

**BCSE Comments in Response to the CARB March 23, 2026  
Climate Disclosure Workshop  
June 1, 2026**

The Business Council for Sustainable Energy (BCSE) appreciates the opportunity to provide comments to the California Air Resources Board (CARB) in response to the request for public comments on its March 23, 2026 Climate Disclosure Workshop.

BCSE is a broad-based association representing companies across energy efficiency, renewable energy, energy storage, sustainable transportation, natural gas, and other clean energy sectors. Many of our members will be directly affected by the reporting and disclosure requirements, and we are pleased to engage in this next phase of CARB's implementation process.

BCSE appreciates CARB's transparent, consultative process and wishes to express support for its efforts to provide flexibility and recognition of the range of existing reporting and disclosure frameworks that are currently in use and/or under development. We recognize that CARB is moving into a new phase in the development of the regulations and we value the emphasis on administrative efficiency and program exportability as foundational principles. These measures will help to ensure that GHG emissions information is accurate, comparable, and decision-useful for investors, consumers, and other stakeholders.

This submission builds on BCSE's March 2025 and October 2025 submissions regarding SB 253 and SB 261 implementation, which emphasized alignment with widely recognized frameworks, practical implementation, and phased approaches for emerging reporting obligations.

BCSE commends CARB's approach in seeking to establish a program that balances rigor, flexibility, and usability and offers the following comments to ensure alignment with established frameworks.

CARB is appropriately incorporating principles from the GHG Protocol Corporate Standard and other recognized reporting systems, including the Carbon Disclosure Project (CDP), the International Sustainability Standards Board (ISSB), and the Corporate Sustainability Reporting Directive (CSRD). This alignment reduces duplicative reporting burdens, enhances comparability, and supports long-term scalability.

Of note, the GHG Protocol Corporate Standard is currently undergoing extensive revision that is expected to be completed in 2027 or later. The GHG Protocol Technical Working Groups are considering various aspects of the corporate standard, including issues related to market-based accounting. California has strong precedents for utilizing market-based instruments and accounting. For example, California's cap and trade program recognizes market-based accounting in its compliance rules. California's Low Carbon Fuels Standard (LCFS) uses a market-based attribution approach for renewable thermal energy through book-and-claim accounting. Further, California has active Renewable Portfolio Standard (RPS) and Power Source Disclosure (PSD) programs, which both use Renewable Energy Certificates (RECs) to allocate renewable generation attributes.



- BCSE recommends that CARB maintain consistent GHG disclosure rules for the initial phase of its reporting program and through 2033. This means allowing companies to use the GHG Protocol's Scope 2 Guidance from 2015 to calculate Scope 2 inventories. The 2015 Scope 2 Guidance was in place when SB 253 was enacted, and this guidance is broadly used by companies to report their Scope 2 footprints today. BCSE members have relied on the 2015 Scope 2 Guidance to inform their procurement of clean electricity, and uncertainty around Scope 2 reporting rules could disrupt the procurement clean electricity. CARB should provide clarity that the 2015 Guidance will its reporting standard through at least 2033. Further, BCSE notes that the GHGP recently published the Actions and Market Instruments (AMI) Phase 1 White Paper with a Request for Feedback in June 2026. GHGP is considering the introduction of a multi-statement reporting structure, which would support a market-based GHG inventory. BCSE requests CARB to provide additional details on the interaction between the Program and emerging standards such as AMI to ensure that there is consistent, clarified treatment of market-based GHG action.
- CARB should not automatically adopt updates to the GHG Protocol, and if CARB considers adopting alternative GHG accounting methods in 2033, we encourage CARB to seek stakeholder input and ensure any changes in accounting rules will not undermine existing clean electricity procurement. CARB should engage stakeholders to understand how new reporting rules may impact clean electricity procurement and GHG emission reductions. To ensure companies are not penalized for any long-term offtake agreement for clean electricity that they execute prior to 2033, CARB could continue to allow companies to report under 2015 Scope 2 Guidance. If CARB considers alternatives (which we encourage), CARB should recognize the importance of transition provisions, such as legacy clauses allowing existing clean electricity transactions to be used in Scope 2 reporting.
- CARB should ensure that corporate reporting frameworks appropriately recognize the emissions reduction benefit associated with renewable fuels, including renewable natural gas ("RNG") and other biogas-derived fuels as they play an important role in hard-to-electrify sectors that continue to rely on thermal energy and existing gaseous fuel infrastructure.
- With regard for emissions factors to be used in the program, BCSE recommends that CARB allow for the use of the GREET model and for LCFS carbon intensity scores to be broken down into Scopes 1-3 and impact emissions factors. This aligns with the 2022 Scoping Plan and will support the transition to renewable fuels for transportation and hard to abate sectors. Where lifecycle-specific emissions factors are used, they should be updated annually, based on updated carbon intensity reporting under the LCFS, to cover the most recent data and align with the climate disclosure reporting year. Allowing the use of verified supplier-specific emissions factors better reflects real-world



emissions outcomes, supports consistency across California climate programs, enables recognition of low-carbon fuel procurement outside the transportation sector, and encourages investment in methane reduction and waste-to-energy infrastructure. Where lifecycle-based supplier-specific emissions factors are utilized, CARB should allow for periodic updates consistent with annual LCFS carbon intensity reporting cycles and other verified reporting programs. In addition, supplier-specific emissions factors and associated lifecycle claims can be subject to independent third-party verification, helping ensure transparency, consistency, and auditability.

- With regard to prioritization, BCSE recommends Option 3 and phasing in Scope 3 reporting by categories, which will minimize costs for reporting entities, according to CARB's estimates (slide 36). In addition, ABC supports the proposed categories for initial reporting, including beginning with fuel and energy-related activities (Category 3), among other frequently reported activities.

BCSE greatly appreciates CARB staff's extensive stakeholder engagement and their efforts to harmonize reporting and disclosure requirements with existing voluntary and mandatory global disclosure frameworks.

The Council and its members are committed to supporting CARB in finalizing the regulations and guidance and will continue to provide sector-specific input as needed. Please contact [Lisa Jacobson](#), President of the Business Council for Sustainable Energy (BCSE) with any questions related to these comments.