



February 9, 2026

California Air Resources Board (CARB)

1001 I Street, Sacramento, CA 95814

*Submitted Electronically*

**RE: COMMENTS OF CENTER FOR RESOURCE SOLUTIONS (CRS) ON THE CLIMATE CORPORATE DATA ACCOUNTABILITY ACT (SB253).**

Dear CARB Staff,

CRS appreciates the opportunity to comment on SB 253's reporting template. Our comments primarily focus on support for market-based accounting recommend that Scope 2 reporting should be consistent with the Greenhouse Gas Protocol's 2015 Scope 2 Guidance.

**BACKGROUND ON CRS AND GREEN-E®**

CRS is a 501(c)(3) nonprofit organization that creates policy and market solutions to advance sustainable energy. CRS provides technical guidance to policymakers and regulators at different levels on renewable energy policy design, accounting, tracking and verification, market interactions, and consumer protection. CRS also administers the Green-e® programs. For over 25 years, Green-e® has been the leading independent certification for voluntary renewable electricity products in North America. In 2024, Green-e® certified retail sales of nearly 143 million megawatt-hours (MWh), serving nearly 1 million retail purchasers of Green-e® certified renewable energy, including approximately 80,000 businesses.<sup>1</sup>

**MARKET-BASED ACCOUNTING SHOULD BE USED THROUGHOUT ALL SCOPES (1, 2, and 3)**

CRS reiterates previous comments supporting consistent market-based reporting methodologies throughout Scopes 1, 2, and 3, as this is the only way to assign specified transactions to a company's value chain.<sup>2</sup> Market-based accounting is already standard practice and consistent with existing GHG

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<sup>1</sup> For more information, the 2025 (2024 Data) Green-e® Verification Report will be available here soon: <https://www.green-e.org/verification-reports>

<sup>2</sup> CRS comments on the Corporate Climate Data Accountability Act: <https://resource-solutions.org/document/021325/>



Protocol's (GHGP) Scope 2 Guidance. But, market-based accounting should also be required for Scope 1 and 3, and such capabilities should be added to the reporting template for at least Scope 1. This would be consistent with California's Low Carbon Fuel Standard (LCFS), which already recognizes market-based attribution of renewable thermal energy through book-and-claim accounting for pipeline-injected biomethane and renewable hydrogen. Under the LCFS, regulated entities may claim the environmental attributes of renewable natural gas (RNG) or biogenic feedstocks when injected into a common-carrier pipeline and used for vehicle fuel or hydrogen production, provided those attributes are uniquely retired and not double-counted.<sup>3</sup> This existing framework demonstrates that market-based instruments, like renewable thermal certificates, are a credible and regulated mechanism for allocating the climate benefits of renewable fuels. CARB should maintain consistency across programs by allowing comparable market-based recognition of renewable fuel attributes within Scope 1 accounting under SB 253. There is additional support for using market-based accounting for Scope 1, highlighted in the Clean Energy Accounting Project (CEAP)'s recent publication Market-Based Accounting for Clean Fuels.<sup>4</sup>

## **SCOPE 2 REPORTING SHOULD BE CONSISTENT WITH THE GHG PROTOCOL'S 2015 SCOPE 2 GUIDANCE**

The GHG Protocol Scope 2 Guidance in effect at the time SB 253 was enacted was the 2015 Scope 2 Guidance, which reflects the accounting framework the Legislature reasonably contemplated when establishing the statute's reporting requirements. That guidance remains the only finalized and widely adopted international standard for Scope 2 accounting.

The GHG Protocol standards and guidance are currently under revision. Proposed updates to Scope 2 accounting and reporting rules include requiring hourly matching for buyers with load above a specified threshold; however, these updates are not expected to be finalized until late 2026, with the full Corporate Standard potentially finalized in 2027 or later.<sup>5</sup> These revisions are not yet complete, and there is no consensus on the role of hourly accounting in corporate GHG disclosure.

Requiring hourly reporting raises significant implementation concerns, as hourly generation data are not widely available and most regional energy attribute tracking systems, including the Western Renewable Energy Generation Information System (WREGIS), do not yet support credible, standardized

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<sup>3</sup> California Code of Regulations, Title 17, § 95488.8(i).

<sup>4</sup> Market-Based Accounting for Clean Fuels Report: <https://resource-solutions.org/document/042125/>

<sup>5</sup> GHGP Public Consultation – Scope 2: <https://ghgprotocol.org/sites/default/files/2025-10/GHG-Protocol-Scope2-Public-Consultation.pdf>



hourly tracking.<sup>6</sup> In practice, this could force reporters to rely on estimated or incomplete datasets, resulting in inconsistent, less accurate, and less decision-useful disclosures.

Moreover, even with improved tracking infrastructure, credible and effective utility- and state-administered programs—including renewable portfolio standards, power supply disclosure, and GHG reporting programs—will continue to rely on annual or monthly instruments and supplier data. These programs provide reporting entities with legitimate energy attributes and emissions data that should remain usable for Scope 2 reporting. Treating hourly matching as the sole valid approach would exclude functioning programs and materially increase reporting complexity and cost.

For these reasons, CARB should avoid codifying hourly Scope 2 reporting requirements in regulation and should permit reporting consistent with the 2015 GHG Protocol Scope 2 Guidance. This approach remains credible, transparent, and verifiable, provides continuity with widely adopted market-based accounting practices, and aligns with the standards in place at the time SB 253 was enacted while allowing time for international standards and best practices to mature.

Please feel free to reach out with any questions or requests for clarification.

Sincerely,

Lucas Grimes

Senior Manager, Policy

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<sup>6</sup> Center for Resource Solutions, Readiness for Hourly: U.S. Renewable Energy Tracking Systems: <https://resource-solutions.org/document/061523/>