



**Feedback from the U.S. Real Estate Industry to the Greenhouse Gas Protocol
Regarding Proposed Changes to Scope 2 Guidance
January 23, 2026**

OVERVIEW

The Real Estate Roundtable ([RER](#)) and [Nareit](#) represent the U.S. real estate sector, a driving force of our nation's economy and global competitiveness. The buildings owned, developed, managed, financed, and serviced by our members touch every aspect of American life. They provide housing for our citizens, offices for our businesses, and classrooms for our students. Patients heal in our health care facilities and innovation happens in our laboratories. Our members own shopping centers where commerce happens, and hotels where we connect with family and friends. Our data centers are critical for AI technologies and crypto asset markets; our warehouses support supply chains for storing and transporting goods; and our cell towers enable cutting-edge communication and internet access.

Companies across all of these commercial real estate (CRE) asset classes provide voluntary emissions reports and procure clean energy to:

- Ensure sufficient current and future supplies of power are available to safeguard the health, well-being, and economic productivity of building tenants, visitors, and communities;
- Hedge against future electricity price inflation; and
- Attract investment capital from pension funds, insurance companies, sovereign wealth funds, and other institutions.

How companies account for emissions from power they purchase and consume is thus an important issue for our members. In this regard, real estate (like other vital industry sectors) relies heavily on the [Scope 2 Guidance](#) from the Greenhouse Gas Protocol ([GHGP](#)).

On January 23, 2026, our organizations submitted extensive responses to GHGP's online [consultation survey](#) regarding proposed changes to the Scope 2 Guidance. This overview summarizes the feedback we provided to GHGP. Also, attached are responses to specific questions we submitted through the Scope 2 Guidance survey process.

Topline Feedback

- Rigorous "24/7 matching" in power procurement is an ambitious corporate practice. It requires companies to contract for clean energy by endeavoring to match power consumption with emissions-free generation every hour, of every day, co-located onsite and/or within the same local grid segment.
- However, this practice is aspirational and exceptional for the vast majority of corporate stakeholders. It should not be the rule. A minority of energy providers may offer some type of 24/7-matched products in the marketplace. Likewise, only a handful of well-resourced multinational brand name companies may be able to purchase hourly and location-specific clean energy for some (and rarely, all) of their bulk power commitments. For this reason,



GHGP's proposed strict temporal and geographic deliverability restrictions will not work as an international standard, for all companies, in all energy markets across the globe.

- The U.S. real estate industry supports an “Alternative Position” urged by nine members of the Technical Working Group (TWG) that developed proposed revisions to the Scope 2 Guidance. See “*Clarify But Do Not Require Or Recommend Hourly Matching Or Deliverability As Proposed.*” Summarized at [slide 36](#) in presentation for TWG Meeting #15; full text [posted Nov. 7, 2025 on LinkedIn](#). This position would effectively maintain GHGP's current, proven, and successful approach allowing annual matching and reasonable geographic links for procurements.
- Notably, the World Resources Institute (WRI) has remarked that the clean energy sector “faces a critical moment” and “headwinds” are “getting stronger” for renewable power development in the U.S.

Several challenges persist that are slowing deployment, including lack of sufficient grid capacity and large interconnection queues, permitting and siting challenges, high interest rates, and lingering supply chain issues. These factors have been holding clean power development back at a time when it needs to be surging ahead.

WRI further states that “it may become even harder to make progress” given recent federal-level policies from Washington, D.C. that eliminate subsidies and support for intermittent solar and wind projects, and that “upend” laws like the Inflation Reduction Act and the Bipartisan Infrastructure Law passed during the Biden years. WRI, [U.S. Clean Power Development Sees Record Progress, As Well As Stronger Headwinds](#) (Feb. 21, 2025).

- Strict hourly and geographic deliverability requirements could, inadvertently, also create “headwinds” impeding clean energy investments in the U.S.
- Our organizations advise strongly against GHGP's proposed mandate for 24/7 matching in the revised Scope 2 Guidance. Rather, 24/7 matching should remain optional.

Summary of U.S. Real Estate's Selected Responses to GHGP's Scope 2 Survey

- (1) The Scope 2 Guidance may lose resonance as a global framework if proposed recommendations are adopted that will further complicate emissions reporting and result in less consistent, comparable, and decision-useful information (Q18, 19, 21 responses):***
- GHGP's proposed recommendations will undermine one of its stated reasons for modifying Scope 2 Guidance – namely, to “improve accuracy and comparability” of emissions reports. Companies rely on GHGP's frameworks for instructions to prepare consistent emissions reports that provide transparency to stakeholders, and to comply uniformly with various mandatory and voluntary reporting regimes. However, the proposed approach introduces confusion about what level of data granularity is required. It would place the burden on individual companies to identify for themselves the “most precise” available data, laying the foundation for inconsistent and non-comparable industry-wide reporting. Furthermore, just



because granular hourly and locational energy consumption information may be available should not always necessitate its use to calculate and report aggregated emissions. While companies may utilize more granular load data as a tool to effectively manage energy use during peak-demand periods and support grid reliability, this does not necessarily translate into more meaningful data for reporting aggregated annual company-wide emissions. Instead of vague requirements to use the “most precise” data, GHGP should instead focus on guidance supporting companies to disclose the details of coverage for various levels of precision within aggregated emissions calculations.

(2) *Proposed changes to the Scope 2 definition are confusing and unnecessary (Q18*

Response): GHGP’s proposed revisions would complicate the Guidance by interjecting distinct Scope 1 concepts (“physically connected”) and Scope 3 terms (“value chain”) in the Scope 2 definition. These suggested changes would muddy the waters for how companies delineate their emissions. The relatively straightforward Scope 2 definition – regarding indirect emissions from “***purchased or acquired***” electricity, steam, heat, or cooling “***consumed by***” the reporting company – should remain as it is.

(3) *Current Scope 2 “quality controls” are successful, impactful, and should not be changed (Q20 Response):* Longstanding Scope 2 “quality control” criteria assure the environmental integrity of the market-based method. These criteria have helped spur significant growth in U.S. clean power purchases since 2015. The proposed 24/7 procurement mandate, however, would reverse this trend. Given GHGP’s objectives to reduce emissions, it would be counter-intuitive to adopt proposed Scope 2 Guidance with a 24/7 purchasing directive that will dampen private sector investments in renewables.

(4) *“Hourly matching” is infeasible for commercial building owners because they lack dependable access to tenant data on leased space energy use (Q27 Response):* GHGP likely intends that, in the context of commercial real estate, companies should measure hourly energy use at the whole-building level when accounting for Scope 2 emissions and related 24/7 procurements. Commercial building owners, however, do not control how much energy tenants use in leased spaces. There is no uniform policy approach or technology solution in the U.S. that provides landlords with access to whole-building energy consumption data for multi-tenant assets – even on a monthly or yearly basis. Mandating ***hourly*** energy consumption data, as GHGP proposes for a global standard, is not feasible for CRE because many building owners lack this level of visibility into leased-space data on energy used by residential and business tenants.

(5) *There is not enough solar or wind generation in many U.S. markets to support GHGP’s restrictive geographic deliverability mandate (Q87 and 135 Responses):* U.S. grid regions rely overwhelmingly on fossil fuels for electricity. America’s cities and suburbs demand massive amounts of electricity to ensure healthy, safe, and productive communities – while rural areas with the physical space to accommodate infrastructure-scale renewable facilities typically lie thousands of miles away from population centers across multiple utility service



regions and separated by state borders. Narrowly constraining geographic deliverability, as GHGP proposes, will hinder procurements for renewables and dis-incentivize private sector wind and solar investments in grid regions heavily dependent on gas, coal, and oil.

(6) *The structure of U.S. electricity markets yields insufficient supplies of renewable energy certificates to support narrow geographic deliverability as standard practice (Q 135 response):*

The very structure of U.S. electricity markets severely curtails opportunities for companies to purchase bulk wind and solar power in the same geographic boundaries where electricity is consumed. Some utilities that may control an entire market may offer no renewable certificates at all in their service areas. “Non-regulated” utilities may purchase the vast majority (if not all) available wind and solar certificates to meet their own state-level renewable energy regulatory requirements. These market fundamentals generally leave minimal clean power instruments remaining in the same region for private sector procurements at the point of consumption. Strict 24/7 matching for renewable power purchases might be workable *in theory* if abundant, persistent amounts of solar and wind energy certificates were available far and wide. But that is not the case in the U.S. given grid management and ownership models.

(7) *The notion of “24/7 procurements” is conceptually flawed because it is impossible to physically match the flow of “renewable electrons” on the grid to the point of energy consumption (Q152 response):*

A Harvard professor of global energy policy recently expressed his opinion that the proposed 24/7 matching requirements “are a failure” to meet GHGP’s own “scientific integrity” standards. Electricity does not flow on the grid based on individual procurement contracts linking specific generators to specific consumers. Because energy generation and consumption occur at different locations, electricity markets and pricing (at least in the U.S.) are not organized around an erroneous concept of “matching” individual load to individual generation. This Harvard professor concludes that, for purposes of reducing emissions, “knowing the year is essentially as good as knowing the hour.” He urges GHGP to “abandon the fiction of physical matching” of contracted load and generation.

(8) *Just because a few hyperscalers and a small handful of buyers have purchased 24/7-matched products does not mean this practice works as a “global” standard (Q 75, 158 responses):*

Nine TWG members identify only a few dozen companies engaged in hourly matching today. (Energy Tag [blog post](#), July 20, 2025) These buyers are primarily hyperscalers, data center businesses, international financial services firms, and major suppliers of electricity and energy-related products that are investing in the demand powering AI expansion and the innovations needed to drive energy abundance. While these companies may be leading global energy innovation, handpicking among the most exclusive corporate leaders – and holding-out procurement strategies of these elite companies to justify an exacting and expensive international standard that should apply to all companies in the global energy marketplace – only confirms that 24/7 matching should not be mandated for all buyers. Companies that are able to procure 24/7-matched products and provide optional



GHGP reporting should make data and resources available free to the public – which could provide stakeholders with decision useful data to manage energy-related risk and expand investments in clean energy.

- (9) ***Shifting policies in the U.S. with regard to renewable energy should deter GHGP from imposing mandatory 24/7 matching (Q5, 22, and 175 Responses):*** Demand for electricity is spiking, grid capacity is a serious problem, supply chain challenges persist, and utility bills are straining the budgets of families and businesses. Current U.S. policies remove prior support and subsidies for wind and solar development. Moreover, a number of recent reports forecast downward trends at least through 2030 for U.S. clean energy generation and related contractual instruments. It is incongruous for GHGP to revise Scope 2 Guidance in a manner that tightens the vise with a 24/7 procurement requirement on wind and solar contracts at a time when corporate investment in intermittent renewables in the U.S. market is difficult.
- (10) ***GHGP should clarify that complying with Scope 2 Guidance is not equivalent to being “100% powered by clean energy” (Q75 response):*** We understand that some companies may strive to achieve the ideal nexus between power procurements and precise time/place of energy usage. This approach may support net-zero targets and voluntary assertions that the firm is “100% Powered by Clean Energy.” We are also sensitive to allegations of “greenwashing” when companies use “unbundled RECs” to back claims of “total renewable energy use.” The Scope 2 Guidance, however, offers an **accounting** standard. Adhering to GHGP’s methods and following its accounting procedures is not and has never been the same as substantively achieving a corporate target for “Net Zero Emissions,” or backing a claim for “100% Clean Energy Use.” Buying the environmental attributes of a REC separately from physically-delivered electricity – as Scope 2 Guidance has allowed since 2015 – is advantageous because it may direct more investment capital to emissions-free projects that can add new capacity and enhance grid reliability. However, GHGP should specify that purchasing “unbundled RECs” does not support valid claims or implications that companies are actually **using** emissions-free electricity when procurements are untethered to a contractual instrument.

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Points of contact:

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