

Advanced and Indirect Mitigation Platform

Draft Electricity Annex

Summary of Stakeholder Feedback

AIM Platform Electricity Annex Stakeholder Feedback

INTRODUCTION

In October 2025, the AIM Platform initiated a multi-month stakeholder consultation period of the AIM Platform Electricity Annex.

The Electricity Annex was drafted following feedback from stakeholders and companies engaged in pilot testing that addressing value chain (scope 3) electricity emissions is difficult and requires more guidance.

The insights gathered from both the public comment period provided valuable input to the AIM Platform Governing Committee and Secretariat. This feedback informed the refinement of the document.

A summary of stakeholder feedback presented to the AIM Platform Governing Committee is provided below. All responses have been anonymized to protect stakeholder privacy.

SUMMARIZED STAKEHOLDER FEEDBACK

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4	Ed	This is a minor point, but the AIM Platform could consider swapping the order of “Identifying, sizing, and locating potential electricity interventions for association testing” and “Identifying, quantifying, aggregating and locating targeted electricity subcomponents in a company’s value chain”. This order would likely be better aligned to the practitioner mindset because typically practitioners will want to identify the company’s value chain emissions prior to (and in order to inform the process of) seeking out interventions with which to address these emissions.	Accept with modifications. Both will be covered under Section 4.1; the first step is for subcomponents and then for interventions.
4	Ed	Small technical note: On page 4 between lines 21 and 35, the document describes 3 steps and then notes that the company then applies the QAR. But in Figure 1, there are 4 steps. The 4th step is only referring to the accounting step of the QAR, not fully what is stated in lines 32-35. The document could be easier to understand if the steps in 21-35 matched what is shown in Figure 1.	Acknowledge. Will consider revising flow chart to ensure alignment with text.
5	Ge	The QAR document is very long and cumbersome to work through and I would highly recommend that for an electricity-focused scope 3 intervention, the electricity annex should serve as a standalone guidance for association, quality assurance, accounting, and reporting - particularly since the electricity EAC market and accounting frameworks are very mature.	Accept. The Electricity Annex will cover association, quality, accounting, and reporting in one document.
5	Ge	There are elements of the QAR standard that would benefit from electricity-intervention specific guidance with respect to the concept of additionality.	Accept. The Electricity Annex will cover association, quality, accounting, and reporting in one document.
5	Ge	It would be recommended to reference other external standards such as the GHG Protocol Scope 2 Guidance, SBTi, CDP’s renewable energy criteria, and RE100 technical criteria on additionality for corporate clean energy procurement, instead of providing additional guidance.	Acknowledge.
5	Ed	The QAR does not appear to include any requirements that are transparently/explicitly for 'additionality'. There is the 'Regulatory	Accept with modifications. All the requirements in the AIM Standard will

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		surplus' requirement - but the text does not state that this is intended as a test for 'additionality'. Moreover, the Glossary in the QAR does not include the term 'additionality'. If the intention of AIM is to promote impactful actions that genuinely reduce emissions then an additionality requirement is essential. The following sets out the existing tests that could be applied in the context of electricity interventions, but the tests could be applied beyond the context of electricity to any emissions source in the value chain: https://www.tandfonline.com/doi/full/10.1080/17583004.2025.2473910	be in the Electricity Annex, which includes regulatory surplus, a form of additionality.
5	Ed	Attributional (i.e., substitution method) accounting for electricity interventions in scope 3 should not require demonstration of additionality as a baseline requirement, given this would be inconsistent with current scope 2 guidance and the intended use of attributional accounting systems. However, the AIM Platform should consider layering in impact requirements (which may include additionality) for cases where its guidance allows for more flexible scope 2 market boundary rules (e.g., broader regional boundaries for an intervention). Impact criteria can be a way for the AIM Platform to signal that the intent of regional flexibility is not to enable organizations to source the lowest-cost attributes from markets unconnected to their value chain, but to enable action where lack of traceability or procurement options make national or sub-national boundaries less practical. 3Degrees has a paper on the topic further discussing the concept of "impact" for scope 3 electricity procurement (pp. 19-21). The paper can be accessed online at https://3degreesinc.com/insights/unlocking-clean-electricity-in-the-value-chain/	Acknowledge.
5	Ge	Additionality guidance could be helpful because many stakeholders continue to question whether regulatory additionality is sufficient for determining a value-chain associated intervention. Two places AIM could look to are: 1. The public GHG Protocol consultation responses to the consequential accounting proposal, and 2. GHGP's Scope 2	Acknowledge.

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		technical working group authors of the consequential accounting proposal. In their proposal, they looked at different potential approaches to determining additionality.	
5	Ge	It may just be helpful to ask that companies consider the additionality of the projects they consider as a “should” recommendation, then provide links to outside guidance. A resource our team has found helpful is “High-Impact RECs: Applying Additionality for Renewable Energy Advancement” from Evergreen.	Acknowledge.
5	Ed	Suggest referencing 3Degrees Whitepaper.	Acknowledge.
5	Ge	I recommend that the electricity annex is revised to be aligned with SBTi CNZS v2 PC2, and to be generally in sync with the GHG Protocol draft scope 2 guidance. To reduce confusion and to ensure efficiency of reporting, it is imperative to be as consistent as possible with these two documents.	Accept. Will look to align.
5	Ge	I miss the preliminary check if the emissions of the energy production are regulated under a cap-and-trade system / ETS. The energy user can still invest on renewable but it is not part of its obligation. It may already pay for CO2 of the power so that the producer can use that for investments for example. More and more countries introduce ETS, also in the South	Acknowledge.
5	Te	Regarding Figure 1, step 3: “supplier or customer method” references the “same market boundary” but does not specify what that market boundary is. Current Greenhouse Gas Protocol (GHGP) Scope 2 Guidance (2015 version) does not specify what a market boundary is, but clarifies that markets for certificates are typically determined by political or regulatory boundaries rather than just physical grid interconnection. This means market boundaries can be limited to a single country or group of countries that recognize each other’s certificates as fungible and available to any consumers located therein” (page 65). RE100’s Technical Criteria refer to geographic market boundaries as an area in which the laws and regulatory framework governing the electricity sector are sufficiently consistent between the	Acknowledge. Supplier and Customer method will no longer be an option in the Electricity Annex. Electricity Annex users will only be able to use the Sourcing and Use region method for further association.

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		areas of production and consumption” (page 27). We recommend that AIM provide more specific qualifications around what constitutes as a “market boundary” for the supplier or customer method using existing standards as a guide. Further, it is generally unclear what “electricity sourcing or use region” refers to, and how that is different from the “market boundary”. We recommend clarifying this. The following is a proposed sectoral approach to market boundaries, outlined here: https://resource-solutions.org/electricity-sector-defined-market-boundary-proposal/. This proposal posits market boundaries as those limited to the geographic boundaries of the electricity sector(s) in which the reporting entity’s electricity-consuming operations are located, inclusive of linked electricity sectors where they exist. An electricity sector encompasses the entire system of physical infrastructure, markets, and regulatory frameworks involved in the generation, transmission, distribution, and consumption of electricity.	
5	Te	Regarding Figure 1, step 4: As presented, it is unclear whether companies can use both the substitution (attributional) and consequential method to report results of a single intervention in two different ledgers simultaneously. This raises a broader question about how the separate reporting ledgers work and whether they’re mutually exclusive or whether a single intervention could be reported multiple times across different ledgers. We request clarification in the case that a company must choose one method to use for each intervention, apart from the different criteria for each method, we also request clarification on how should make that choice.	Accept. Will provide further clarification.
5	Ed	The cross-references to the QAR Standard and Guidance and the Association Test are appropriate. Consider adding a short summary or diagram showing how the Electricity Annex fits within the overall AIM Platform framework. Consider adding a brief example or scenario to illustrate the types of electricity interventions and challenges companies might face in applying the Annex.	Accept with modifications. Information on the relation to the QAR and Association Test will be provided, as well as potential interventions that companies might pursue that would warrant using the document.

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6	Ed	Regarding p. 6, line 4: We request clarification on the intended scope of “electricity interventions.” This section states that interventions “include, but are not necessarily limited to” the items listed in lines 5–11. However, subsequent references and examples in the Annex appear to rely exclusively on these three interventions. As written, this could be interpreted to mean that qualifying electricity interventions are limited to only those listed. We recommend that AIM explicitly clarify whether other common electricity interventions—such as the purchase of EACs, including from offsite projects—are eligible. We further recommend expanding the illustrative list and updating related references and examples throughout the Annex to reflect a broader, non-exhaustive set of intervention types, consistent with the stated intent of this section.	Acknowledge. Will expand list of applicable intervention examples.
6	Ge	I would highly recommend limiting electricity interventions to generation-linked EACs/PPAs/GOs that create or contractually claim renewable MWh; explicitly exclude efficiency, storage/DR, and T&D upgrades from this annex and address those via separate avoided-emissions or intervention modules. This keeps scope 3 electricity aligned with Scope 2 market-based principles and current SBTi positions on indirect mitigation.	Acknowledge.
6	Ed	As written, the list of example interventions appears to favor, or potentially require, projects that have not yet been built. This raises a question: is it the AIM Platform’s intention to limit eligible electricity interventions to such projects? We recommend that all credible procurement mechanisms, including unbundled EACs/RECs, be permitted since in some markets, particularly emerging markets, these are the only available option and can still provide a meaningful demand signal. Explicitly affirming that different procurement mechanisms are eligible would help avoid unintentionally excluding interventions in markets with limited options.	Acknowledge. Will consider expanding list.
8	Ge	I do not agree that companies should be able to convert electricity subcomponents and only keep the measure in MWh terms. This reduces an additional layer of uncertainty from emission factor data. A	Acknowledge.

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		direct MWh accounting method also sends a stronger market signal to promote the adoption of renewable electricity, rather than via an intermediary tonnes CO ₂ e metric.	
8	Ge	Companies should be able to convert electricity subcomponents and only keep the measure in MWh terms.	Acknowledge.
8	Ge	We support allowing companies to convert electricity subcomponents for the limited purpose of sizing and locating interventions (i.e., estimating activity data). Conversions from MWh to tonnes CO ₂ e and from tonnes CO ₂ e to MWh are acceptable in this context, provided that: 1) all tonnes being converted and aggregated are exclusively electricity-related emissions; and 2) the emissions factors used are appropriate for the location, as precise as practicable, reflect the most recent available data, and are applied consistently within a given geographic area. We do not support use of these conversions for purchases/interventions or claims. A company should not purchase electricity in MWh and convert it to tonnes CO ₂ e to support an offset claim, neither should it purchase offsets in tonnes CO ₂ e and convert them to MWh to make a renewable electricity use claim.	Acknowledge.
8	Ge	Companies should be able to convert electricity subcomponents between MWhs and tonnes CO ₂ e, in both directions. This flexibility is important to allow for aggregation and comparability as data availability varies. However, it is essential that companies use credible, region-specific emission factors and disclose assumptions to ensure consistency and comparability.	Acknowledge.
8	Ge	We believe that companies should be able to convert electricity subcomponents in both directions, as this optionality is necessary if the AIM Platform intends to support both consequential and attributional frameworks. This approach also maintains incentives for companies to support electricity-related decarbonization interventions, regardless of whether they use contractual accounting or impact statements. The AIM Platform could mitigate concerns by providing explicit “best	Acknowledge. Will consider including best practice expectations.

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		practice” expectations for how these conversions can be done in the Electricity Annex.	
8	Ge	We encourage the AIM Platform to review 3Degrees’ Guide on the subject: Organizations can “calculate electricity consumption by dividing the emissions attributable to electricity generation by an appropriate grid emission factor” ... “organizations should use the grid emission factor reflected in their inventory for the targeted scope 3 emissions if available” ... “If the grid emission factor reflected in the inventory for the relevant emission source is unknown, organizations should instead use the grid emission factor(s) for the geography(ies) of consumption identified in step 2b. In this case, organizations should use the type of grid emission factor (i.e., residual vs. location-based; generation-only vs. life cycle) most consistent with the assumptions used in the inventory for those emissions. If it is unclear which type of grid emission factor is most consistent with the inventory, organizations should use a more conservative factor (i.e., select a lower emissions factor, which will result in a higher electricity volume)” (pp. 13-14). The paper can be accessed online at https://3degreesinc.com/insights/unlocking-clean-electricity-in-the-value-chain/ 2.	Acknowledge.
8	Ed	In the Electricity Annex wording on page 8, line 12: “Companies can quantify electricity subcomponents in: [the two units/metrics]”, does the AIM Platform intend for this statement to present two options that companies are permitted to follow? If so, we would suggest the use of the word “may” instead of the word “can”.	Acknowledge. Terminology specifics and implications will be further detailed in the guidance.
8	Ge	We believe that companies should be able to convert electricity subcomponents in both directions, from MWhs to tonnes CO2e and vice versa. We believe the current draft of the guidance should be expanded to include conversion from CO2e to MWh. This approach would be aligned with the AIM QAR “Activity Estimation Method” outlined in Chapter 10 of the latest draft of the QAR guidance. This would also be aligned with the approach outlined in 3Degrees’	Acknowledge.

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		Unlocking Clean Electricity in the Value Chain. Furthermore, we believe this approach strengthens the business case for companies seeking to make investments in new, impactful renewable energy projects worldwide because it would increase the likelihood that these could be accounted for in a contractual ledger rather than only in an impact ledger.	
8	Ge	We think it makes sense for companies to only be able to convert from MWhs to tonne CO2e and not in the other direction. AIM Platform's purpose is meant to enable emissions mitigation, not to help companies make claims about the amount of MWhs of clean electricity contracted or consumed. Converting to MWh is only useful for renewable electricity claims. Additionally, if one converts from tonnes to MWhs, that may not always be technically possible. For example, if a company buys energy transition credits which are denominated in tonnes CO2es, it cannot convert all of those tonnes to MWhs, because many of those tonnes represent things like avoided emissions from: the closure of a coal plant, the effects of energy efficiency measures, the inclusion of storage, and/or changes in dispatch. These actions cannot be captured in MWhs.	Acknowledge.
8	Ge	As described in the Annex, data that is available to companies as they identify and aggregate electricity (sub)components may vary in quality. Giving companies the flexibility to convert electricity units into the highest fidelity option, whether that's tonne-based or MWh-based, prevents unnecessary administrative burden.	Acknowledge.
8	Ed	Ideally matching is done at the MWh level. Conversion in either direction should be allowed, but activity matching should be done only using MWh. Both MWh and Emissions matching should be allowed, but under different circumstances. MWh matching should be for attributional type accounting and emissions matching should be for impact accounting.	Acknowledge.
10	Ge	The electricity annex should use the same geographically requirements as other well accepted guidance such as the RE100 Technical Criteria.	Acknowledge. Geography requirements are still to be determined. However, the

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			Electricity Annex will align with the AIM Standard hierarchy.
10	Ge	If a company is assuming that all upstream electricity consumption occurs in the same location as the tier 1 Supplier, Physical grid is best level of specificity	Acknowledge.
10	Ge	We recommend that companies use the most geographically specific information that is known or can be reasonably assumed for upstream electricity subcomponents. As a general rule, the geographic boundary for these assumptions should not extend beyond the country level, or in limited cases a clearly defined multi-country market (e.g., U.S./Canada or EU-wide grids), consistent with how emissions factors and electricity markets are typically structured. Where a company lacks any credible information on the upstream supplier's electricity location, applying a country-level (or defined multi-country market) factor is appropriate. Otherwise, more specific information may enable more precise or different interventions. Given the focus of these interventions on onsite generation, batteries, and transmission improvements, these particular interventions may require more precise location information. But other interventions, like EAC purchases or contracts from offsite facilities, would only require country or market location information. We support presenting these options as a hierarchy that prioritizes increasing geographic specificity when data quality allows, while maintaining country (or defined multi-country market) as the default minimum level where no finer information exists.	Partially accept. Will consider using a hierarchal approach.
10	Ge	The location should be determined using a hierarchical approach. The default should be the market boundary as defined by current guidance (e.g., CDP, RE100). Where more granular data is available, companies are encouraged to use the most specific location possible (such as balancing zone) to improve accuracy. This hierarchy allows for consistency with established standards while enabling greater specificity when feasible.	Partially accept. Will consider using a hierarchal approach.

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10	Ge	The requirements are deliberately loose and flexible to make estimation easier/possible - however, this undermines the accuracy of claims to have genuinely intervened 'within the value chain'. As long as it is transparently communicated that interventions may not/are unlikely to be in the actual physical value chain, this shouldn't be a problem.	Acknowledge.
10	Ed	The Electricity Annex should explicitly introduce and allow for regional identification when country-level information is not available at this stage, not just later at the aggregation/intervention stage. This flexibility is allowed in the 3Degrees' Guide because there are many instances in which an organization may not know the specific country that electricity was consumed in, but does know the general region it was sourced from or used in. We recommend that the Electricity Annex follow a hierarchy for estimation approaches and for choosing between country- and region-level identification. Please refer to Table 2 on page 17 of the 3Degrees' Guidance for the recommended hierarchy of approaches for determining geography of electricity consumption. At each step in the hierarchy, if a specific market or market region cannot be identified, the organization should either apply that same step at the IEA regional level or move to the subsequent step to identify a specific market or market region.	Partially accept. Will consider using a hierarchal approach.
10	Ge	We believe that companies should identify electricity consumption at either the country (market) or subnational level based on available data, but that the AIM Platform should avoid prescribing a detailed hierarchy in the Electricity Annex that includes granularity below the country level (e.g., down to specific balancing authorities or ISO/RTOs). Given the challenges with scope 3 data and traceability, it is often not commercially reasonable to determine locations with greater precision.	Partially accept. Will consider hierarchy approach and companies will need to use the option that represents the most granular data available.
10	Ge	To keep this as simple as possible, we would recommend that the first best option is to standardize it to "same country." A second-best option would be to present it as a recommended hierarchy—if the company has granular data regarding the ISO/RTO, it "may" decide to aggregate emissions data at that level before moving up to the country level and	Partially accept. Will consider hierarchy approach and companies will need to use the option that represents the most granular data available.

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		then it “could” use the country as the geographic boundary if it doesn’t have that level of data.	
10	Ge	Same country or IEA boundaries are a reasonable boundary. Wider boundary lines can support companies to identify interventions that balance additionality / impact and cost without being overly restrictive. Presenting the options as a hierarchy may lead to companies having less flexibility and being less willing to invest overall.	Acknowledge. Will consider hierarchy approach.
10	Ge	Assuming that all upstream occurs in same location as tier 1 supplier is a risky assumption to make across all actors, and could lead to severely skewed deployment of solutions and distorted markets. For upstream, company's should prioritize regions rather than countries.	Acknowledge.
12	Ge	The flexibility to aggregate and convert subcomponents is valuable, but guidance on transparency and documentation of assumptions would further strengthen the chapter.	Acknowledge. Will consider additional guidance.
13	Ge	Boundary Cases: Address potential boundary cases, such as interventions that partially affect both electricity and thermal energy, or situations where subcomponent data is incomplete or estimated.	Acknowledge.
13	Ge	Clarify Allocation Methods: Consider providing more detailed guidance or examples on LCA allocation methods for interventions that affect both electricity and other energy carriers, to support consistent application across companies.	Acknowledge. Will consider.
14	Ge	Data Quality and Transparency: Encourage companies to document and disclose the data sources, conversion factors, and assumptions used in both sizing methods, to enhance transparency and comparability.	Accept. Companies will be required to transparently disclose key data and assumptions in line with the Section 5.3 System of Record requirements in the AIM Standard.
14	Te	We agree that companies cannot claim more benefit from an intervention than is reflected in their own value chain inventory, including for scope 3 electricity use. That said, we recommend that the AIM Platform clarifies its viewpoint on situations in which organizations may “over procure” renewable electricity (e.g., if value chain partners already procure clean electricity to cover their scope 2 emissions	Accept. Will address.

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		without the reporting company's knowledge). Our viewpoint is that organizations should not be concerned with such inadvertent "over procurement," as this approach increases overall positive contribution to the clean energy transition.	
14	Ge	We support the inclusion of an emissions matching method, but recommend that the Electricity Annex provide more explicit guidance or a clear philosophy on which emission factors companies should use when matching emissions between inventory subcomponents and intervention outcomes. For example, the Electricity Annex should address location (e.g., country vs. region) and factor type (residual mix vs. grid average vs. marginal), recognizing that these choices can significantly change the intervention size required to "match" a given inventory footprint. At a minimum, the AIM Platform should explicitly acknowledge that this choice matters and direct users to existing guidance on selecting and prioritizing emission factors, while encouraging transparent disclosure of the factors and rationale used.	Partially accept. Companies will be advised to choose the most appropriate emission factor given available data on the volume of electricity and its location.
14	Ge	While supportive of the inclusion of an Emissions Matching Method, we strongly encourage the AIM Platform to maintain this as a recommended approach versus a requirement that companies must follow (maintain a "should" statement versus a "shall" statement).	Partially reject. Companies shall use the Product Matching method with the Substitution accounting approach or the Emissions Matching method.
14	Ge	We recommend that the Electricity Annex clarifies how the Emissions Matching and Product Matching methods relate to the ability to convert between MWh and CO2e, as the Emissions Matching Method implies an additionality requirement, whereas the Product Matching Method does not. Our viewpoint is that companies with inventory data denominated in CO2e (which represents the vast majority of cases) should be able to convert that to MWh and match with EACs for an acceptable intervention.	Acknowledge. Will look to clarify as there are no additional additionality requirements for the Emissions Matching Method.
14	Te	In line with our comments on Chapter 2, the use cases for the Product Matching method and the Emissions Matching methods should be expanded such that either method can be used in the case where the	Acknowledge.

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		units of the targeted subcomponent and the tested intervention do not match (i.e. subcomponent units are in CO ₂ e and intervention units are in MWh or vice versa). If companies want to use the Product Matching method, they should be eligible to convert CO ₂ e to MWh as outlined in 3Degrees' Unlocking Clean Electricity in the Value Chain, and also in line with the AIM Platform QAR "Activity Estimation Method". If companies prefer to use the Emissions Matching method they should also be able to convert to CO ₂ e as outlined currently in the draft text. As mentioned above, we believe this accounting optionality will help drive more corporate investment in large-scale impactful renewable energy projects.	
14	Te	We are supportive of the two methods for determining whether the size of the electricity intervention is less than the quantity of the targeted electricity subcomponents presented in Chapter 3 (p.14, lines 1–22), but recommends clarifying that they should not be applied simultaneously for the same intervention or subcomponent. We also recommend tightening the framing. The two methods are only fully equivalent and interchangeable if the same emissions factors are used across electricity subcomponents and interventions. In that case, covering 100% of electricity in MWh would also cover 100% of electricity-related emissions in tonnes CO ₂ e (and vice versa). However, if different emissions factors are applied, for example if interventions use a different factor than the underlying electricity subcomponents, or if aggregated subcomponents rely on varying factors, then it may be possible for the reported intervention size in MWh to exceed the quantified MWh of electricity subcomponents, or for coverage in tonnes CO ₂ e to imply a different level of MWh coverage than intended. We recommend the Annex explicitly acknowledge this potential mismatch and specify that consistent emissions factor application is a prerequisite for claiming equivalence between the methods.	Acknowledge. Method selection will be tied to the units available for both the intervention outcome and the targeted subcomponent.
15	Ed	We are supportive of the Electricity Annex's allowance for long-term contracts to continue counting as associated interventions even if the	Partially accept. Will reiterate that companies shall use the intervention

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		specific supplier or customer relationship changes over time, as long as the company continues to have sufficient scope 3 electricity load or emissions in the same region. At the same, the AIM Platform should reiterate that: (i) companies may not claim more reductions from an intervention than the electricity-related emissions in their value chain inventory, and (ii) if a project generates fewer MWh or emissions reductions than expected in a given year, companies should true up rather than retain the original, higher reduction estimate.	outcome information received in the intervention record as the definitive data inputs for quantifying and accounting for intervention outcomes, meaning companies report against actual, audited annual outcomes rather than original projected estimates.
15	Ge	We support the decision to not require communication of interventions with Value Chain Members.	Acknowledge.
15	Ge	It is important that AIM is clear in both the Electricity Annex and QAR that consequential accounting and project-based accounting are acceptable forms of accounting for AIM interventions. From our conversations, it seems that AIM supports consequential accounting for EACs, but if you could please make this clearer.	Acknowledge. Conceptually, the Emissions Matching method is consistent with project-based/consequential accounting.
15	Ed	It's important to retain the word "should" in line 10 on page 15. Companies should be able to have a choice about whether they want to always size AIM aligned interventions based on the Known Supplier or Customer Method or the Sourcing and Use Region Method. Known Supplier and Customer methods will likely require more granular data, and the capacity of the company to engage suppliers, which could be a drain on the reporting company and suppliers' resources. That being said, we understand that AIM is planning to require or encourage companies to size electricity mitigation interventions using a more granular method first if possible (e.g., Known Supplier and Customer method first, then only the Sourcing and Use Region Method), which we understand might be necessary to be more broadly accepted by SBTi and/or the public. The Sourcing and Use Region Method would encourage more investment than the current status quo—which is effectively RE100 geographical matching guidance (i.e., mostly country-level matching except for Europe and North America as unified markets). However, the Sourcing and Use Region boundaries in the	Acknowledge. The Supplier and Customer method will be removed from the Electricity Guidance as an available method. If not using sector-specific guidance to determine the sourcing or use region, the sourcing region boundary and the use region boundary can be defined using the hierarchies provided in the guidance.

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		Annex feel somewhat arbitrary, which prompts the question for why the boundary is not simply global electricity consumption of the reporting company. Having the boundary be global electricity is effectively the equivalent of not having any further association test at all and relying only on the Basic Association Test. In other words, the only constraint would be the amount of electricity emissions in a company's inventory. Any electricity mitigation emissions reductions beyond that total would be reported in the beyond value chain mitigation ledger and under a target setting system like SBTi, this overage would be counted towards a company's ongoing emissions responsibility. In SBTi's own CNZS V2 second consultation draft, under C.20.5 paragraph b, SBTi seems to be open to some sector-level EACs counting towards targets.	
15	Ed	One recommendation we have is for AIM to consider Basic Association being allowed for electricity in order to incentive a higher quantity of corporate investment in electricity mitigation projects around the world with a greater GHG impact. There are three reasons that AIM should consider allowing Basic Association as the standard for electricity, or at least for a portion of a company's electricity footprint: 1. First, AIM requiring only Basic Association for electricity will incentivize electricity mitigation projects at a scale so that we can have a chance at tripling renewables by 2030 to stay on track for 1.5C (World Energy Transitions Outlook 2023: 1.5C Pathway, IRENA). 2. Special exemptions are already being given to hard-to-abate sectors under the further association hard-to-abate sector method, to incentivize newer technologies in these sectors to scale. So, there is a precedent to allow electricity an exemption as well, notwithstanding the different reason for the exemption. 3. Currently it seems likely that GHG Protocol Scope 2 accounting standard will require hourly matching on some level, which many experts worry will upend demand for renewables. The current draft of the SBTi CNZS also will phase in hourly matching. Exemptions and phase in dates for hourly matching are unclear now. To counteract this potential blow to renewables investment from less flexibility in the	Reject. Companies will be required to prove both Basic and Further Association via the Sourcing & Use Region method. While electricity is frequently an input to interventions for critical sectors, electricity itself is not a critical sector.

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		market-based inventory, companies need to be incentivized to use the impact ledger for electricity mitigation projects. AIM writing this flexibility into its standard seems to align with SBTi's own views that some sector-level mitigation might be necessary for all EACs, as mentioned above already.	
15	Ge	We appreciate the flexibility in both the Supplier Method and Sourcing and Use Region Method.	Acknowledge.
16	Ge	Use Scope-2-style market boundaries and in-year vintage matching; where no qualifying instrument exists, apply the residual mix rather than broad regional groupings. This preserves assurance and prevents claim inflation.	Reject. The Supplier and Customer method will no longer be an option. Users will only be able to use the Sourcing and Use Region method for further association.
16	Ed	We recommend clarifying the implications of the market-boundary language in Table 5. As written, the reference to “the same market boundary as defined by the GHG Protocol Scope 2 Guidance in place at the time the intervention’s binding agreement is signed” could result in significantly smaller market boundaries than those otherwise applied for Scope 3 accounting. This could materially affect how companies size and allocate electricity-related Scope 3 interventions, and may influence whether stakeholders view the guidance as practical or usable. We request that the Annex explain how these potentially narrower boundaries should be handled in Scope 3 contexts, and whether any guardrails are intended to ensure consistency across reporting periods. We again suggests considering our proposal to base market boundaries on electricity sectors, as seen here: https://resource-solutions.org/electricity-sector-defined-market-boundary-proposal/ . We are generally supportive of including both the supplier/customer method and the sourcing/use method, but suggests the document more clearly indicate when each approach is preferable. We view the supplier/customer method as likely to be more accurate where supplier-specific electricity information is available or can be reasonably estimated. By contrast, the sourcing/use method appears to	Acknowledge. The Supplier and Customer method will no longer be an option. Users will only be able to use the Sourcing and Use Region method for further association.

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		rely on residual mix factors as a default in the absence of supplier-specific data, which may reduce precision and could create perverse incentives to remain at a lower-data level. We recommend reframing these approaches as a hierarchy that prioritizes use of supplier/customer data where feasible, with sourcing/use (and residual mix defaults) positioned as a secondary option when higher-quality, supplier-specific information cannot be obtained.	
16	Ge	Consider providing more detailed examples or case studies illustrating how companies can apply both methods in practice, especially in complex supply chains or regions with fragmented electricity markets. Clarify how to handle situations where supplier/customer data is incomplete or unavailable, and provide recommended approaches for estimation or proxy data.	Acknowledge. The Supplier and Customer method will be removed from as an available method for electricity. Further guidance will be provided for the Sourcing and Use Region method.
16	Ed	We recommend that the AIM Platform align location requirements for electricity interventions with the current GHG Protocol market boundaries (2015 GHG Protocol Scope 2 Guidance), rather than tying eligibility to the Scope 2 Guidance in force at the time the intervention is signed. In practice, companies often lack visibility at the highly granular “deliverable grid” level now being discussed for scope 2, especially when supplier operations are spread across multiple balancing authorities or regions within a country. In many cases, it may be more impactful and practicable for a company to help a supplier sign a VPPA (or sign its own VPPA) anywhere within a country, even if the supplier’s facilities are distributed across it. The Electricity Annex could acknowledge that this may create a tradeoff: such an intervention may not fully align with future, more granular scope 2 rules for the supplier’s own market-based scope 2 claims, but can still be treated as a valid and impactful value chain intervention for the reporting company under AIM. The Electricity Annex could create an option for companies to meet more strict market boundaries with their interventions if they want and are able to; for example, A) Intervention shall occur within the same market boundary, as defined by the 2015 GHG Protocol Scope 2	Acknowledge. The Supplier and Customer method will be removed from as an available method for electricity.

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		Guidance; and B) Intervention may occur within a more narrowly defined definition of the same market boundary, such as a market that meets a methodology for demonstrating deliverability.	
18	Te	We recommend the AIM Platform follow 3Degrees' guidance for market boundaries in the Sourcing or Use Region Method. In this guidance on procurement approaches, two options are provided for direct procurement based on geographic specificity: A) Organizations may follow current scope 2 market boundary rules by procuring clean electricity attributes from known or estimated markets (as defined in 2015 GHG Protocol Scope 2 Guidance), and B) Organizations may also choose to procure clean electricity attributes from broader geographic boundaries (defined as any market within the same IEA region) provided their procurement delivers meaningful impact. They define "meaningful impact" as the procurement of clean electricity attributes from a grid with a greater emissions intensity than the IEA regional average, where such procurement leads to the creation of new or the preservation of existing clean electricity supply. Organizations are encouraged to consider the intent of their actions and the local context of their value chain's electricity consumption, when determining the best approach. For example, if procuring from a broader regional boundary may shift market demand away from an emerging market that needs investment in clean electricity, organizations are encouraged to pursue additional in-market interventions that strengthen clean electricity demand signals and access. (See Step 3: Procure Clean Electricity Attributes, page 18-22, for additional details).	Consider. Will look into referencing 3Degrees "Unlocking Clean Electricity in the Value Chain" as an example of external guidance companies may use to define a Sourcing or Use Region boundary.
18	Te	The regionality requirements in the "sourcing and use region method" will create unintended consequences of reducing impact, excluding small/medium sized companies and loads, and hindering the flow of resources into less developed regions. While the intention of the chapter to create more flexible boundaries in the absence of traceability is correct, the seven regions prescribed are arbitrary and overly restrictive in the absence of any exceptions or legacy clauses. For	Reject. Sourcing and Use Region hierarchies will be provided and companies will determine the boundary that works best for the targeted electricity subcomponent and data availability.

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		example, this could become severely inefficient for small/medium loads if they are situated in more challenging regions or do not have enough in region aggregate load to deploy impactful and additional solutions. This would also disincentivize investments in dirtier grids, which are often in less developed regions — for example, the benefit of a renewable energy project in India or Africa is much higher compared to a new project in Western Europe. Additionally, first movers that have already deployed projects are severely disadvantaged if their projects fall outside the regions according to the new boundaries. Would recommend including exceptions for small loads, flexibility to build anywhere for X% of a company's load, and inclusion of a legacy clause. Suggested language for all major points: * “Companies may source electricity interventions outside of their source or use region if the regional load is <100GWh” * “Companies can source X% (e.g., 15-25%) of their global load in any region to address constraints in challenging markets and incentivize projects in high carbon or social impact regions” * “Companies may use electricity interventions from outside the sourcing or use regions if the interventions were contracted before the year 2028 and the intervention is/was additional”	
20	Ed	The Annex proposes allowing substitution accounting if the intervention and subcomponent are within the same Sourcing & Use region (IEA WEO regions), acknowledging this is broader than Scope 2's market boundary. We recommend not broadening the boundary; using Scope 2's market boundary improves verifiability, grid-signal integrity, and reduces gaming risk.	Reject. The Scope 2 market boundary will not be adopted. Companies will be required to pass the Sourcing and Use Region method to establish Further Association independent of which accounting method is used.
20	Ge	We agree with the use of a regional boundary for substitution accounting for electricity interventions for then there is more incentive to decarbonize own supply chain	Acknowledge.
20	Ed	Only MWh-based, auditable instruments belong in the Contractual Inventory; CO ₂ e-only or outside-boundary results should appear in Impact Statements.	Acknowledge. Intervention outcomes from Product Matching method using the Substitution accounting approach

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			shall be reported in the Contractual Inventory.
20	Ge	We agree that a regional boundary can be appropriate for substitution accounting for electricity interventions, provided it is driven by data constraints rather than procurement flexibility. Companies should use the most geographically precise information available, and regional boundaries should only be applied where a company can reasonably estimate that upstream electricity consumption occurs within that broader region. We do not support expanding boundaries to larger regions in order to increase purchasing options or reduce costs. Likewise, where more specific location data exist, it should not be aggregated upward simply to justify broader regional matching. The Annex should make clear that boundary setting must follow available evidence about where consumption occurs, with regional defaults used only when finer-grained data are not available.	Accept. Companies using Sourcing Region hierarchy option 3 [broader than country of origin] will need to identify the most granular sourcing region beyond country of origin that their available data supports and document the justification for selecting that boundary.
20	Ge	The regional boundary is a reasonable compromise, provided that robust disclosure and justification are required. Over time, as data quality and market structures improve, the standard could consider tightening boundaries or offering tiered options.	Acknowledge.
20	Ge	If the overall intention is to promote actions that reduce emissions - the regional boundaries for substitution accounting are fine. But it will be important to transparently and honestly communicate that it is not possible to claim to have intervened in the actual physical value chain - such claims would be false/misleading.	Acknowledge.
20	Ge	We are supportive of a regional boundary for substitution accounting for electricity interventions. However, we recommend that the AIM Platform follow 3Degrees' guidance for market boundaries for the Sourcing or Use Regions, which are the required boundaries for accounting as well.	Consider. Will look into referencing 3Degrees "Unlocking Clean Electricity in the Value Chain" as an example of external guidance companies may use to define a Sourcing or Use Region boundary.
20	Ge	No strong opinions on using regional boundaries for substitution accounting. Since the attributional/market-based inventory is generally	Acknowledge.

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		thought to represent a company's physical sourcing, this regional boundary (which we assume to mean the AIM Platform-proposed Sourcing and Use Region boundary), instead a global boundary should be fine. All interventions that are outside of a sourcing or use region could be accounted for in the impact statement or a separate global attributional ledger. Such a global attributional ledger, however, is not something that is being considered by AMI though, to our knowledge.	
20	Ge	Yes, we are supportive of a regional boundary for substitution accounting for electricity interventions. We appreciate as broad of boundaries for geographic matching whilst balancing credibility as possible, so matching to IEA boundaries as aligned with the Sourcing and Use Region method are favorable to us.	Acknowledge.
20	Ge	More practical examples illustrating how to apply substitution accounting at the regional level would be valuable, especially for companies with complex supply chains.	Acknowledge. Will consider.
20	Ed	Regarding the guidance for using three reporting ledgers (Physical Inventory, Contractual Inventory, and Impact Statement): We are supportive of multiple ledgers; however, we recommend that the AIM Platform structure its guidance so that companies may choose which ledgers to use for their accounting. As currently written, it appears that only the Contractual Inventory can be used if companies' data and intervention approach is reported in MWh, while the Impact Statement can only be used if the data and intervention approach is reported in CO2e. Our viewpoint is that companies should be able to convert data between metrics to support both consequential and attributional frameworks. This approach also maintains incentives for companies to support electricity-related decarbonization interventions, regardless of whether they use contractual accounting or impact statements. Therefore, companies should be able to choose which ledgers to use. The AIM Platform should ensure this is clear in the Electricity Annex accounting guidance in Chapter 5.	Reject. Companies shall use the intervention outcome information received in the intervention record as the definitive data inputs for quantifying and accounting for intervention outcomes.

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20	Ge	It would be useful to reiterate in Chapter 5 that consequentially accounted electricity intervention mitigation outcomes would only be reported in the impact statement up to the amount of total electricity emissions in that reporting company's physical inventory. The amount of electricity mitigation outcomes above this amount would be reported in the beyond value chain mitigation ledger. This could also be clarified in the QAR.	Accept.
20	Te	Our main feedback is to narrow eligible "substitution accounting" interventions to generation-linked EACs only. Broadening interventions beyond these EACs risks making the guidance too far removed from the renewable electricity market signals and additional renewable electricity supply.	Reject.
20	Ge	Some general feedback overall is that there is an inherent tension between a. wanting to make claims about interventions 'within the value chain'; and b. wanting to allow flexibility in where interventions can take place. If the overall aim is to promote actions that reduce emissions it appears unnecessary to fixate on what is 'associated with the value chain'.	Reject. The AIM Platform's rationale for requiring value chain association, distinguishing associated interventions from beyond value chain mitigation, is addressed in the AIM Standard.