

CRS comments in response to the Advanced and Indirect Mitigation (AIM) Platform, Intervention Quality, Accounting, and Reporting (QAR) Standard

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Intervention Quality Criteria: Overarching Questions

7. What, if any, are the key challenges that reporting companies will face in assessing their intervention host’s conformance with these criteria?

Reporting companies may face several challenges in assessing intervention host conformance with the draft criteria. First, some requirements, such as auditing parameters, lifecycle emissions expectations, or registry-level responsibilities, do not align with how certain market-based instruments (e.g., EACs) operate in practice, making it difficult for companies to evaluate compliance. Second, key terms such as “intervention outcome,” “physical,” and “regulatory surplus” are not consistently or clearly defined, creating ambiguity in how to assess whether hosts meet minimum standards. Third, reporting companies may have limited visibility into safeguards such as protections against double selling or co-claiming, which are typically assured through third-party certification rather than host-level disclosures. Finally, registries often do not collect the data elements referenced in the Standard, meaning reporting companies may be unable to verify information that is not available in existing systems of record. Without clearer definitions, alignment with established accounting frameworks, and explicit reliance on independent verification, reporting companies may struggle to consistently assess conformance.

Chapter 1: Assure Outcomes and Other Impacts

Requirement: Interventions shall undergo regular third party assessment to appropriate standards or methodologies by an auditor to independently verify their emissions outcomes and other impacts.

11. Do you have any other feedback or suggestions on Chapter 1?

CRS recommends strengthening the language on Page 16, Line 9 by changing “*should use broadly accepted...*” to “*shall use broadly accepted...*” This revision would improve clarity and ensure consistency with the Standard’s intent to establish minimum expectations for intervention credibility.

CRS is supportive of the inclusion of minimum auditing specifications and assurance levels, as well as the overall requirement for independent third-party verification. Clear minimum requirements help ensure that reported impacts are credible, transparent, and applied consistently across intervention types.

Additionally, page 16, lines 9–10 state that interventions “*must be independently assessed and appropriately assured by auditors against relevant standards or methodologies.*” CRS recommends that the Standard include illustrative examples of relevant auditors or assurance frameworks for different sectors to support consistent application. For example, in the renewable energy sector, the Green-e® certification program provides third-party verification of REC sales in the U.S., Canada, and select Asian markets. Including sector-specific examples where appropriate would help clarify expectations without prescribing a single assurance pathway.

Chapter 2: Accurate Emissions Outcome

13. Is the draft requirement on “system boundary” in 2.1.2 clear and detailed enough in your context?

Yes, the guidance is clear and detailed enough

Mostly clear, but further details are needed to understand how this applies in practice

No, there is uncertainty

I'm not sure / I can't find this information

14. Please elaborate on your answer to the prior question

Companies should be required to clearly describe the operational and organizational boundaries to which an intervention applies. Without this information, it is difficult to understand where in the value chain the intervention is occurring, which emissions sources or activities it covers, and how the intervention outcome should be attributed. Clear boundary descriptions are also necessary to avoid overlap with other interventions, prevent double counting across business units, and ensure that reporting companies can accurately evaluate whether the intervention sits inside or outside regulatory obligations. Providing this

detail would help ensure consistent interpretation across reporting entities and support credible assessment of intervention quality.

17. Do you have any other feedback or suggestions on Chapter 2?

CRS requests clarification regarding how the lifecycle emissions requirement described on page 22, lines 5–9 is intended to apply to renewable energy product interventions, particularly when using an emissions-profile or substitution-based accounting approach. Specifically, we seek clarification on whether this requirement is intended to represent lifecycle attribution emissions associated with renewable electricity delivered into the value chain.

In current practice, the emissions profile applied to the “intervention” (e.g. EAC purchased for electricity sector) is the emissions profile at the point of generation. It is not typical for emissions profiles associated with renewable generation on an EAC to be calculated on a lifecycle basis. Non-lifecycle information, such as emissions at certain stages of production) should be eligible, but lifecycle emissions are not typically used in the electricity sector specifically.

Chapter 3: Stakeholder Engagement and Social and Environmental Safeguards

18. Does the approach of relying on independent auditors to assess the relevance of each safeguard criterion (on a risk basis) work effectively in your experience, and is this approach consistent with standards and methodologies typically implemented by an intervention host in your sector(s)? See Section 3.2.

Yes. Relying on independent auditors to assess the relevance of safeguard criteria is consistent with established best practices in market-based environmental accounting and is widely used across sectors, including renewable energy and carbon markets. Independent verification helps ensure that safeguard criteria are applied consistently, reduces the risk of misinterpretation or selective disclosure by intervention hosts, and provides reporting companies with a credible basis for assessing intervention quality.

19. Does the list of safeguarding criteria in Table 2 align with the safeguarding considerations that are most relevant and practical for your intervention type (e.g., your company’s procurement criteria, supplier safeguards, or sector norms)?

Yes, the criteria align well and are appropriate

They align partially, but gaps or misalignments exist (please specify which criteria and why below)

No, the criteria do not align with the safeguards relevant to this intervention (please specify which and why below)

I'm not sure / I can't find this information

23. Is the draft regulatory surplus decision tree applicable to the interventions your organization is supporting or implementing against applicable laws and regulations (see Appendix C for details and examples)? If not, please specify where the decision tree falls short in coverage, clarity, or consistency in reference to specific interventions and regulations.

Regarding Figure 3 (pg. 31), CRS also seeks clarification on several decision points:

1. Step C — “climate-related” requirement:

It is unclear whether AIM intends “climate-related” to refer solely to emissions-related regulatory drivers. Under Green-e® program rules, if an activity or any of its attributes is required for *any* reason—climate-related or not (e.g., economic, social, energy-sector reliability)—the activity is not considered surplus because voluntary demand is not driving outcomes beyond what regulation or the market already requires. We therefore request clarification on whether AIM applies surplus considerations exclusively to emissions outcomes, or to the broader activity and its attributes.

2. Step F — “Does the program have an obligation specific to the intervention?”

The intent of this criterion is unclear. We request additional detail on what constitutes a “program obligation” and how program-specific requirements interact with the assessment of surplus. For example, is this relevant to mandated policies?

3. Step H — interaction with compliance markets:

As written, Step H could be interpreted to say that an intervention that is supporting regulatory compliance can still be eligible. CRS requests clarification regarding if this means that an intervention can count towards regulatory compliance, but if the program does not have “obligations specific to the intervention”, if the regulatory program does not bring about a definitive reduction in emissions, or if it does but there is a backup policy to ensure no net increase in emissions, can the action still be eligible? This is unclear, and requires explanation.

26. Do you have any other feedback or suggestions on Chapter 4?

CRS requests clarification regarding the treatment of regulatory surplus in Chapter 4. As written, the Standard indicates that regulatory surplus is *only* required when intervention outcomes are “communicated separately from a physical product.” This appears to imply that only outcomes conveyed through stand-alone instruments—such as offsets or energy attribute certificates (EACs)—must demonstrate surplus to

regulation, while outcomes bundled with a physical good are exempt from this requirement.

CRS requests for a rationale for this decision, as well as examples as to how this would look in practice, as how it is written does not align with best greenhouse gas accounting practices. For example, it is unclear that if a reporter purchased a SAF certificate, if the SAF production and emissions reduction would be required to be surplus to regulation. But, if they were to buy an electric vehicle (EV) and that EV is required by law or used to meet an emissions reduction target (i.e. California Low Carbon Fuel Standard), then the intervention of purchasing an EV would be allowed. In renewable energy, the term “bundled” means both the physical electricity and the associated environmental attributes are sold together as a single product. CRS requests clarification on if AIM is using that same definition here.

Chapter 5: System of Record

33. Do you have any other feedback or suggestions on Chapter 5?

CRS requests clarification regarding the expectations placed on registries in Chapter 5. Page 36, lines 26–27 suggest that offset and EAC registries “require that intervention hosts adopt procedures to prevent double selling of intervention attributes.” However, registries do not typically perform this role. For EACs, preventing double selling is carried out through product- or transaction-level certification programs such as Green-e® Energy. For offsets, this function is performed either by retail-level certifications (e.g., Green-e® Climate) or through adherence to voluntary membership frameworks.

Similarly, the Standard states that “a registry then shall check that the intervention host requesting issuance has undergone this independent audit and has been found to be in conformance” (pg. 37, Lines 2–3). No existing registries for offsets, renewable electricity certificates, or clean fuel credits perform this type of audit for double selling specifically, nor are they structured to do so. This requirement represents a significant expansion beyond current registry functions and may be outside the appropriate scope of registry responsibilities. CRS recommends that AIM instead require third-party certification or independent verification of transactions—such as Green-e® certification—at the intervention level rather than assigning these responsibilities to registries.

CRS also requests clarification regarding Page 36, Lines 26–30. As written, it is unclear whether this section is intended to refer to auditing or certification programs that verify transactions and exclusive sales, or to programs that certify the sellers of commodities themselves

Chapter 6: Intervention Record Information

34. Are there any adjustments to the information specified in this chapter that would make intervention records more accurate and transparent?

No, the current information is sufficient

Yes, additional information is needed

Yes, some information is unnecessary or should be simplified

I'm not sure

35. Please elaborate on your answer to the prior question

On page 38, line 17, the requirement to record “emissions outcome quantity and units” does not align with how EACs or clean fuel credits are issued or denominated in some markets, like the U.S. These instruments convey quantities of electricity (in MWh) or fuel, not quantified emissions outcomes. Emissions factor and avoided emissions are attributes included in the EAC, however, specific information such as quantities of emissions or avoided emissions are not typically recorded on the EAC in the registry. As currently written, this section could be read to say that the emissions factor and avoided emissions are not included in the EAC and only derived by attributes, rather than included attributes. As such, CRS recommends that this requirement be framed as a “should” rather than a “shall” to reflect that it would apply primarily to offsets and not to market-based instruments representing units of energy or fuel.

On page 38, line 25, CRS notes that EACs have specific information recorded on them, specifically a project or generator identification number, with key facility characteristics such as project name, location, size, and technology. This information is provided within the tracking system through linked project records. The Standard should recognize that certificate-level metadata is frequently minimal and relies on registry-linked project data rather than full attribute disclosure printed directly on the certificate.

Similarly, the information referenced on page 39, lines 1–3 is not typically included on an EAC and should likewise be treated as a “should” requirement. Requiring this level of detail at the certificate level would diverge from current registry practices and may be impractical for many electricity-sector interventions. Allowing flexibility will ensure alignment with established tracking system structures while still supporting transparent and credible reporting.

Chapter 7: Record Creation Timing

42. Do you have any other feedback or suggestions on Chapter 7?

Regarding page 40, lines 4–7: CRS interprets the phrase “recording intervention” to refer to the timing of issuance, or when the record was created relative to vintage. With that said, a twenty-four-month window for recording intervention outcomes in a system of record is a reasonable and commonly allowable timeframe, and CRS does not recommend extending this period. However, as written, this provision appears to be oriented toward offset-type interventions and does not align with how EACs function.

For EACs, the timing of electricity generation (the vintage) is recorded within the tracking system, but issuance timing relative to a project’s commercial operation date (COD) is not a requirement, as EACs do not involve an additionality assessment. Generators may enter a tracking system at any time relative to their COD, and this does not affect the credibility or traceability of the certificates issued. If AIM’s intention is to set a requirement about the

timing of issuance relative to commercial online date, then CRS recommends clarifying that this provision is intended for offset-based interventions and should not be applied to EACs, which operate under different market structures and accounting principles.

Chapter 10: Use the Appropriate Accounting Method

50. Are the methods and associated appendices clear and comprehensive enough to follow?

CRS finds that several of the methods and associated appendices would benefit from additional clarity. It is not clear that the definitions provided are fully consistent with existing method definitions used in established standards. More detail is needed regarding how each method should be implemented and which actors are eligible to apply them. CRS recommends explicitly connecting each method to a recognized accounting framework, similar to the way project accounting is tied to the GHG Protocol's project-based standard, to ensure consistent interpretation and application.

51. The draft standard currently defers to program-specific accounting approaches in the decision tree. Should AIM consider establishing any checks or safeguards around these external methods for consistency and credibility?

Yes. CRS recommends that AIM establish minimum checks and safeguards to ensure that program-specific accounting approaches are applied consistently and support credible emissions reporting. Without clear guardrails, programs may vary significantly in their treatment of key concepts such as additionality, double counting, verification, permanence, or emissions factor derivation. These discrepancies could lead to material differences in intervention outcomes for otherwise similar activities, reducing comparability across interventions and weakening the integrity of reported results.

Establishing baseline safeguards such as requiring independent third-party verification, alignment with recognized GHG accounting standards, transparent documentation of methodologies, and protections against double claiming would help ensure that program-specific approaches meet a consistent threshold of quality. Such guardrails would not prevent the use of diverse methodologies but would ensure that all methods used under the AIM framework produce reliable, transparent, and decision-useful emissions information.

52. Do you have any other feedback or suggestions on Chapter 10 or its associated appendices?

CRS appreciates that Chapter 10 provides important clarification regarding what is being measured under different accounting approaches, whether attributional emissions, consequential avoided emissions, or beyond-business-as-usual emissions reductions. However, this clarification is conveyed primarily through a single sentence on page 51 under the project accounting method, which states that this method “is appropriate for non-product interventions.” CRS recommends that this distinction be articulated much earlier

and reiterated throughout the Standard. The lack of consistent, early explanation of what is being measured for different intervention types including in the glossary definition of “intervention outcome” creates ambiguity and makes it difficult to understand how the Standard applies across activities.

Finally, CRS agrees with the notion that there is no hierarchy of desirability, but there are accounting approaches that are appropriate, and in some cases necessary, for specific classifications of interventions (e.g. product vs project). These correspondences should not be left as preferences but should be clearly articulated a requirement to ensure consistent and credible application. CRS recommends clarifying earlier in the document which accounting approaches correspond to which intervention types, and that the Standard make these linkages explicit requirements rather than discretionary choices.

Chapter 12: Appropriate Co-Claiming

55. Do you support any additional safeguards for appropriate conditions for co-claiming? Please provide examples.

CRS is supportive of co-claiming generally, and recommends strong safeguards to prevent double claiming and sharing of confidential business information.

First, CRS warns against the creation of new types of certificates for different types of fuels, as no registries are currently set up to manage these, and updating these systems would require significant financial investment and time. This would also create market confusion as an unintended impact may be creating multiple certificates for the same commodity. In the example given on page 59, the ammonia certificate is retired by the ammonia producer, but the food and beverage company(ies) in different value chain layers are also able to claim the intervention outcome. While it is appropriate for different value chain layers to claim the same commodity, there must be a specific audit trail to verify (by an independent third party) that each party received what they are claiming *without* the use of new certificates.

Second, CRS recommends not requiring companies to “publicly disclose intervention outcomes in aggregate”. The public can discover significant business information from this disclosure that can harm the company’s enterprises. As written, the proposal would be challenging to implement at scale as companies cannot disclose something deemed confidential. CRS strongly recommends requiring a third-party verification program to help coordinate confidential information in a credible in transparent way across value chains.

Chapter 14: Separate Reporting

62. Are the distinctions between the three different ledgers clear?

No. See comments in question 63.

63. Please provide examples of interventions where it is not clear how to appropriately report intervention outcomes based on the ledger structure.

The term “physical” is not defined beyond referencing current GHG Protocol Scope 3 reporting requirements, leaving unclear what specific “physical” criteria must be met. As in Scope 2, there is no physical delivery of specified electricity over a shared grid. The physical source supplying any individual reporting entity cannot be determined. For electricity, and for other goods and services that are not physically delivered or for which production attributes cannot be physically tracked, the “physical” ledger represents an attribution based on the mix of operating local generation or modeled production sources. CRS recommends clarifying this distinction.

Additionally, to the extent that EACs/RECs are currently eligible for use in Scope 3 accounting, the proposed structure appears to remove them from the Scope 3 inventory and instead classify them as interventions recorded in the contractual inventory. CRS requests clarification on whether this shift is intended and how it aligns with existing GHG Protocol guidance.

Where no physical delivery of a product or service occurs in the value chain, and attribution can only be accomplished through contractual instruments, the contractual inventory should constitute the Scope 3 inventory. In such cases, a “physical inventory” does not exist in practice and should not be required.

Finally, CRS recommends *all* of this information be placed earlier in the document as it is vital for understanding the whole of the Guidance.