



CRS

center for
resource
solutions

July 6, 2015

Sustainability Accounting Standards Board (SASB)
75 Broadway, Suite 202
San Francisco, CA 94111

Re: Comments of Center for Resource Solutions (CRS) on Public Exposure Draft Standards-Consumption II

To Whom It May Concern:

CRS appreciates this opportunity to comment on the April 2015 Exposure Draft Standards for Public Comment for Consumption II sectors, including Apparel, Accessories & Footwear; Appliance Manufacturing; Building Products & Furnishings; Toys & Sporting Goods; Food Retailers & Distributors; Drug Retailers & Convenience Stores; Multiline and Specialty Retailers & Distributors; and E-commerce.

Background on CRS

CRS is a 501(c)(3) nonprofit organization that creates policy and market solutions to advance sustainable energy. Since 1997, CRS has been instrumental in the development of landmark state, regional and national renewable energy and climate policies. CRS also administers the Green-e® programs. Green-e Energy is North America's leading independent consumer protection program providing certification and verification for renewable electricity and renewable energy certificates (RECs) in the U.S. voluntary market. In 2013, that program certified the majority of the U.S. voluntary renewable energy market and 89% of retail REC sales. Green-e Climate is a global retail standard for carbon offsets sold in the voluntary carbon market. Green-e Marketplace recognizes and verifies the claims of companies that use certified renewable energy and carbon offsets to reduce their impact. Stakeholder-driven standards supported by rigorous verification audits are a cornerstone of Green-e and enable CRS to provide independent third-party certification of environmental commodity transactions in voluntary markets. The Green-e environmental and consumer standards are overseen by an independent governance board of industry experts, including representatives from environmental nonprofits, consumer advocates, and purchasers. Our standards have been developed and are periodically revised through an open stakeholder process. Green-e program documents, including the standards, contract templates, and the annual verification report, are available at www.green-e.org.

Comments

Comment 1

There are no Energy Management (or equivalent) metrics included in the following Standards:

- Apparel, Accessories & Footwear
- Appliance Manufacturing
- Toys & Sporting Goods

These industries also have some potential to utilize renewable forms of energy in production/operation. We recommend including disclosure metrics related to energy management, similar to those included in the Building Products & Furnishings; Food Retailers & Distributors; Drug Retailers & Convenience Stores; Multiline and Specialty Retailers & Distributors; and E-commerce Standards.

Comment 2

This comment applies to the following standards, topics, codes, and lines of disclosure.

- Building Products & Furnishings, Energy Management in Manufacturing, CN0603-01, .05
- Food Retailers & Distributors, Energy Management in Retail & Distribution, CN0401-03, .19
- Drug Retailers & Convenience Stores, Energy Management in Retail, CN0402-01, .05
- Multiline and Specialty Retailers & Distributors, Energy Management in Retail & Distribution, CN0403-01, .05
- E-commerce, Energy & Water Footprint of Hardware Infrastructure, CN0404-01, .05

We suggest including Green-e Energy certified renewable electricity products (i.e. utility green pricing/power products and competitive electricity products) as well in the scope of renewable energy that is disclosed. Though these products represent RECs paired with electricity, they can be differentiated from “unbundled” REC products.

Comment 3

This comment applies to the following standards, topics, codes, and lines of disclosure.

- Building Products & Furnishings, Energy Management in Manufacturing, CN0603-01, .05
- Food Retailers & Distributors, Energy Management in Retail & Distribution, CN0401-03, .19
- Drug Retailers & Convenience Stores, Energy Management in Retail, CN0402-01, .05
- Multiline and Specialty Retailers & Distributors, Energy Management in Retail & Distribution, CN0403-01, .05
- E-commerce, Energy & Water Footprint of Hardware Infrastructure, CN0404-01, .05

We suggest including/referencing Green-e certification for onsite consumption and direct purchases (e.g. PPAs) as well. The Green-e Direct program provides similar assurances for onsite consumption of renewable energy and direct purchases of renewable energy from generators. More information is available here: http://www.green-e.org/getcert_re_direct.shtml.

Comment 4

This comment applies to the following standards, topics, codes, and lines of disclosure.

- Building Products & Furnishings, Energy Management in Manufacturing, CN0603-01, .05, Footnote 12
- Food Retailers & Distributors, Energy Management in Retail & Distribution, CN0401-03, .19, Footnote 18
- Drug Retailers & Convenience Stores, Energy Management in Retail, CN0402-01, .05, Footnote 16
- Multiline and Specialty Retailers & Distributors, Energy Management in Retail & Distribution, CN0403-01, .05, Footnote 15
- E-commerce, Energy & Water Footprint of Hardware Infrastructure, CN0404-01, .05, Footnote 13

The following footnote should be revised as shown in order to be accurate:

~~“SASB recognizes that RECs reflect the environmental attributes of renewable energy that have been introduced to the grid, and that a premium has been paid by the purchaser of the REC to enable generation of renewable energy beyond any renewable energy already in the grid mix, absent the market for RECs.”~~

RECs do not necessarily enable generation of renewable energy beyond existing renewable energy or beyond a business-as-usual baseline, though they do represent the environmental attributes of renewable energy and are critical to all renewable energy usage claims. For more information, see *The Legal Basis of Renewable Energy Certificates*.¹

Comment 5

This comment applies to the following standards, topics, codes, and lines of disclosure.

- Building Products & Furnishings, Energy Management in Manufacturing, CN0603-01, .06
- Food Retailers & Distributors, Energy Management in Retail & Distribution, CN0401-03, .20
- Drug Retailers & Convenience Stores, Energy Management in Retail, CN0402-01, .06
- Multiline and Specialty Retailers & Distributors, Energy Management in Retail & Distribution, CN0403-01, .06
- E-commerce, Energy & Water Footprint of Hardware Infrastructure, CN0404-01, .06

Please update the version number of the Green-e Energy National Standard from v2.5 (2014) to v2.6 (2015).

Comment 6

This comment applies to the following standards, topics, codes, and lines of disclosure.

- Building Products & Furnishings, Energy Management in Manufacturing, CN0603-01, .04-.06
- Food Retailers & Distributors, Energy Management in Retail & Distribution, CN0401-03, .18-.20
- Drug Retailers & Convenience Stores, Energy Management in Retail, CN0402-01, .04-.06
- Multiline and Specialty Retailers & Distributors, Energy Management in Retail & Distribution, CN0403-01, .04-.06
- E-commerce, Energy & Water Footprint of Hardware Infrastructure, CN0404-01, .04-.06

We would like to express general support for the language in these sections (apart from the footnote referenced in Comment 4 above), particularly that which emphasizes the importance of REC retention and ownership in all cases for renewable energy usage claims in the United States, as well as references to Green-e certification. Please let us know if we can provide any further support for these requirements as currently written.

Thank you for your consideration of our comments and please contact me with any questions, for more information, to discuss further, or if we can otherwise be of assistance.

Sincerely,

¹ Jones, T. (2015) *The Legal Basis of Renewable Energy Certificates*. Center for Resource Solutions. Available online at: http://www.resource-solutions.org/pub_pdfs/The%20Legal%20Basis%20for%20RECs.pdf



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