Greenhouse Gas Protocol (GHGP) Revision FAQ
General Information

What is the Greenhouse Gas Protocol and what does it do?
The Greenhouse Gas Protocol (GHGP), jointly overseen by the Word Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD) is a set of "comprehensive global standardized frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions." Importantly, the purpose of the GHGP is not decarbonization; its accounting accuracy. The GHG Protocol is the voluntary standard by which all corporations calculate their carbon footprint.

What are Scope 2 emissions?
The GHGP is split into three Scopes:

- Scope 1 is direct emissions from actions within the corporate boundary (think burning natural gas in a building, gasoline in your fleet vehicles, or backup diesel generators).
- Scope 2 is indirect emissions from purchased energy (electricity, steam, heat and cooling)
- Scope 3 is indirect from everything else

What is the Scope 2 Guidance in the GHGP?
Scope 2 Guidance standardizes how corporations measure their Scope 2 emissions. Currently, there are two pathways in the Scope 2 Guidance:

1. The location-based pathway (LBM): measures the emissions directly associated with your electricity consumption by multiplying your consumption by the average emissions factor for that grid region.
2. The market-based pathway (MBM): takes into account any renewable energy that you purchase, like renewable energy credits (RECs). You must match each MWh of consumption with a renewable energy certificate that you purchase.

Why is the Scope 2 Guidance being updated?
The Scope 2 Guidance is currently being revised to address a burgeoning clean energy market and based on the concern that without stricter requirements, REC purchasing doesn't really correspond to real emissions reductions.

Who is responsible for managing the update?
WRI and WBSCD manage the revision process as the Secretariat. There are three groups involved in the revisions. The Technical Working Groups provides suggestions for revisions. The Independent Standards Board (ISB) oversees the revision process and suggests changes that are approved by the Steering Committee. Documents produced through the process can be found here.

What is the current deliverable, hourly-matching proposal?

What it is: The current proposal creates new requirements for the MBM. In order for renewable energy purchasing to be eligible for reporting under Scope 2, it must match the hour and location of your load. These requirements go by many names: deliverable hourly matching, 24x7, time and location matching, etc. Under the current proposal, companies calculate the percentage of their electricity consumption that is matched with clean generation from new or existing resources generated at the same hour and in the same deliverability region as their load--this would then be reported as a company's annual Carbon-Free Electricity (CFE) score.

What it isn't: It's tempting to call this the "24/7" proposal, which is often how it is colloquially referred to. However, a true 24/7 framework requires not only deliverability and time-matching, but MUST have a third requirement: additionality. "Additionality," is what describes renewable energy purchases that actually contribute to new build on the grid. This current proposal has no additionality requirements, which means it cannot be called 24/7. Even more concerning? Without additionality, there is no academic research confirming that it will lead to sufficient emissions reductions.

What are the concerns with requiring hourly-matching and deliverability in GHG footprint accounting?

1. Complexity and expense: Deliverable hourly matching adds complexity to the reporting process. Many companies will have to pay service providers to do this accounting for them. In addition, while deliverable hourly-matching tells you what percentage of your load is matched by clean energy, it doesn't actually tell you how to measure the emissions impact of excess dirty energy. To calculate that, you would need local residual mix data, which is inaccessible in most regions of the world.

2. Skyrocketing costs to yield carbon impact: A wealth of academic research highlights that in order for deliverable hourly-matching to be more effective than the current system, it would need to have an "additionality" requirement and reporting entities would need to achieve upwards of 90% CFE. The problem? That comes with prohibitively expensive energy costs. Experts estimate that energy costs would increase up to 4X. This risks incurring a steep drop in participation in emissions accounting as a whole, imperiling global decarbonization.

3. It exacerbates global inequity of clean energy build-out: Forcing companies to procure energy to match the location of their load precludes them from procuring in higher impact grids. The EIA estimates that 61% of global C&I load is in China, the U.S., and western Europe alone. Requiring deliverability means that clean energy investment will continue to be funnelled into a select few regions while others that need it most get left behind.

What can you do?
Luckily, the ISB just released their current proposal for public comment from now through January 31, 2026: access it here.

Navigate to the bottom left where you see “Scope 2 Public Consultation.” Underneath that, you can access the proposal document and the survey.

The survey has a lot of questions, but luckily, you only have to answer questions you feel comfortable answering. MBM questions don’t start until Question 69.

Who can I contact for help?
If you’re concerned about these impending changes and would like to learn more before you fill out comments, or need help filling out comments:

- Join WattTime’s weekly Live Q&A on Wednesdays from 2:30-3:30 ET starting November 12th, 2025 through January 28, 2025
- Keep an eye out for upcoming resources from WattTime to support
- Reach out to contact@watttime.org