



October 27, 2025

California Air Resources Board
1001 I Street
Sacramento, CA 95814

**Re: Draft Reporting Template for Scope 1 and Scope 2 Greenhouse Gas Emissions
Pursuant to Health and Safety Code § 38532**

I am writing to share comments on behalf of the Data Center Coalition (DCC) in response to the California Air Resources Board (CARB) open public comment period on a draft reporting template for Scope 1 and Scope 2 greenhouse gas (GHG) emissions pursuant to Health and Safety Code § 38532.

DCC is the national membership association for the data center industry. Our members include leading data center owners and operators, as well as companies that lease large amounts of data center capacity.¹ Data centers provide the digital infrastructure that keeps us connected in our daily lives and supports many sectors of the 21st-century innovation economy – including artificial intelligence, financial services, advanced manufacturing, cybersecurity, healthcare, and other key industries.

The data center industry is leading the charge locally and globally in developing and procuring carbon-free energy, now driving approximately half of all contracted corporate renewable energy in the U.S.² This aggressive investment in clean energy is in line with the industry's sustainability goals: many data center companies have committed to achieving carbon neutrality and supporting their operations with 100 percent clean energy within the next 10 years. Many companies are already reaching this goal and supporting their operations with 100 percent renewable energy.

¹ Public testimony and written comments submitted by DCC do not necessarily reflect the views of each individual DCC member. A list of current DCC members is accessible at <https://www.datacentercoalition.org/members>.

² S&P Global, "[Data centers account for half of US clean energy procurement but only 20% in Europe: report](#)," October 31, 2024.

Organizational Boundaries

The draft template asks reporting entities to specify whether they use the equity share, financial control, or operational control approach to define organizational boundaries. DCC recommends that CARB retain the flexibility to accommodate diverse commercial structures and not limit the approach to identify organizational boundaries for all reporting entities.

Emissions Reduction Initiatives

DCC supports CARB's efforts to provide an option for reporting entities to include other actions that reduce GHG emissions. DCC encourages CARB to adopt a clear approach to report such emissions reduction initiatives and recommends establishing additional guidance on these activities. DCC suggests that CARB develop a process to identify interim third-party guidance to help companies credibly demonstrate that their mitigation actions are additional and attributable. This guidance should specify what information is necessary to fully substantiate the use of energy attribute certificates (EACs) and other market-based instruments. Comprehensive reporting templates should integrate emissions data with detailed information about market-based mitigation actions. These templates should document project details, methodologies, boundaries, emissions factors, and other relevant data to ensure transparency, comparability, and confidence in reported climate actions.

DCC recommends including consequential reporting – in addition to attributional reporting – as part of the Scope 1 and 2 reporting template. This approach will allow companies to report mitigation actions that occur both within and outside their GHG attributional inventory, which can be measured using consequential accounting methods. This approach recognizes that many significant climate impacts cannot be captured by inventory-based reporting alone. The GHG Protocol Scope 2 proposal released on October 20, 2025 includes both attributional and consequential accounting elements for Scope 2.³

DCC is supportive of including contracts for renewable electricity and renewable gas but also recommends that reporting companies have the ability to include additional reduction activities.

Finally, DCC requests clarification regarding which contracts are classified as “direct contracts” for renewable electricity and renewable gas. For example, DCC recommends that both physical purchase agreements and virtual power purchase agreements qualify as direct contracts.

³ Greenhouse Gas Protocol. *Public Consultation – Scope 2*, World Resources Institute and World Business Council for Sustainable Development, Oct. 2025, <https://ghgprotocol.org/sites/default/files/2025-10/GHG-Protocol-Scope2-Public-Consultation.pdf>.

Additional Feedback

In addition to the above elements, DCC appreciates the opportunity to comment on several other aspects of the draft template:

- Regarding defining the inventory boundary and providing “a list of all obligated entities or facilities over which the reporting company has financial or operational control” – DCC recommends clarifying that listing the parent company and *not* all subsidiaries would be sufficient to meet this requirement.
- Specifying third-party auditor – DCC recommends clarifying that listing the auditing company and *not* the auditing individual would be sufficient to meet this requirement.
- Specifying “location based” or “market-based” – DCC recommends clarifying applicability throughout the template.
- Clarifications surrounding biogenic emissions – DCC recommends clarifying that biogenic emissions are reported outside of Scopes 1, 2, and 3 and therefore do not constitute Scope 1 emissions.

DCC appreciates your consideration of these comments and looks forward to future opportunities to engage with CARB.

Sincerely,

Khara Boender
Senior Manager, State Policy
Data Center Coalition
khara@datacentercoalition.org