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Scope 2 Technical Working Group Meeting

Meeting #14

May 14, 2025

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World Business Council for Sustainable Development

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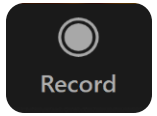

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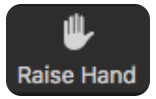
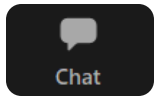


Please use the Raise Hand function to speak during the call.



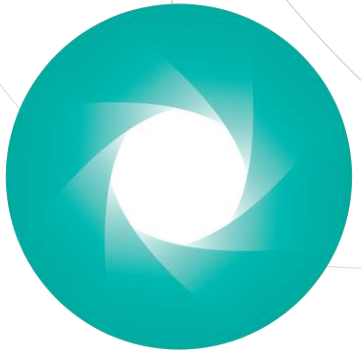
You can also use the chat function in the main control.

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, goals for meeting
2. Alternative proposal pathway
3. Phase-in for new requirements
4. Time matching requirements for LBM
5. Time matching requirements for MBM
   - Load-based exemptions
6. Deliverable markets for market-based claims
   - Discussion of conditions and examples
   - Load-based exemptions
7. Legacy clause
8. Next steps



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Goals of today's meeting

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Goals of today's meeting

1. Shared understanding of pathway for providing alternative proposals

2. Final polling on to inform recommendation on:
   - Activity data requirements for the LBM
   - Threshold for hourly matching requirement for the MBM
   - Exemptions to hourly matching requirement for MBM
   - Exemptions to deliverability requirement for MBM
   - Inclusion of a legacy clause for MBM

3. Discussion to inform more detailed edits on:
   - Deliverability methodology and examples for MBM
   - Phase-in for new requirements

Alternative Proposal Pathway

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Alternative proposal pathway

Scope of Alternative Options

Alternative options may be submitted when:

- You wish to propose a materially different approach to a key element of the consolidated LBM+MBM framework
- That approach did not receive majority support in TWG polling and/or ISB pulse checks

Submission Format

To ensure clarity, consistency, and accessibility for ISB review, please submit alternative options as follows:

- **Length**: Ideally 1–3 pages.
- **Content**:
  - A short summary of the alternative approach.
  - A rationale for the alternative, referencing GHG Protocol's decision-making criteria. If the Discussion Paper evaluated this approach and noted lower alignment, please directly address those points to ensure clarity for the ISB.
  - *(Optional)* A suggested implementation pathway (e.g., section placement or high-level example text).
  - A brief statement of your overall view of the consolidated draft. For example: "I support the majority of the framework, but not Section X," or "I do not support the overall approach." This context helps ensure the ISB understands where consensus and divergence exist.

Timeline

- Members are invited to begin submitting alternatives following this TWG meeting.
- Submissions will be due by **Friday, May 23**.
- These will be included in the pre-read materials distributed on May 28 in advance of the June 4 TWG meeting.

Phase-in for new requirements

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Phasing-in of new requirements for the LBM and MBM

- The GHG Protocol Secretariat and ISB are actively considering whether and how phase-in measures may support implementation of new Corporate Standard and specifically Scope 2 requirements.
- Any decisions on timing or structure of a phase-in will be made through GHGP governance processes.
- Current expectation is that the full Corporate Standard revision will be finalized by the end of 2027; any phase-in would be considered thereafter.

Time matching requirements for LBM

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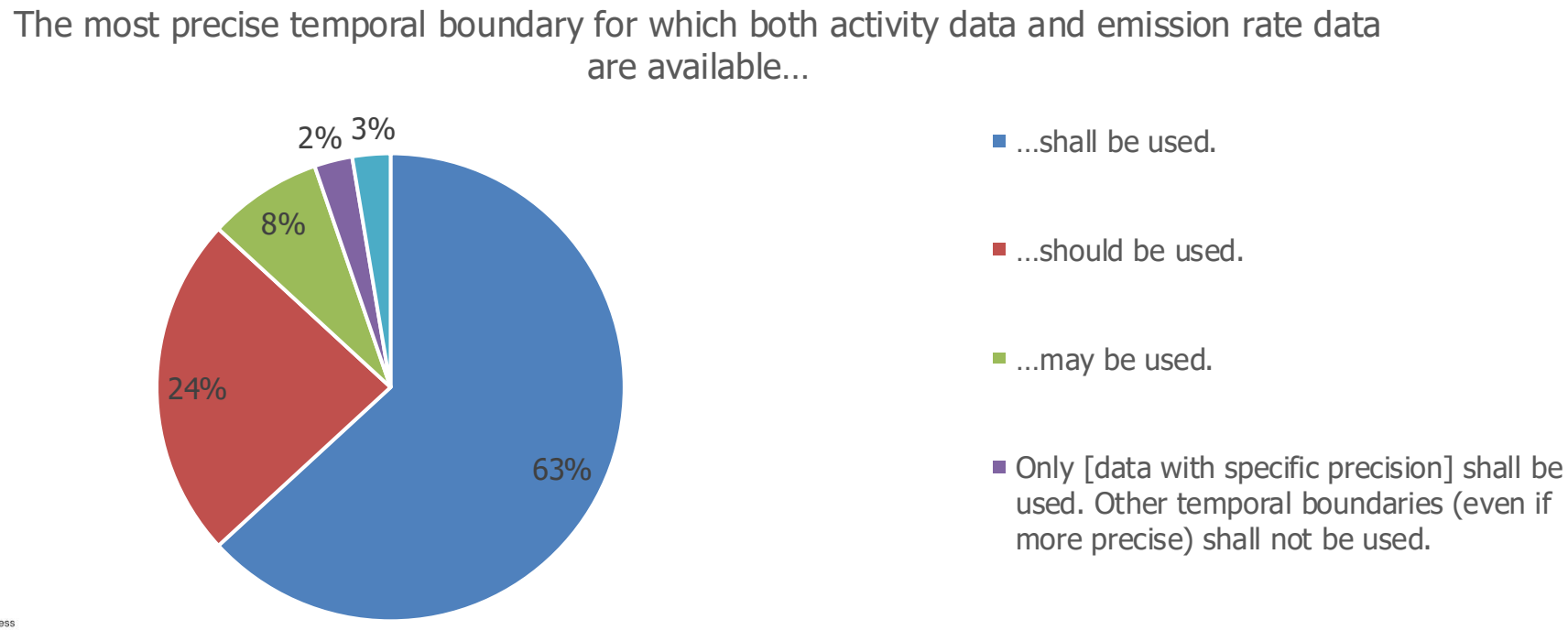
Recap on Meeting 7 Poll Results: For the location-based method, strong TWG preference for *requiring* matching with the most precise emission factor and activity data <u>available</u>

Meeting 7, Poll 4: Within a location-based emission factor hierarchy, should using the most precise data available be required, recommended, or optional ("shall" "should" or "may")?



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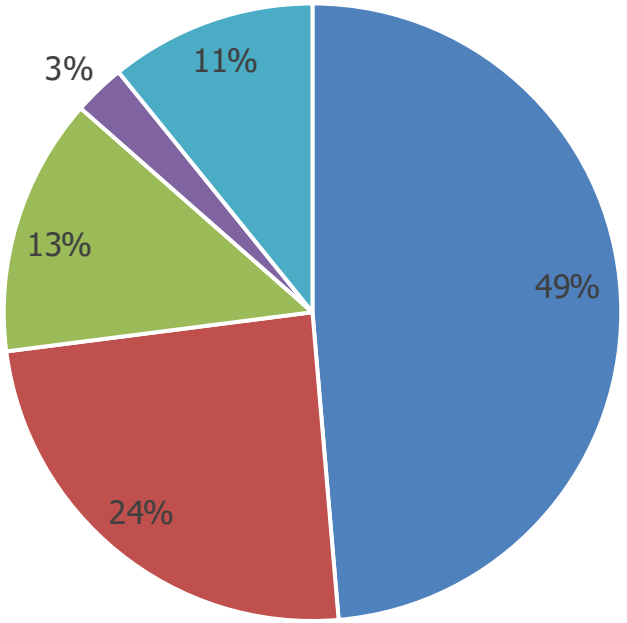
Recap on Meeting 7 Poll Results: For the location-based method, majority TWG support for the *option* to use profiled activity data when available to match more precise emission factors

Meeting 7, Poll 5: Should *estimated* hourly profiles of less precise activity data be used where available to enable use of higher-precision emission factors?

When actual hourly activity data is not available, activity data estimates using hourly profiles…



- ...may be used to allocate less precise actual activity data (e.g., monthly or annual) to enable use of higher-precision emission factors.
- ... shall be used to allocate less precise actual activity data (e.g., monthly or annual) to enable use of higher-precision emission factors.
- ...should be used to allocate less precise actual activity data (e.g., monthly or annual) to enable use of higher-precision emission factors emission factors.
- ...shall not be used, even if it prevents use of higher-precision emission factors.
- Need more information

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For the location-based method, summary recommendation using poll results

TWG-proposed time-matching requirement for the LBM:

- Requirement is the same for ALL organizations (i.e., no exemptions)
- Requirement to use the most precise emission factor *accessible*[1] (e.g, hourly)
- Requirement to use the most precise activity data *available*[2], with option to use hourly profiled load (estimated activity data) to meet more precise emission factors
- Actual monthly or annual consumption (actual activity data) can be used if no higher resolution actual activity data is available

In short: The temporal resolution of the best available actual activity data sets the common accounting interval. If a reporter only has monthly or annual actual activity data, they would *not* be required to do hourly accounting even if hourly EFs exist.

As written, the proposed LBM rules would likely result in only a small number of companies using hourly accounting.

[1]*Emission factors are considered "accessible" only if they are 1) publicly available and 2) free to use 3) verified by GHG Protocol.*
[2]*Most precise actual activity data available.*

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Discussed and remaining questions for LBM time-matching requirements

TWG recommendation: *Discussed*
Defining hierarchies for grid-average data that addresses temporal and spatial precision as well as consumption versus production data types. (Meeting #7)

TWG recommendation: *Discussed*
~63% supported requiring use of the most precise data *available* in the hierarchy. (Meeting #7)

Discussed
TWG recommendation:
Defining the most precise activity data available as *actual* activity data (Meeting #7)

Discussed
TWG recommendation:
Defining the most precise emission factor data available as "accessible" (Meeting #13)

Question for today:
Considering these definitions, should using *estimated* activity data be required in order to meet the most precise EF accessible?

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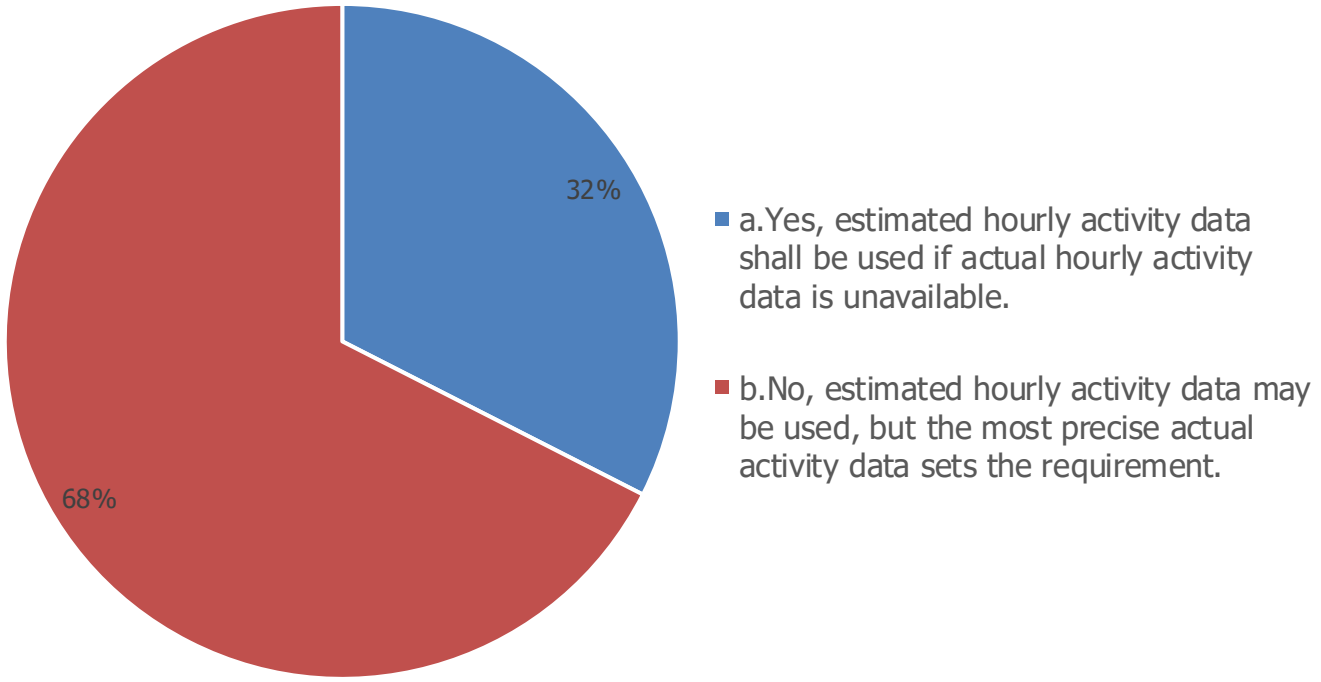
Location-based time matching outstanding poll question

Question 1. Considering these definitions, should using *estimated* activity data be required in order to meet the most precise EF accessible?

a. Yes, *estimated* hourly activity data **shall** be used if actual hourly activity data is unavailable.

b. No, estimated hourly activity data **may** be used, but the most precise *actual* activity data sets the requirement.

Poll Question 1. Considering these definitions, should using *estimated* activity data be required in order to meet the most precise EF accessible for the LBM?



Includes asynchronous poll responses submitted by TWG members absent from meeting.

Time matching requirements for MBM

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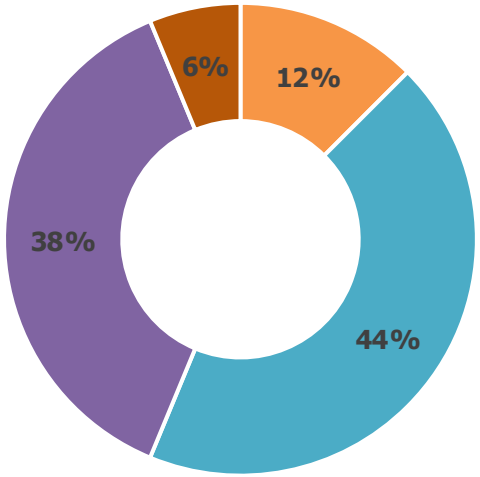
Recap on Meeting 8 Poll Results: For the market-based method, strong TWG preference for *requiring* matching with the most precise emission factor and activity data available

1.2. Should the requirement for Scope 2 Quality Criteria 4, Vintage, be updated? If it needs to be updated, what should it be?

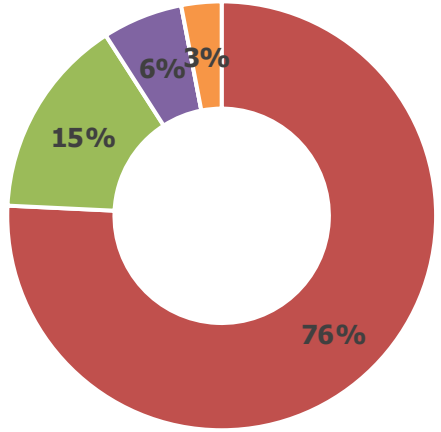
- a. Be issued and redeemed as close as possible to the period of energy consumption (no change)
- b. Be issued and redeemed in the same period as the energy consumption to which the instrument is applied
- c. Be issued and redeemed for the same hour as the energy consumption to which the instrument is applied
- d. Need more information (please describe in chat)



1.5. When using the applicable hierarchy, should the most precise temporal interval for which both activity data and contractual instruments are available be required (shall), recommended (should), or allowed (may)?

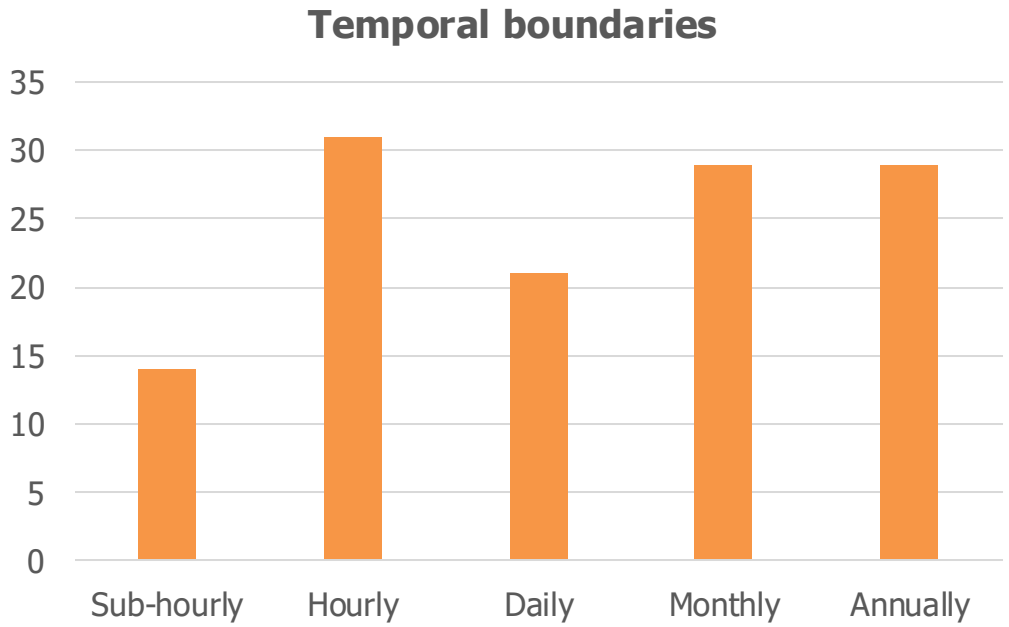
The most precise temporal interval for which both activity data and contractual instruments are available…

- a.…shall be used.
- b.…should be used.
- c.…may be used.
- d.Only [data with specific precision] shall be used. Other temporal intervals (even if more precise) shall not be used.
- e.Need more information (please describe in chat)



Recap on Meeting 7 Poll Results: TWG Support for Varying Levels of Temporal Precision for LBM emissions factors*

Poll 3: For each criterion, which level(s) of precision should be included in a hierarchy?



*Assumed to be same levels of temporal resolution for emission factors applicable to the market-based method.

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TWG-proposed requirements on hourly accounting for the MBM

Scope 2 Quality Criteria: *All contractual instruments used in the market-based method for scope 2 accounting* ***shall:***

Criterion 4. Temporal correlation. Be issued and redeemed **for the same hour** as the energy consumption to which the instrument is applied, **except in certain cases listed in the Criterion 4 details below.**

Reporting organizations ABOVE [*THRESHOLD*]	**Reporting organizations BELOW [*THRESHOLD*]**
Companies **shall** calculate and report scope 2 emissions at the highest available precision of temporal granularity according to the hierarchies outlined below.	
Hourly activity data: 1. Hourly metered data 2. Facility-specific load profile 3. Market-boundary publicly available load profile 4. Time-of-use average 5. Flat average	**Monthly or annual activity data:** 1. Monthly bill or meter data 2. Flat average 3. Annual bill or meter data
Matched with hourly EFs derived from: 1. Hourly-stamped EACs or production data 2. Monthly or Annual-stamped EACs combined with hourly production meter data from same asset 3. Hourly meter data from electricity contracts 4. Facility-specific production profile 5. Regional publicly available production profile	**Matched with monthly or annual EFs derived from:** 1. Monthly-stamped EACs or monthly total production data 2. Annually-stamped EACs or annual total production data

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Impact of thresholds in select countries

Country	5 GWh Threshold		10 GWh Threshold		50 GWh Threshold	
	Companies	Load	Companies	Load	Companies	Load
Korea	42%	99.8%	35%	99.5%	20%	97.7%
Germany	43%	98.9%	35%	97.9%	14%	87.4%
France	40%	99%	31%	97.7%	14%	89.3%
South Africa	29%	99.2%	23%	98.5%	12%	94.8%
Thailand	39%	98.7%	29%	96.9%	11%	85.4%
Turkey	41%	98.8%	32%	97.2%	15%	87.3%
Peru	18%	99.2%	16%	98.8%	8%	94.8%
Iceland	20%	99.8%	13%	99.6%	10%	99.4%
Singapore	19%	97.5%	13%	95.3%	5%	84.5%

Numbers reflect the percentages of companies and load that are included under various thresholds

Source: CDP data, 2023

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For the market-based method, summary recommendation using poll results

- TWG-proposed time-matching requirement for matched consumption claims in the MBM differs for organizations based on an electricity consumption volume threshold
- **Larger electricity consumers:** To make a matching claim, reporting organizations that surpass a load threshold are required to use hourly emission factors (hourly EACs or production data, if available)
  - Requirement to use hourly metered consumption (activity data) if available or to use hourly profiled load (estimated activity data) to match hourly EFs.
- **Smaller electricity consumers:** Reporting organizations that consume lower volumes of electricity can make a matching claim using a monthly or annual temporal interval
  - Requirement to use monthly meter data, or monthly flat average (activity data) if available, to match with monthly EFs.

In short: If a reporter consumes more than [e.g., 5 GWh]/market boundary, they are *required* to do hourly matching in order to claim a specific emission rate within the market-based inventory. Companies with consumption below this threshold may continue to use monthly and annual matching.

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MBM Hourly Matching Poll Questions

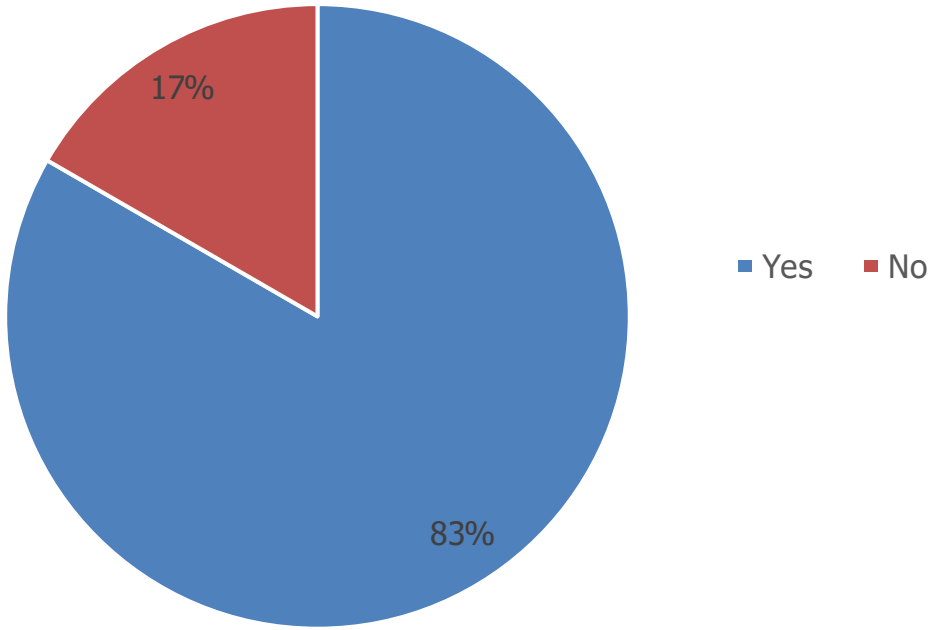
Question 2. Whether a threshold is needed. Should a threshold be used for differentiating the requirement for hourly matching under the market-based method?

a. **Yes, a threshold should be used.** Companies with larger electricity consumption volumes should be required to hourly match to claim a specific emission rate toward their market-based inventory total. Companies with smaller electricity consumption volumes should be able to count monthly and annually matched load with contractual instruments toward a market-based inventory total.
b. **No, no threshold should be used.** All companies, regardless of electricity consumption volumes, should be required to hourly match load with contractual instruments if they wish for claims to count toward their market-based inventory total.

Question 3. Where it applies (level of application). At what aggregation level should a threshold be applied?

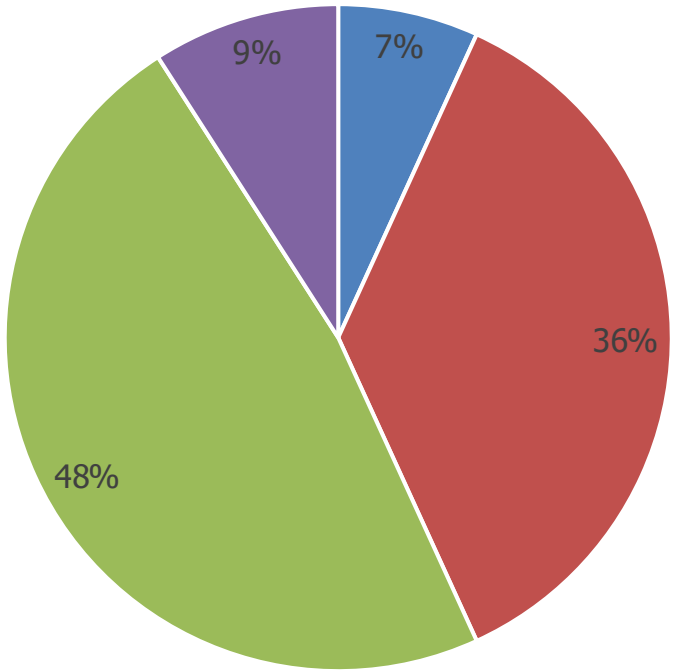
a. **Facility** - refers to a single utility meter or billing address.
b. **Site** – refers to a contiguous or functionally integrated operation under common control.
c. **All** company load within a grid region - total electricity use across all sites/facilities under common control within the same deliverability-aligned region.
d. **Other** (please describe in chat)

Poll Question 2. Should a threshold be used for differentiating the requirement for hourly matching under the market-based method?



Includes asynchronous poll responses submitted by TWG members absent from meeting.

Poll Question 3. At what aggregation level should a threshold be applied?



- Facility - refers to a single utility meter or billing address.
- Site – refers to a contiguous or functionally integrated operation under common control.
- All company load within a grid region - total electricity use across all sites/facilities under common control within the same deliverability-aligned region.
- Other

Includes asynchronous poll responses submitted by TWG members absent from meeting.

MBM Hourly Matching Poll Questions (cont.)

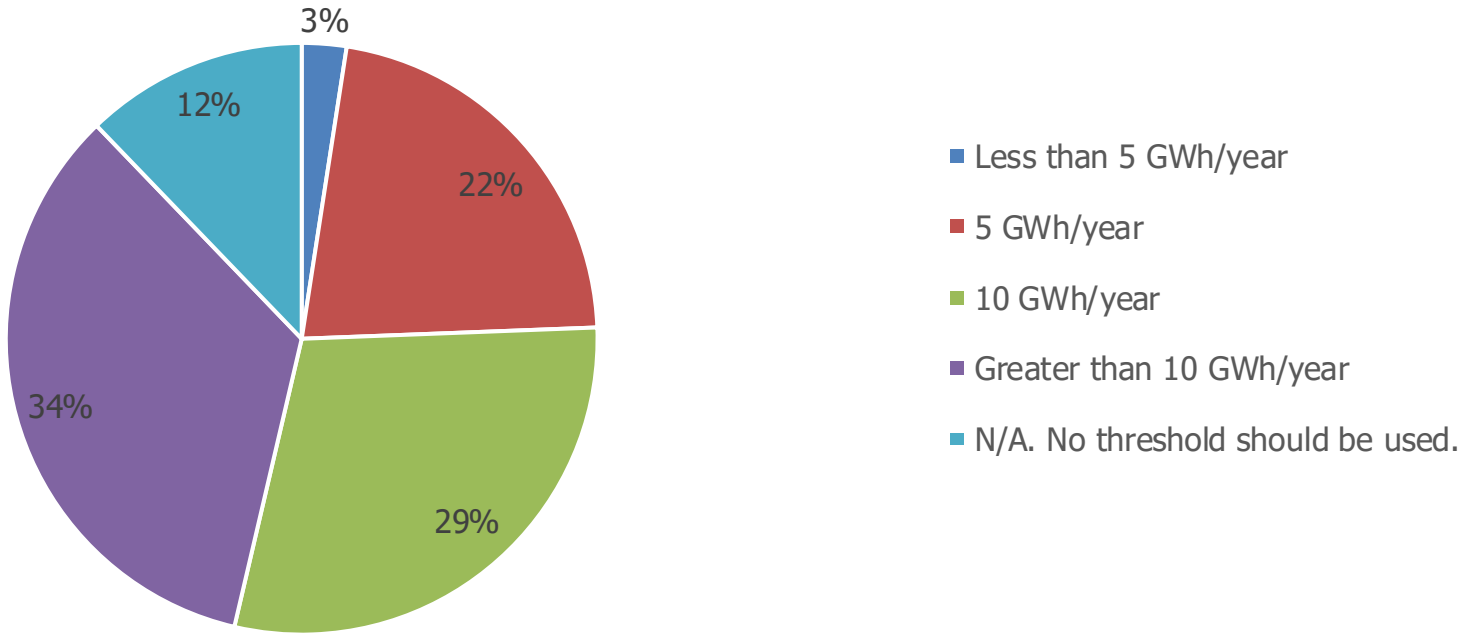
Question 4. What should the threshold be. What threshold of electricity consumption volume is appropriate for determining which companies are required to apply the hourly matching requirement?

a. Less than 5 GWh/year
b. 5 GWh/year
c. 10 GWh/year
d. Greater than 10 GWh/year
e. N/A. No threshold should be used.

Question 5. How it applies (partial or full exemption). Is load up to a certain amount exempted, or must all load be accounted for on an hourly basis if the company load is over a certain threshold? (e.g., If a company consumes 100 GWhs of electricity annually in the region, do they need to match all GWhs hourly, or can they exempt 5 GWhs from the hourly requirement?)

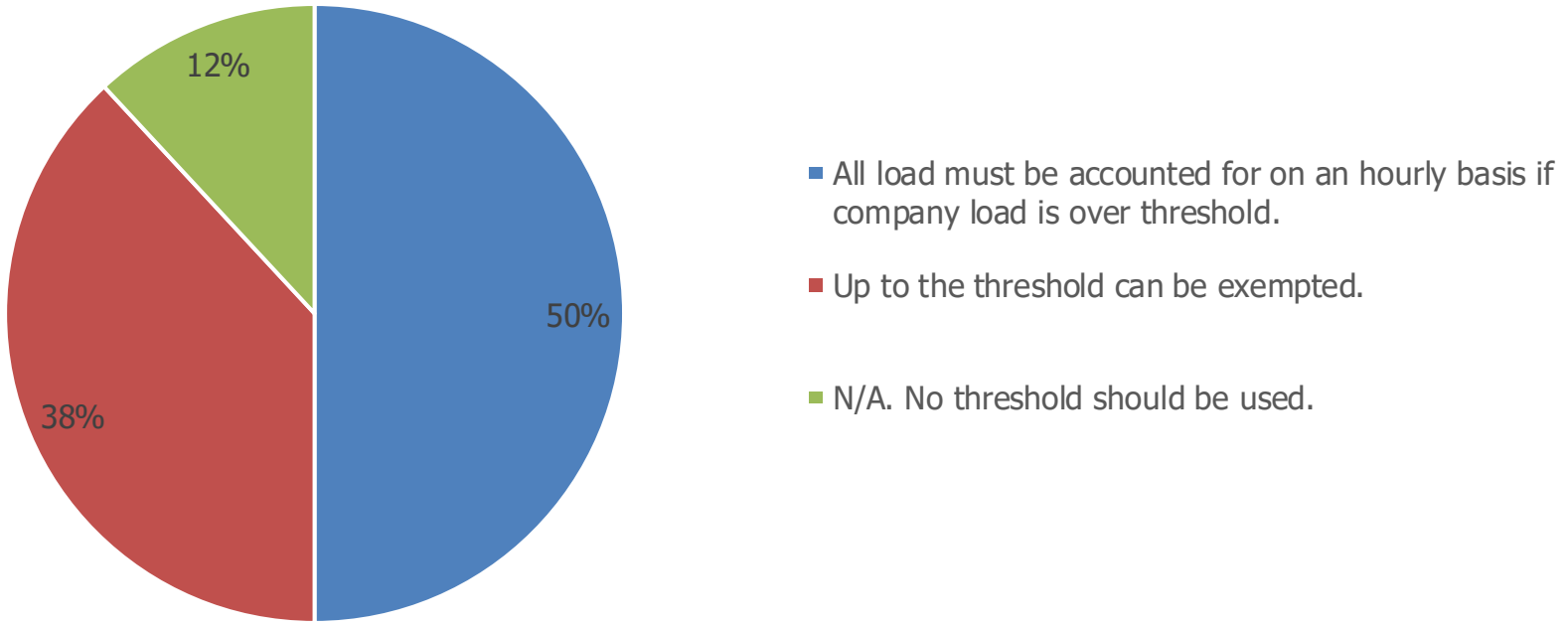
a. All load must be accounted for on an hourly basis if company load is over threshold.
b. Up to the threshold can be exempted.
c. N/A. No threshold should be used.

Poll Question 4. What threshold of electricity consumption volume is appropriate for determining which companies are required to apply the hourly matching requirement?



Includes asynchronous poll responses submitted by TWG members absent from meeting.

Poll Question 5. Is load up to a certain amount exempted, or must all load be accounted for on an hourly basis if the company load is over a certain threshold? (e.g., If a company consumes 100 GWhs of electricity annually in the region, do they need to match all GWhs hourly, or can they exempt 5 GWhs from the hourly requirement?)



Includes asynchronous poll responses submitted by TWG members absent from meeting.

Deliverable markets for market-based claims

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Proposed methodology for demonstrating deliverability

Companies **shall** apply one of the methodologies listed below to all market-based scope 2 claims. Companies **shall not** claim use of attributes for which there is not a physical transmission pathway between the generation facility from which the attributes are sourced and the load to which they are applied.

1. Attributes sourced from generating facilities located within the same deliverable market boundary as the demand to which they are applied

2. Attributes paired with demonstration of excess transmission capacity via electricity price differentials between adjacent markets

3. Attributes paired with contracts or market instruments demonstrating physical delivery of from the point of generation to the point of consumption

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Proposed wording changes for three deliverability conditions

Discussion question: Do the Secretariat-proposed wording changes to the TWG-proposed deliverability condition options 2 & 3 offer a clearer description with the same intent as the original text?

TWG-proposed text:	Secretariat-proposed rewording:
1. Attributes sourced from generating facilities located within the same deliverable market boundary as the demand to which they are applied	*No suggested change*
2. Attributes paired with demonstration of excess transmission capacity via electricity price differentials between adjacent markets	2. Attributes sourced from adjacent regions with evidence of unconstrained transmission, demonstrated by similar electricity price signals, indicating likely shared marginal generation and physical transfer capacity.
3. Attributes paired with contracts or market instruments demonstrating physical delivery of from the point of generation to the point of consumption	3. Attributes accompanied by contracts or market instruments that demonstrate physical delivery from the generation source to the point of consumption (e.g., transmission agreements).

Options 2 and 3 reflect advanced pathways that may be appropriate for organizations with technical capacity to assess transmission dynamics. They are included to enable more accurate reflection of physical system conditions beyond fixed market boundaries.

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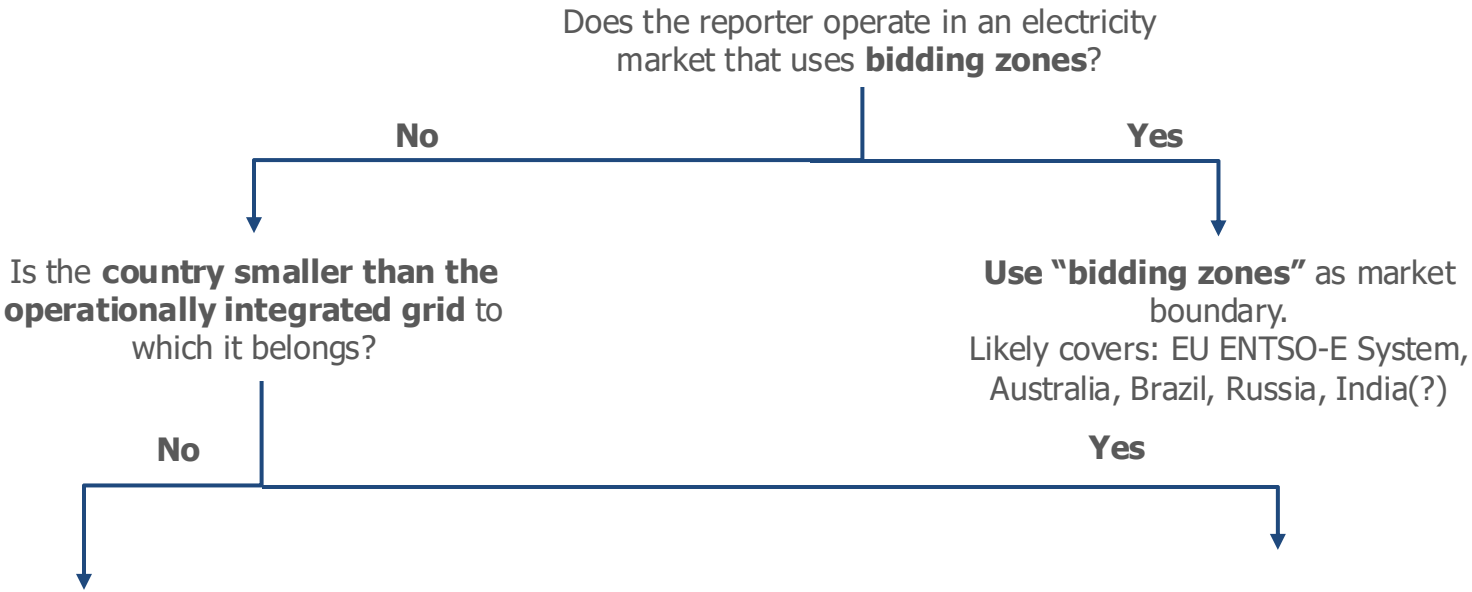
Proposed methodology for demonstrating deliverable boundary (cont.)

1. Attributes sourced from generating facilities located within the same deliverable market boundary as the demand to which they are applied



Proposed boundaries based on hierarchy:

1) **Ideally**: Government-defined deliverability and/or emissions reporting boundaries (e.g., US eGRID or 45V regions, Canadian provinces)
2) **Otherwise**:
    1) More precise: "load zones"
    2) Less precise: regulatory and/or transmission planning boundaries (Canadian provinces, Chinese regional power systems, NERC subregions, guidance for African continent)

Use either:
1) **National borders** or

2) Where market mechanisms allow for consistent access to regional generation, **the synchronous grid boundary** may be used instead of the national border or

3) **Apply 'Guidance for African continent'**

Guidance for African continent

Companies with demand located in countries across the African continent should prioritize demonstrating deliverability based on physical interconnection where possible. Where such demonstration is not feasible, companies shall use the borders of the applicable regional power pools as the market boundaries within which electricity is considered deliverable to this demand. Although physical interconnectivity may be limited in some cases, the existence of operational regional governance structures supports the treatment of these power pools as unified electricity markets for the purposes of defining deliverability.

In cases where a country participates in more than one regional power pool, organizations may align with any of the recognized power pools that include the demand location, provided claims are consistently applied and transparently disclosed.

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Deliverable Boundary Remaining Discussion Questions

1. Attributes sourced from generating facilities located within the same deliverable market boundary as the demand to which they are applied

- In cases where the country is smaller than the operationally integrated grid to which it belongs, and where market mechanisms allow for consistent access to regional generation, what should be use as the market boundary?
- Should there by separate guidance for the African continent, or should the region follow the same principles within the decision tree?

Proposed methodology for demonstrating deliverable boundary (cont.)

2. Attributes paired with demonstration of excess transmission capacity via electricity price differentials between adjacent markets	A company with demand located in one of the deliverable market boundaries described above **may** claim delivery of power from a facility located in an adjacent and directly connected market in cases where hourly nodal or zonal locational marginal electricity prices are published at the points of both generation and consumption and the company demonstrates that the average price at the point of consumption is less than 1.05 times the average price at the point of generation in the hour for which a claim is made.

3. Attributes paired with contracts or market instruments demonstrating physical delivery of from the point of generation to the point of consumption	A company **may** claim consumption of power delivered from any point in an interconnected transmission system if it demonstrates the existence of exclusive rights allocating to the company or its energy provider the transmission capacity necessary to deliver power bundled with associated energy attributes from the point of generation to the point of consumption. These rights may be allocated via regulatory practice, contracts, or market instruments, and must be recognized by the transmission operators of all markets through which power is delivered. Energy attribute tracking systems and standards used to support claims must also be mutually compatible and recognized within all markets through which power is delivered. Delivery of power and attributes must be demonstrated on an hourly or more frequent basis with no direct counterbalancing reverse transactions.

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Deliverable Boundary Remaining Discussion Questions

2. Attributes paired with demonstration of excess transmission capacity via electricity price differentials between adjacent markets
3. Attributes paired with contracts or market instruments demonstrating physical delivery of from the point of generation to the point of consumption

- How do these conditions demonstrate deliverability?
- Examples of existing projects where this could apply?

Exemptions to MBM Deliverability Requirements

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Discussed and remaining questions for MBM deliverability

Discussed

TWG recommendation:
Requiring contractual instruments to be sourced from generation that is "deliverable" (78% support; definition to be refined) (Meeting #8)

Discussed

ISB support of TWG recommendation:
Requiring evidence of deliverability, without necessarily proof of delivery in every hour.

Discussed

TWG discussion on how to apply a deliverability requirement:
Support for combined approach using geographic definitions *and* specific conditions to determine deliverability (66% support) (Meeting #8)

Question for today:

Should companies be allowed to exercise a volumetric exemption to deliverability in pursuit of an alternative contractual instrument?

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Proposal on volumetric exemptions to Criteria 5 (Deliverability) included in the consolidated draft

DISCLAIMER: *This proposed exemption assumes the absence of a consequential metric for companies to report. If such a metric were to exist, this clause may not need to be considered within MBM.*

"Companies may exercise up to a [5 - 10%] volumetric exemption to the Scope 2 Quality Criteria 5 in pursuit of an alternative contractual instrument. An alternative contractual instrument must meet one of the following criteria:

A high impact procurement type, including:

a) From a geography whose grid emissions exceed that of the load's grid emissions (e.g., tCO_2e/MWh) exceeds that of the load's grid emissions intensity)

b) From an under electrified or unelectrified region,

c) A PPA instead of a spot market unbundled REC purchase, or

d) A high impact certification (e.g., Peace RECs or similar)

e) Aggregating small loads across multiple countries to enable a PPA in one country with load

f) Proactive sourcing from a country where there is planned near-term load due to relocation (1-3 years)

Any use of the exemption must be clearly documented including (1) the volume of the exemption across each load market (2) description of the alternative contractual instrument including location, instrument type, contract term, etc."

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Volumetric Exemptions to Criteria 5 (Deliverability) Poll Question

Question 6. Should companies be allowed to exercise a volumetric exemption (e.g., 5 – 10%) to the Scope 2 Quality Criteria 5 in pursuit of an alternative contractual instrument?

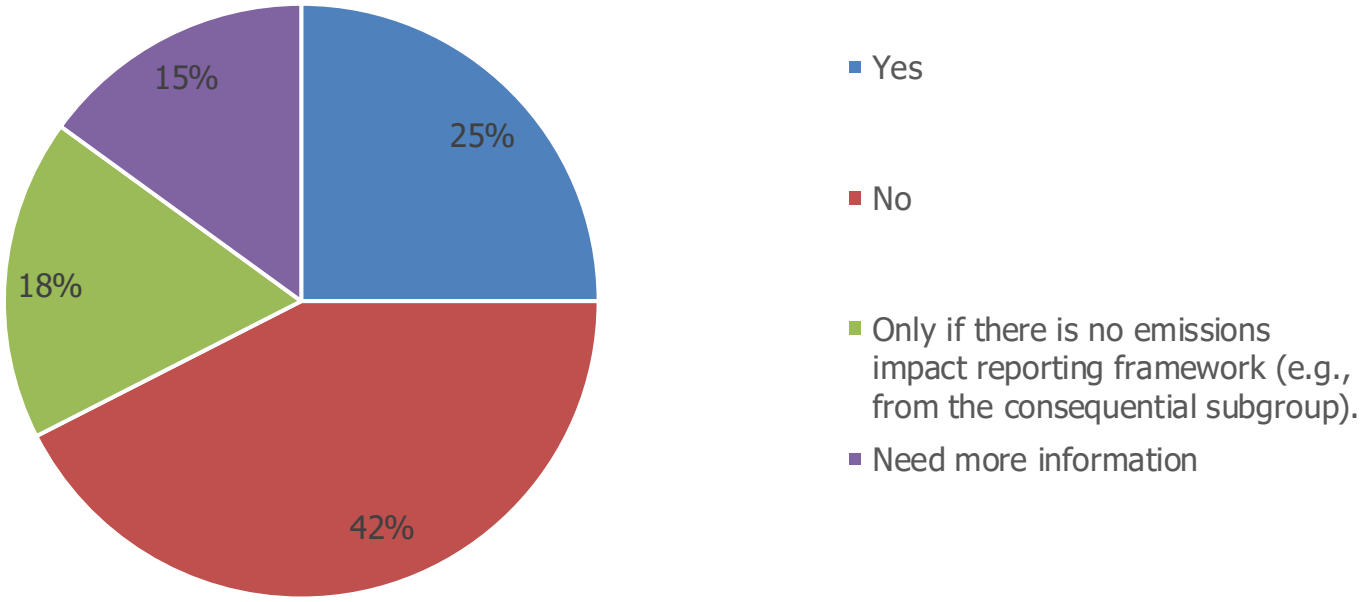
a. Yes

b. No

c. Only if there is no emissions impact reporting framework (e.g., from the consequential subgroup).

d. Need more information

Poll Question 6. Should companies be allowed to exercise a volumetric exemption (e.g., 5 – 10%) to the Scope 2 Quality Criteria 5 in pursuit of an alternative contractual instrument?



Includes asynchronous poll responses submitted by TWG members absent from meeting.

Legacy clause for existing contracts in the MBM

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TWG Proposal on Legacy Clause for Existing Contracts[3]

"Recognizing the long-term nature of many of these contracts, any existing clean energy contracts (PPAs, long-term EAC offtake agreements, etc.) will have the option to continue to report under the current GHG Protocol Scope 2 Guidance through the full term of the clean energy contract. For the avoidance of doubt, existing clean energy contracts will be defined as agreements fully executed prior to the implementation of the Final Scope 2 Standard."

Discussion Question:

- How would legacy contracts be accounted for under the new market-based method?

[3]These types of contracts allow a consumer, typically larger industrial or commercial entities, but also cohorts with smaller loads, to form an agreement with a specific energy generator. The contract itself specifies the commercial terms, including delivery, price, payment, etc. In many markets, these contracts secure a long-term stream of revenue for an energy project. (Section 6.11.2, p. 55)

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Legacy clause for existing contracts in the MBM – Poll Questions

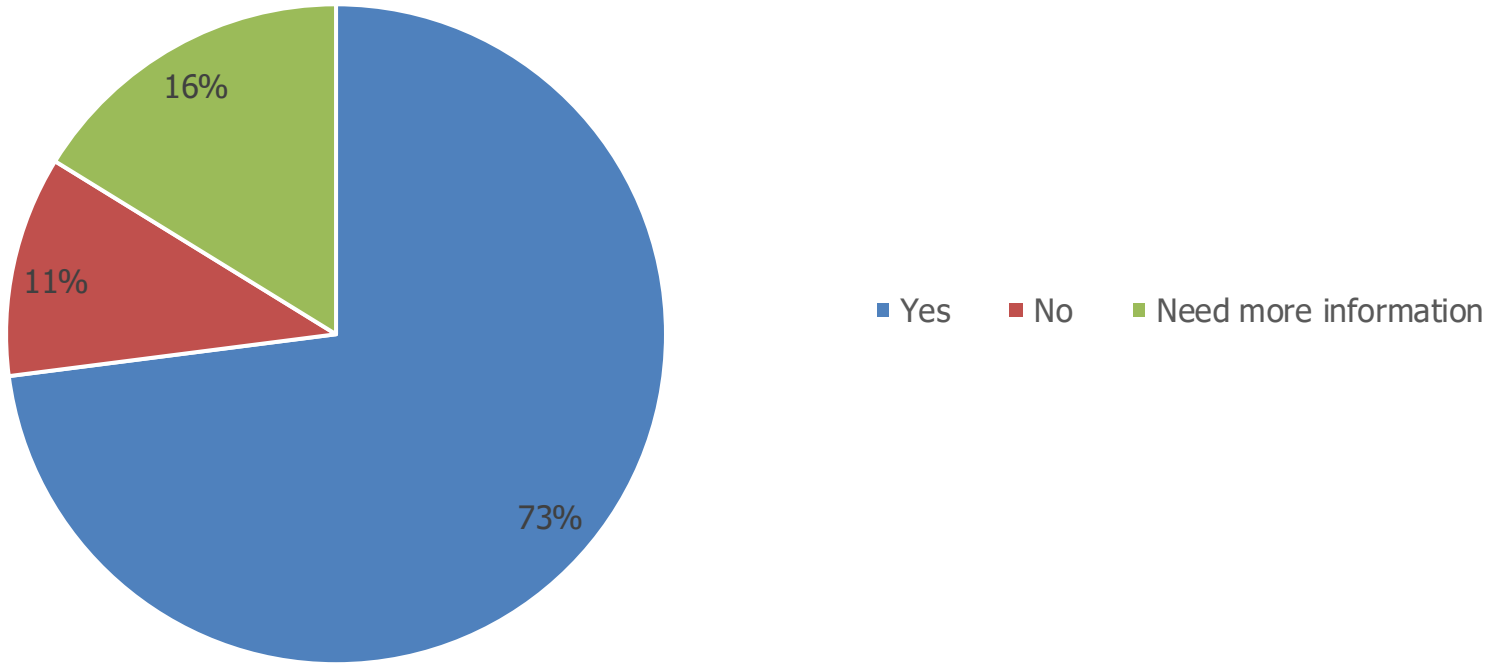
Question 7. Should a legacy clause be included to exempt existing contracts from meeting revised Scope 2 Quality Criteria?

a. Yes
b. No
c. Need more information

Question 8. If a legacy clause is included, should companies be required (shall), recommended (should), or allowed (may) to disclose contracts for which they have applied the clause?

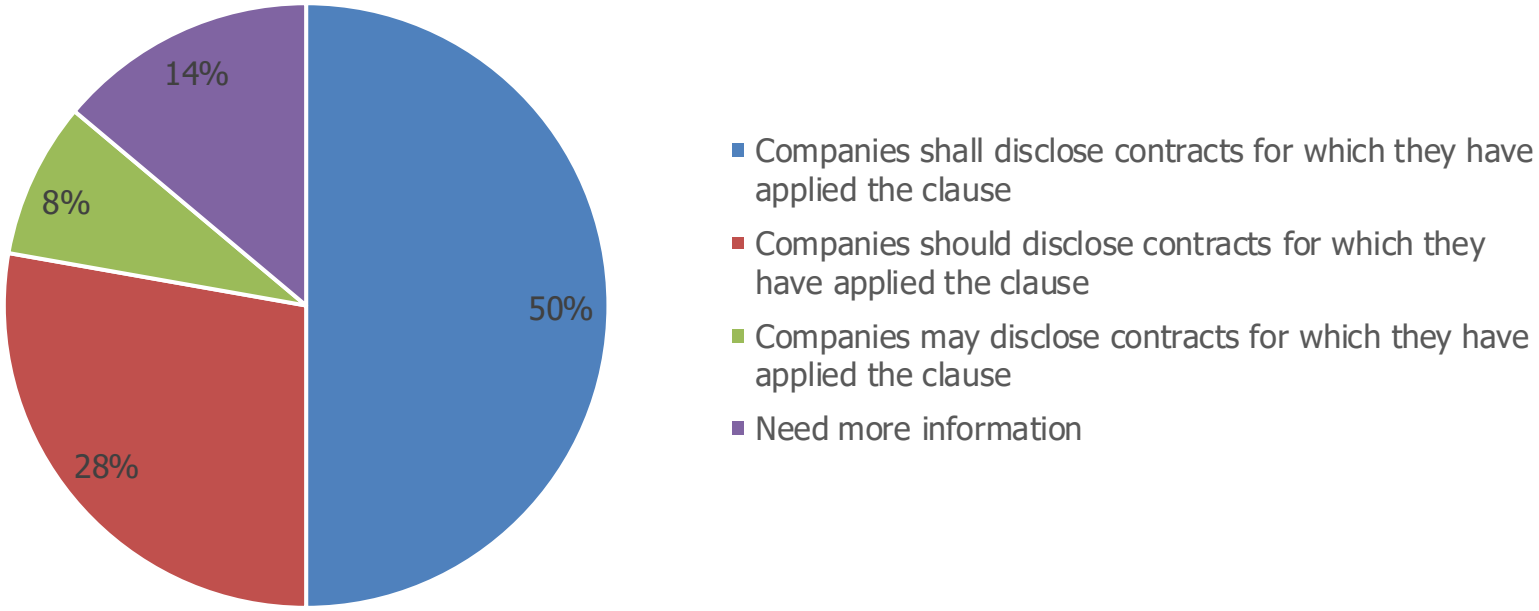
a. Companies **shall** disclose contracts for which they have applied the clause
b. Companies **should** disclose contracts for which they have applied the clause
c. Companies **may** disclose contracts for which they have applied the clause
d. Need more information

Poll Question 7. Should a legacy clause be included to exempt existing contracts from meeting revised Scope 2 Quality Criteria?



Includes asynchronous poll responses submitted by TWG members absent from meeting.

Poll Question 8. If a legacy clause is included, should companies be required (shall), recommended (should), or allowed (may) to disclose contracts for which they have applied the clause?



Includes asynchronous poll responses submitted by TWG members absent from meeting.

Next steps

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Next steps

- **Next meeting: June 4th**, 17:00 EDT/23:00 CEST/(+1) 05:00 CST
- **Alternative proposals**
  - Members will be invited to begin submitting alternatives following the May 14 TWG meeting.
  - Submissions will be due by **Friday, May 23**.
  - These will be included in the pre-read materials distributed on May 28 in advance of the June 4 TWG meeting.
- **A final recommendation will be prepared for a TWG vote on June 25th**

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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.

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Appendix

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Timeline check-in: Plan for final Phase 1 meetings through June

	May 14	Jun 4	June 11	Jun 25
Meeting #	**14**	**15**		**16**
Topics planned	**Consolidated draft discussion** • Deep dive on unresolved issues across both methods • Polling on feedback to inform final edits	**Review of ISB feedback and finalization of location- and market-based recommendations** • Deep dive on unresolved issues across both methods	Secretariat share final version of consolidated draft including any amendments or options	**Voting on Phase 1 Final Recommendation for ISB**

Phase 1 Scope of Work

1) Clarify objectives and consider any changes to the accounting and reporting requirements of the Scope 2 Standard

a) Clarify the objectives and purpose of the scope 2 location-based and market-based methods

b) Clarify the objectives and purpose of dual reporting of the location-based and market-based methods in scope 2

c) Clarify the relationship between scope 2 inventory accounting and electricity sector project accounting methodologies such as in the GHG Protocol Guidelines for Quantifying GHG Reductions from Grid-Connected Electricity Projects

d) Explore whether alternative or additional scope 2-related metrics should be included in a GHG emissions report

2) Location-based method technical improvements

a) Determine whether to require or recommend more accurate data than currently required, such as hourly data or consumption-based grid average emissions data

b) Clarify how to account for electricity generated and consumed from on-site projects within the reporting company's organizational boundary using the location-based method

c) As needed, evaluate technology-specific implications of location-based method technical improvements

3) Market-based method technical improvements

a) Review the Scope 2 Quality Criteria to consider revisions to the market boundary and vintage criteria requirements

b) Review the Scope 2 Quality Criteria to consider new requirements related to impact, additionality, or resource newness

c) Clarify how to account for carbon-free electricity and renewable power supplied under utility programs or regulatory compliance schemes in the market-based method and what information must be included in a supplier- or utility-specific emission factor

d) Evaluate if updates to the emission factor data hierarchy and order of operations in applying emission factors, energy attribute certificates, etc. are appropriate

e) As needed, evaluate technology-specific implications related to market-based method technical improvements

4) Role of project-based accounting methodology relative to scope 2 accounting

a) Clarify the relationship between scope 2 inventory accounting and electricity sector project accounting methodologies such as the GHG Protocol Guidelines for Quantifying GHG Reductions from Grid-Connected Electricity Projects

b) Determine how and to what extent the quantification and reporting of GHG emission impacts of grid-connected electricity projects using the project method is required by the standard

c) Clarify potential interactions between carbon credits sourced from carbon-free generation facilities and EACs from the same resource

5) Guidance for regional variation in energy markets

a) Consider the development of guidance and additional examples of scope 2 calculations for the location-based and market-based methods for various energy markets globally

b) Create additional guidance for accounting for the purchase and sale of energy associated with "off-grid" energy generating installations, including microgrids

6) Interaction with policies and programs

a) Clarify what each scope 2 accounting method/metric represents and provide directions and recommendations for their use by mandatory disclosure rules, target-setting programs, and for individual reporters