



World Business Council for Sustainable Development



WORLD RESOURCES INSTITUTE

The Greenhouse Gas Protocol

Scope 3 Accounting and Reporting Standard

Comment Template

We are providing this template to streamline public comment submissions. To use this template, please follow the instructions below:

- This Scope 3 draft is open for stakeholder comment from November 11, 2009 through December 21, 2009.
- To provide written comments, please use the comment template provided, instead of sending comments in a separate file or e-mail, in order to streamline the comment process.
- When using the comment template, please organize comments by chapter/section and reference page numbers and line numbers.
- If you have questions during the public comment process, please email Holly Lahd at hlahd@wri.org.
- Submit comments as an attached MS Word file by email to Holly Lahd at hlahd@wri.org no later than **Monday, December 21st, 2009**. We appreciate any effort to submit written comments before the deadline.

Feedback from (name): Don M. Bain

Organization: Don M. Bain, P.E, GHG consultant & engineer; consultant to GHG Management Institute

| Chapter/Section | Comments |
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| The outline and overall structure of the document | <ul style="list-style-type: none"> • Please rename this standard before it is too late. “Scope 3” is too obscure, only recognized by people who are familiar with the Corporate Standard. I would like this standard to be found [useful] by a much larger audience. Suggested alternatives: Total Delivered Emissions Accounting and Reporting Standard; Enterprise Emissions Accounting and Reporting Standard. • |
| Part 1 | |
| 1. Introduction | • |
| 2. Accounting & Reporting Principles | • |



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| 3. Business Goals & Inventory Design | • |
| 4. Mapping the Value Chain | • |
| 5. Setting the Boundary | • |
| 5.1 Prioritizing Relevant Emissions | • |
| 5.2 Prioritizing Relevant Emissions Based on Size | • |
| 5.3 Prioritizing Relevant Emissions Based on Other Criteria | • |
| 6. Collecting Data | • |
| 6.1. Prioritizing Activities | • |
| 6.2. Assessing Data Sources | • |
| 6.3. Collecting data | • |
| 7. Allocating Emissions | • |
| 12. Assurance | • |
| 13. Reporting and Communication | • |
| Part 2 | |
| 1. Purchased Goods and Services- Direct (Tier 1) Supplier Emissions | <ul style="list-style-type: none"> • The 80% screening criteria used throughout Part 2 should be tightened up. By this I mean that emphasis should be placed upon attempting reasonably account for 100% of emissions. 80% (or 75% in the case of Product Standard) is a suggested threshold used in screening or setting the expectations with regard to reasonable effort. I fear that the 80% threshold will be misinterpreted (as I believe it was in the Dec 1st Wash DC workshop) as an emissions loophole which will be exploited. • I suggest you add guidance when applying the 80% threshold (financial transaction basis) to suppliers or purchased products, to check the high GWP materials. Missing small quantities of HFC or SF6 that pass through the 80% screen can lead to misstating the emissions. |
| 2. Purchased Goods and Services – Cradle-to-Gate Emissions | • |
| 3. Energy-Related Activities Not Included in scope 2 | <ul style="list-style-type: none"> • As I stated in the workshop, I am a proponent of the using the best primary data available, whenever we reasonably can. However, energy-related activities not included in scope 2 is an exception. Here's why: <ul style="list-style-type: none"> – Energy sources are largely commodities and the distribution system, in the developed countries anyway, does not readily support tracing the fuel back to the producer. For example, there is little chance of knowing whether the |



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| | <p>gasoline was produced by Shell in Rotterdam using crude from Africa vs. Citgo crude from Venezuela refined in Corpus Christi, TX. A similar example can be constructed from electricity from a grid with nuclear and coal plants; while we will eventually get an activity emissions factor for the grid, the energy related activities not included in Scope 2 are obscured b/c of the fungible nature of the watts.</p> <ul style="list-style-type: none"> – Providers of energy are large-scale industrial giants and not subject to the same influence we may have over other suppliers. My other tier 1 suppliers may be more motivated to provide emissions-related data because of their desire to serve my company as a customer. I do not think a typical company can expect the same influence over Exxon-Mobil. – Both of the immediate points above, lead me to think effort spent by practitioners trying to quantify energy-related activities not included in scope 2 will not be productive, and will be displacing practitioner attention that could be better spent elsewhere, will diminish the overall accounting result. – Finally, for many fuel sources such as natural gas, gasoline, diesel, fuel oil, I submit that uniform regional or national factors that allow us to derive the emissions for energy-related activities are adequate and will result in a superior total supply chain emissions inventory used for the purposes of emissions tracking and reduction, comparative analysis. |
| 4. Capital Equipment | • |
| 5. Transportation & Distribution (upstream/inbound) | • |
| 6. Business Travel | • |
| 7. Waste Generated in Operations | • |
| 8. Franchises Not Included in Scope 1 and 2 (Upstream) | • |
| 9. Leased Assets Not Included in Scope 1 and 2 (Upstream) | • |
| 10. Investments Not Included in Scope 1 and 2 | • |
| 11. Franchises (Downstream) | • |
| 12. Leased Assets (Downstream) | • |
| 13. Transportation & Distribution (Downstream/Outbound) | • |
| 14. Use of Sold Products | • |
| 15. Disposal of Sold Products at the End of Life | • |
| 16. Employee Commuting | • |
| Glossary | • |



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| Any other general comments or feedback | <ul style="list-style-type: none">• Excellent workshop.• I was delighted to hear that there are 50+ companies volunteering to be part of the road-test. I strongly urge you to encourage them ALL to proceed, even if you cannot provide services or support as part of the road test program. Please choose your words and messaging carefully so as not to discourage anyone from going forward now, rather than sitting back to wait for the roadtest to conclude. |
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