to support investment and smaller buyers vs. narrower boundaries for credibility and impact
- Whether transmission congestion should have a role. In a quick, uncounted show of hands in the room, about two-thirds said yes and one-third no. The revised criterion B includes congestion, and C was kept simple.
- Caps based on interconnection capacity
- How often a default market boundary list would be updated
- How the need for an associated residual mix emission factor for each deliverable market boundary aligns with questions of regional data readiness.

Topics Not Yet Addressed

- Treatment of islanded grids
- Methodology to demonstrate cross-border deliverability
- Default boundaries
  - The boundaries for each region (boundary maps)
  - How the criterion for each region is selected
  - Who sets and maintains them (GHG Protocol and/or a third party), given concerns about upkeep and auditability
  - Whether default boundaries are provided in the standard or in a guidance document or in an online resource

4.3 Standard Supply Service (SSS)

Indicative direction

- No direction was indicated.

Still open

Whether SSS Remains a Requirement (discussed, not polled)

- The question posed to the TWG was whether SSS should remain a "shall" for all reporters or move to guidance or another mechanism.
- Members clarified that the consultation text works in effect as a "shall not." A company shall not claim more than its fair allocation of SSS and is not required to claim SSS.
- The Secretariat set out three cases from consultation feedback on who holds the attributes of publicly supported generation:
  - Where national rules keep the attributes with all customers, the residual mix and unique-claims criteria already respect that allocation
  - Where national rules allow the attributes to be sold, SSS would override that choice
  - Where national rules do not settle the question, applying SSS would require interpreting national law in each jurisdiction
- ISO WG4's reasons for removing SSS from its draft were discussed. These were that it would require regulatory determinations, could conflict with free-trade agreements, would depend on external jurisdiction-specific databases, and duplicates protections already provided by the residual mix and quality criteria.
- **Status of discussion:** Unresolved. The question needs clearer framing and further TWG discussion.

Related Questions (discussed, not polled)

- Order of operations, meaning whether companies may claim allocated certificates (such as RPS RECs or vertically integrated clean supply) before voluntary procurement. Members noted this may be separable from SSS.
- How SSS relates to utility-specific emission factors, which reflect it where they exist, and whether those factors work without SSS.

Topics Not Yet Addressed

- If SSS remains a requirement, how it would apply where national rules allow the attributes to be sold or do not settle who holds them, and the definitional questions raised in plenary, such as how publicly owned facilities are financially linked to consumers and whether SSS requires EACs in markets without tracking systems
- If SSS moves to guidance, what that guidance should address

4.4 Phase-in Timeline

Indicative direction (informal polls)

- **Phase-in:** The preliminary direction is to phase in the new MBM based on company size (electricity use). New MBM rules would phase in earlier for the largest electricity users and later for others.

The 2015 Scope 2 Guidance would remain available for a longer time period as transition relief, with the new method phasing in before the current method phases out. Dates, thresholds and readiness conditions are still to be defined.

- **Smaller companies.** If the MBM is required to report for larger companies, it would be optional for companies below a size or load threshold.
- **Draft transition text.** The Secretariat presented draft text for discussion (see below) for how companies would move from the 2015 Scope 2 Guidance to the new MBM. Asked whether this text is a step in the right direction, 20 said yes, with questions or qualifications (20 of roughly 37 present). This was one poll on the text, so it does not distinguish support for any single element.

Prior to [2035-39]
If a company reports scope 2 market-based method emissions:
*Companies **may** report using the 2015 Scope 2 Guidance MBM until [2035-2039]*
*Companies **should** report using the new MBM from [2031-2039]*
*Companies **shall** report using the new MBM from [2031-2035] [if they meet a load threshold] and [if a tracking system that issues hourly certificates] and data that meets the quality criteria is available*
Prior to [2035-39], companies shall disclose whether they are applying the 2015 Scope 2 Guidance or applying the new MBM and disclose [%hourly matched EACs + other metrics]

After [2035-2039]
*If a company reports scope 2 market-based method emissions, all companies **shall** report using the new MBM if a registry tracking system that issues hourly, deliverable certificates exists in the applicable region and data that meets the quality criteria is available.*

All existing contracts may be reported in the market-based inventory using the 2015 Scope 2 Guidance MBM until 2035-2039. After 2035-2039, contractual instruments may be reported in the market-based inventory if they meet the new scope 2 MBM statement 2 requirements or may be reported in statement 3 (GHG impacts of actions, using consequential methods) and/or through key indicators.

Load thresholds and phase-in times

- **Phase-in by size or load.** Asked whether the phase-in should vary by company size or electricity load, 26 said yes (26 of 28 responding).
- **Thresholds.** Asked whether the illustrative load thresholds (in the table below) are directionally correct within an order of magnitude, 21 said yes (21 of 25 responding).
- **Phase-in dates.** Asked whether the illustrative dates (in the below table) are directionally correct within one year, 14 said yes (14 of 23 responding). Most of the 9 who disagreed considered the dates too soon, and one considered 2035 too late.

Load threshold	Phase in date for new market-based method
>10 TWh per year globally	2031 (for 2030 data)
> 1 TWh per year globally	2033 (for 2032 data)
> 1 GWh per year globally	2035 (for 2034 data)
Below 1 GWh per year globally	Exempt from MBM reporting (TBC)

Still open

Dates and Thresholds (polled, not resolved)

- Exact dates and thresholds for phase-in
- Global vs. per-country thresholds, and whether a single threshold works for companies with operations across many countries
- An alternative tiering of 1 TWh, 100 GWh and 1 GWh
- Whether companies below the lowest threshold are exempt, which some members opposed

Readiness Conditions (discussed, not polled)

- Options discussed include registries issuing hourly, deliverable certificates in a region, a share of a company's load (for example 80%) in ready markets, and profiled data as a backstop.
- Who determines readiness
- Firm dates vs. readiness conditions, and a backstop date so that registries are built
- Whether to differentiate by region based on market maturity. Other members supported a global timeline to accelerate the transition.

Data Availability (discussed, not polled)

- Members described a hierarchy of data options for hourly matching, from hourly registry certificates, to hourly certificates built from annual or monthly certificates and meter data, to load and generation profiles. Views differed on whether profiles are credible enough, and on their feasibility for smaller companies with many sites.
- One estimate for US tracking systems was about 2 years after finalization of a standard for early implementation in some markets, 3 to 5 years for broad readiness and 5 to 8 years for near-universal functionality. Members questioned how readiness can be estimated for markets globally without evidence.
- A request was made to treat the transition as one method that takes in better data region-by-region, rather than two parallel methods.

4.5 Reporting Requirements

Indicative direction (informal polls)

- **Small companies.** If the MBM is required for larger companies, it should be optional indefinitely for companies below a size or load threshold to report the MBM (22 of 27 responding).
- Polls on the electricity consequential metric are reported in section 4.8.

Still open

Whether MBM is required or recommended to report (Polled, unresolved)

- Responses were evenly split on whether companies "shall" or "should" report the scope 2 MBM in cases where a registry issuing hourly, deliverable certificates exists and qualifying data are

available (15 shall, 15 should, and 1 may, of 31 responding). The split mirrors the same split reported in ISO WG4.

- **Status of poll:** unresolved. Options for resolving it could include further TWG discussion, referral to the ISB, or including an open question in the public consultation.

Exemptions and thresholds (Polled, unresolved)

- When asked whether small operations below a load or size threshold within a single company's organizational boundary should be exempt, 27 said yes (27 of 29 responses).
- Subsequent discussion revealed a divergence in interpretation of what an exemption would mean:
  - Some members viewed it as an exemption from granular requirements (e.g., hourly matching), permitting small operations to use the 2015 Guidance such as annual matching with a residual mix factor within an organization-wide limit.
  - Others interpreted it as the ability to exclude small operations from MBM reporting.
- How to define the exemption, in MWh and/or as a percentage, and whether to use facility definitions from existing regulatory regimes
- Whether exemptions should apply to small companies rather than to small sites of large companies
- Whether companies not participating in EAC markets or making green claims should be exempt from reporting under the MBM.
- Keeping MBM and location-based activity data consistent, so exemptions do not create gaps
- **Status of poll**: unresolved. The question needs clearer framing and further TWG discussion.

Reporting Structure pre and post transition (raised, not polled)

- How to report a MBM inventory if some markets have data that meets the quality criteria available and some do not (memo Q2). Options include partial reporting only for markets with qualifying data, or complete reporting using a location-based or fossil-only proxy. The options were presented but not discussed in depth.
- Reporting of one aggregated number vs. two methods side by side during transition period before 203X (memo Q3). Not discussed directly. Related requests came up elsewhere, to treat the transition as one method that takes in better data region-by-region (4.4), and to report the two methods side by side (4.7).

4.6 Location-Based Method

Indicative direction (informal polls)

- **Hierarchy.** Keep a ranked emission factor hierarchy (22 of 22 responses).
- **Free to use.** "Free to use" means no payment, with an open license (21 of 21 responses).
- **Paid factors.** A more precise factor that is not accessible, such as a paid factor, may be used only where it ranks higher than the best accessible factor (15 of 22 responses). Three responded "only if no accessible data exist" and four "shall not be used."
- **Credible sources.** Authoritative sources meet the same credibility criteria as other sources (16 of 24 responding), with no automatic priority at the same tier (16 of 21 responding).
- **Publication timing.** Keep "publicly available" without a set time window (14 of 17 responding). Three preferred ISO WG4's text, and none supported a set number of months.

Still open

Hierarchy Order (polled, unresolved)

- Data recency first or spatial boundary first. Responses were evenly split (11 to 11, of 22 responding).
    - Spatial-first argument: Analysis supported that in China and the US regional grid differences can exceed year-on-year factor changes by orders of magnitude.
    - Recency-first argument: Better upholds the fundamental relevance principle, avoids using multi-year lagged data during rapid grid transitions, and questions remain as to whether the US/China findings generalize globally.
    - Practical reality: Members noted that few competing tiers exist in practice, meaning the reordering would rarely alter the factor chosen.

Sources and Data (discussed, not polled)

- The criteria so credible sources can be assessed (memo Q9)
- A possible list of available datasets by region, that GHG P (or another body) maintain to tell reporters what to use. It was noted this could solve comparability issues and reduce burden, though it would depend on Secretariat resources.
- Whether location-based and market-based boundaries should be aligned, particularly where the location-based factor is used as an MBM fallback

Topics Not Yet Addressed

- Spatial boundary rules, including directing reporters on the same grid to the same boundary, operational grid subregions, and grid-wide vs. national boundaries (memo Q3 to Q5)
- Whether the consumption-based preference is a "shall" or a "should" (memo Q2)
- Which factor to use where none is published, and disclosure of the factor used (memo Q11 and Q12)
- Load profiles in the location-based method (memo Q13)

4.7 Legacy Considerations (no memo)

Indicative direction (no direct poll)

- No poll addressed a legacy clause directly.
- The draft transition text, which 20 indicated was a step in the right direction (see 4.4), allows all existing contracts to be reported under the 2015 Guidance until [2035 to 2039]. After that, contractual instruments may be reported in the market-based inventory if they meet the new requirements, or otherwise in the GHG impact statement or through key indicators.
- Together with the phased transition dates, this points toward relief for existing contracts through a longer transition period during which the 2015 method may be reported.

Still open

Treatment of Existing Contracts (discussed, unresolved)

- Several members were concerned that ending recognition of long-term contracts, often 10 to 20 years and some extending into the 2040s, would penalize high-impact procurement and push buyers toward shorter contracts.
- Some members noted that if large buyers transition to the new market-based method earlier (e.g., early 2030s), a legacy clause becomes essential so those early movers aren't harmed for having signed long-term PPAs under the 2015 rules.
- A member suggested the risk to existing contracts falls mainly on virtual PPAs affected by changes in deliverability boundaries, which they expected to be more common in the US than in Europe or Asia. Another member noted that most of their own company's PPAs are virtual. Members asked for data on the scale of affected contracts, and how many virtual PPAs would already match the buyer's load within the same boundary.
- The ISB direction provides relief for all existing contracts through the transition period, rather than through a separate legacy clause. ISO WG4's draft keeps instruments from pre-publication contracts eligible for up to 10 years from publication.
- Financial-reporting bodies view legacy clauses as reducing comparability. Members questioned whether that analogy applies to voluntary carbon accounting.
- Options raised:
  - **New MBM integration:** Embed a legacy clause directly into the revised market-based method allowing pre-existing contracts to count under 2015 rules.
  - **Parallel dual reporting:** Report two market based methods numbers in parallel, one with the legacy contract under Method 2 (2015 rules), and one under Method 1.
  - **Target-setting conditioning:** Phase out the 2015 method only once a consequential metric is usable in target setting. Move legacy contracts to the GHG impact statement once it has a clear target-setting use.
  - **Statement 3 and 4:** Recognize existing contracts through GHG impact statement and key indicators.
  - **Legacy Targets:** Allow reporters to continue to report progress on already established targets through a set year.
  - **Delegation to target-setting programs:** Leave legacy treatment to target-setting programs; don't address through accounting rules.
  - **Interim guidance upgrade***:* Add a "should" incrementality recommendation to the 2015 method during the transition
  - **ISO WG4 proposal:** contractual instruments **shall** remain eligible for a transition period not exceeding 10 years from the date of publication of the standard
- It was noted that the standard cannot be conditioned on another program's future actions.
- **Status of discussion**: Unresolved. Open questions include whether any provision beyond the transition window is needed, which contracts would be eligible, and how relief interacts with the phase-in dates.

Topics Not Yet Addressed

- An alternative metric for 2015-method procurement after 203X

4.8 Electricity Consequential Metric (no memo)

Indicative direction (informal polls)

- **Requirement to report consequential/GHG impact metric(s).** The leading response was that, where feasible, electricity consequential impact reporting be recommended ("should") (16 of 30 responding, with 5 for shall and 9 for may).

Still open

Reporting both (polled, unresolved)

- If a company reports either the MBM or the consequential/impact metric, should the company be required or recommended to report the other metric? The leading preference was a recommendation ("should"), receiving 13 of 31 votes (compared to 11 for "shall" and 7 for "may"). Possible double votes were noted, and members flagged that this interacts with the 50–50 shall/should split on the MBM reporting requirement (see 4.5)
- **Status of poll:** unresolved. Views were divided, and the poll interacts with the poll on the MBM reporting requirements.

Status and Parity (discussed, not polled)

- Several members asked that the MBM and the consequential metric be treated the same, either both "shall" be reported with exceptions or both "should" be reported.
- Some members supporting consequential accounting identified three gaps relative to the ISB and AMI direction. These were parity of status between Statements 2 and 3, a lower impact bar for the MBM than for Statement 3, and whether induced emissions will be considered.
- Other members said inventory and consequential accounting serve different purposes with different evidentiary bars, and that inventory decisions should not be held up by, or conditioned upon, the development of the consequential method.
- It was noted that a required consequential metric could affect ISO views, particularly raising feasibility concerns for small companies and developing countries.
- Practitioner members stressed cumulative reporting burden and the need for simple, implementable requirements.

Topics Not Yet Addressed

- Method design, including induced emissions
- Status relative to the MBM, and the metric's role in target setting
- What test decides whether consequential reporting is feasible

Next Steps

- The September ISB pulse check showed unanimous support for developing an electricity-sector consequential methodology for Statement 3, starting in Q2 2027. ISB members broadly supported two approaches, a joint Scope 2 and AMI subgroup or co-development with external partners. The ISB pulse check is an input to the CEO and Steering Committee who decide on resourcing.
- At the workshop, the Secretariat stated that TWG members interested in electricity consequential accounting will be invited to participate in that work. Members asked that the work include a diversity of views.

4.9 Topics Not Yet Reached (no memo)

- **Direct line and behind-the-meter guidance.** Not reached.
- **Load-profile shaping guidance.** Not reached as its own item. Load profiles came up under data availability (4.4) and appear in the LBM memo (4.6).
- **Residual mix and fallback factor.** Not reached as a standalone item. These were touched under the incrementality fallback question (4.1) and the partial-market proxy options (4.5).
- **Alternative metric for 2015-method procurement after 203X.** Not reached (see 4.7).