



California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

March 21, 2025

SUBMITTED ELECTRONICALLY AT:

[www.arb.ca.gov/public-comments/public-comments-california-climate-disclosure-information-solicitation](http://www.arb.ca.gov/public-comments/public-comments-california-climate-disclosure-information-solicitation)

**Re: Information Solicitation to Inform Implementation of California Climate-Disclosure Legislation**

Rivian Automotive, Inc, ("Rivian") appreciates this opportunity to provide feedback to the California Air Resources Board ("CARB") on the pending implementation of California's climate disclosure legislation. As a business entity with a significant corporate and market presence in California, Rivian has an interest in how these laws will be implemented by CARB. Moreover, at Rivian we believe the business we're building can make a difference. We value transparency as we work to achieve our bold sustainability goals. With thoughtful implementation, we believe California's climate disclosure requirements can complement existing corporate sustainability and disclosure efforts.

Rivian applauds CARB's solicitation of feedback to inform the implementation of SB 253 and SB 261. As a company that already reports its emissions and climate risk metrics voluntarily in line with the Greenhouse Gas Protocol, we appreciate California's codification of these widely accepted global standards in the state's landmark disclosure laws. Adhering closely to these standards will help mitigate the compliance burden associated with these laws and limit costs for reporting companies.

In addition to our voluntary reporting efforts, we will be subject to mandatory climate reporting requirements internationally, and we hope CARB prioritizes harmonization and interoperability with the ISSB Standards issued by the IFRS Foundation as well as the EU Corporate Sustainability Reporting Directive (CSRD). As we navigate statutory reporting requirements across multiple governmental jurisdictions, we hope the intent



of these mandatory disclosure regimes remains the delivery of consistent, reliable, and decision-useful information and the reduction of duplicative efforts among reporting entities.

Predictability is critical to our ability to make informed decisions and allocate resources efficiently, and regulatory certainty from CARB will be indispensable as we prepare to comply with these laws. We remain cognizant of the multiple competing priorities before the Board and the constraints under which CARB staff are working—but as we approach the July 1 statutory deadline for CARB to adopt the implementing regulations pursuant to SB 219, we respectfully urge CARB to prioritize their promulgation in support of our preparations for reporting to begin in 2026.

## About Rivian

Founded in 2009, Rivian is an independent U.S. company. With over 13,000 employees across the globe, Rivian's mission is to Keep the World Adventurous Forever. Rivian's focus is the design, development, manufacture, and distribution of all-electric adventure vehicles, specifically pickups, sport utility vehicles ("SUVs"), and commercial vans. We manufacture our vehicles in Illinois but maintain a large footprint in California including headquarters, major corporate offices, and a network of customer-facing spaces and service centers.

Rivian brought the first modern electric pickup to market in 2021 when we launched the **R1T**, followed shortly thereafter by the **R1S** SUV and the EDV commercial van for Amazon. The **R1T** and **R1S** provide all-electric options in segments where added utility is a necessity. The **R1T** has an EPA-certified range of up to 420 miles. The **R1S** is certified at up to 410 miles. The truck also features 11,000lbs of towing capacity, while the **R1S** is a seven-passenger full-sized SUV. Both are well-equipped for off-roading in a range of climates. Separately, our Class 2b commercial vans eliminate tailpipe emissions from last-mile delivery. Rivian is committed to producing 100,000 vans for our launch customer, Amazon, with more than 20,000 already in service in 800+ U.S. cities. The van is now also available for purchase by other fleets. Beyond our vehicle lineup, Rivian is also building a network of DC fast chargers across the country known as the Rivian Adventure Network ("RAN").



As a manufacturer of electric vehicles, sustainability is inherently integrated throughout our company. Rivian published its first Impact Report covering 2022 (our first full year of production and as a publicly traded company), which included scopes 1, 2 and 3 emissions, along with other data. Since then, we've published GHG data annually, along with progress against our Impact Goals, including climate action.

## Response to Questions

Below, we respond to select questions posed in the information solicitation document.

### General: Applicability

1. SB 253 and 261 both require an entity that “does business in California” to provide specified information to CARB. This terminology is not defined in the statutes.
  - a. Should CARB adopt the interpretation of “doing business in California” found in the Revenue and Tax Code section 23101?

*Rivian Response:* We believe that the rules should enable a level playing field for those doing business in California, and not inadvertently create an additional reporting burden on some. Using California Revenue & Tax Code section 23101 would be the most consistent and straightforward way to apply the “doing business in California” test.

- b. Should federal and state government entities that generate revenue be included in the definition of a “business entity” that “does business in California?”

*Rivian Response:* No position.

- c. Should SB 253 and 261 cover entities that are owned in part or wholly owned by a foreign government?

*Rivian Response:* We believe that the rules should enable a level playing field for those doing business in California, and not inadvertently create additional reporting burden



on some. Therefore, entities that are owned in part or wholly owned by a foreign government should not be excluded.

- d. Should entities that sell energy, or other goods and services, into California through a separate market, like the energy imbalance market or extended day ahead market, be covered?

*Rivian Response:* Layering on additional reporting requirements for companies that do participate in California energy markets does not seemingly provide any additional value or information beyond what would already be required for business accounting and auditing purposes. This additional reporting burden imposed on energy sellers—those typically engaged directly in separate energy markets as described in the question and supplying corporate entities with renewable energy purchasing options intended to reduce Scope 2 emissions—might result in higher costs of renewable energy passed on to buyers in order for sellers to comply with an additional administrative burden. Moreover, it is not likely to result in meaningful incremental or additional value, credibility, or traceability of activities. Ongoing regionalization initiatives, notably The West-Wide Governance Pathways Initiative, and newly introduced CA SB540, if enacted, would alter the governance structures of WEIM and EDAM and might change the applicability of additional reporting requirements on participating entities.

2. What are your recommendations on a cost-effective manner to identify all businesses covered by the laws (i.e., that exceed the annual revenue thresholds in the statutes and do business in California)?
  - a. For private companies, what databases or datasets should CARB rely on to identify reporting entities? What is the frequency by which these data are updated and how is it verified?
  - b. In what way(s) should CARB track parent/subsidiary relationships to assure companies doing business in California that report under a parent are clearly identified and included in any reporting requirements?



Rivian Response: No position.

### **General: Standards in Regulation**

3. CARB is tasked with implementing both SB 253 and 261 in ways that would rely on protocols or standards published by external and potentially non-governmental entities.
  - a. How do we ensure that CARB's regulations address California-specific needs and are also kept current and stay in alignment with standards incorporated into the statute as these external standards and protocols evolve?

Rivian Response: As this field continues to evolve both in the voluntary and global regulatory landscape, alignment, standardization and interoperability are critical to reduce duplication of efforts. In our view, CARB should work from clear principles and prioritize:

- Maintaining interoperability with other reporting standards; and,
- Monitoring updates to other standards and protocols to maintain flexibility for reporting entities.

We would recommend setting a formal schedule for a review of existing and emerging protocols in the field to allow for updates based on advances in the field, as well as allowing for updates to, for example, the GHG Protocol to be referenced immediately (versus only referring to old versions).

- b. How could CARB ensure reporting under the laws minimizes a duplication of effort for entities that are required to report GHG emissions or financial risk under other mandatory programs and under SB 253 or 261 reporting requirements?

Rivian Response: CARB should account for the compliance efforts of companies reporting under other standards. This should include establishing reciprocity and/or implementing a "deemed to comply" provision whereby companies who disclose



information under comparable or more stringent standards—such as the European Sustainability Reporting Standards—can rely on those disclosures to satisfy California’s requirements.

Rivian strongly recommends that:

- CARB accepts reports prepared by companies to meet other governmental jurisdictions’ climate reporting requirements, as well as voluntary reports that satisfy the requirements of the two California laws.
- CARB gives reporting entities a menu of acceptable reporting frameworks that would satisfy compliance with the laws—including, at minimum, ESRS (underpinning the EU’s CSRD); and the ISSB Standards (already recognized by name in both California laws)
- For purposes of SB261 compliance, CARB aligns with the ongoing transition from TCFD to ISSB disclosure.

Ultimately, we believe our collective efforts should aim to achieve the goals of meaningful transparency and disclosure in as streamlined a manner as possible.

- c. To the extent the standards and protocols incorporated into the statute provide flexibility in reporting methods, should reporting entities be required to pick a specific reporting method and consistently use it year-to-year?

*Rivian Response:* In line with the GHG Protocol’s consistency principle, companies should use consistent methodologies to allow for meaningful comparisons over time and shall transparently document any changes to the data, measurement methods, or any other relevant factors over a reporting time series. Flexibility should be provided as methodologies and data quality improve over time and any changes to methodology use should be transparently documented (including rationale for and effects of the change).

## **General: Data Reporting**



4. To inform CARB's regulatory processes, are there any public datasets that identify the costs for voluntary reporting already being submitted by companies? What factors affect the cost or anticipated cost for entities to comply with either legislation? What data should CARB rely on when assessing the fiscal impacts of either regulation?

*Rivian Response:* Factors that affect the cost of compliance with data reporting legislation include but are not limited to timing of deadlines (for example, if data collection timelines have to be accelerated), requirements for "new" data (that is, data that have not previously been reported), attestation costs, and resources required for adhering to a reporting format. The incremental costs of complying with the California laws will ultimately depend in large part on the extent to which the laws' provisions overlap with, and allow reciprocity between, other jurisdictional requirements and third-party reporting frameworks.

5. Should the state require reporting directly to CARB or contract out to an "emissions" and/or "climate" reporting organization?

*Rivian Response:* We believe that the state should require reporting directly to CARB (versus a third-party), and allow CARB to accept and aggregate reports submitted elsewhere or prepared for other purposes as long as it covers the required disclosures.

6. If contracting out for reporting services, are there non-profits or private companies that already provide these services?

*Rivian Response:* N/A.

## **SB 253: Climate Corporate Data Accountability Act**

7. Entities must measure and report their emissions of greenhouse gases in conformance with the GHG Protocol, 1 which allows for flexibility in some areas (i.e. boundary setting, apportioning emissions in multiple ownerships, GHGs subject to reporting, reporting by sector vs business unit, or others). Are there



specific aspects of scopes 1, 2, or 3 reporting that CARB should consider standardizing?

*Rivian Response:* We strongly recommend conforming as closely as possible to the GHG Protocol and avoid customizing California's emissions reporting requirements. Creating GHG reporting requirements that would be specific to California would decrease the likelihood of interoperability between reporting regulations, resulting in more time and money spent on preparation and audit review. We do not believe this would serve our shared goals.

8. SB 253 requires that reporting entities obtain "assurance providers." An assurance provider is required to be third-party, independent, and have significant experience in measuring, analyzing, reporting, or attesting in accordance with professional standards and applicable legal and regulatory requirements.
  - a. For entities required to report under SB 253, what options exist for third-party verification or assurance for scope 3 emissions?
  - b. For purposes of implementing SB 253, what standards should be used to define limited assurance and reasonable level of assurance? Should the existing definition for "reasonable assurance" in MRR be utilized, and if not why?

*Rivian Response:*

- a. There are a wide range of assurance providers that vary in cost, size, experience, and specialty, including both boutique consulting firms and traditional accounting firms, particularly the Big Four. While many assurance providers assure Scope 1 and 2 emissions, far fewer assure Scope 3, although that number is increasing. While limited assurance is feasible for Scope 3 emissions, reasonable assurance would be significantly more challenging.
- b. Not all firms provide assurance under the same assurance standards (for example, some go by ISO, some go by AICPA, and so on); with interoperability and reciprocity (and therefore efficiency) in mind,



California should look to widely used and accepted standards such as the International Standard of Sustainability Assurance (ISSA) 5000 for both, 1) the definition of limited and reasonable assurance; and, 2) the standard by which the assurance review should be executed. Additionally, CARB should choose to align assurance standards to those set by other reporting rules such as ISSB and CSRD, ensuring simplicity, consistency, and efficiency for all stakeholders.

9. How should voluntary emissions reporting inform CARB's approach to implementing SB 253 requirements? For those parties currently reporting scopes 1 and 2 emissions on a voluntary basis:
- What frequency (annual or other) and time period (1 year or more) are currently used for reporting?
  - When are data available from the prior year to support reporting?
  - What software systems are commonly used for voluntary reporting?

*Rivian Response:*

- Rivian currently reports annually on the 12-month time period of the calendar year prior. For example, we reported calendar year 2023 information in 2024.
- Complete data (which undergoes limited assurance) are generally available 6-9 months after the end of the reporting period. Preliminary data is available approximately three months after the reporting period has ended and then at least three months are needed for limited assurance review. Reasonable assurance would likely take longer and CARB should consider this in developing its rules.
- A host of systems are utilized to house our underlying activity data, perform sustainability calculations, and to prepare our voluntary reporting.

**SB 261: Climate Related Financial Risk Disclosure**



10. For SB 261, if the data needed to develop each biennial report are the prior year's data, what is the appropriate timeframe within a reporting year to ensure data are available, reporting is complete, and the necessary assurance review is completed?

*Rivian Response:* The reporting timeframe needed would be 6-9 months at a minimum, depending on desired level of assurance (similar to answer above regarding SB 253).

11. Should CARB require a standardized reporting year (i.e., 2027, 2029, 2031, etc.), or allow for reporting any time in a two-year period (2026-2027, 2028-2029, etc.)?

*Rivian Response:* We recommend that CARB allow for reporting anytime in a two-year period. This would allow companies to align reporting for different jurisdictions and decrease the burden of preparing multiple reports at different times.

12. SB 261 requires entities to prepare a climate-related financial risk report biennially. What, if any, disclosures should be required by an entity that qualifies as a reporting entity (because it exceeds the revenue threshold) for the first time during the two years before a reporting year?

*Rivian Response:* No position.

13. Many entities that are potentially subject to reporting requirements under SB 261 are already providing other types of climate financial risk disclosures.
  - a. What other types of existing climate financial risk disclosures are entities already preparing?

*Rivian Response:* Voluntary Task Force on Climate related Financial Disclosures (TCFD) reporting and preparation to comply with the EU CSRD and mandatory disclosure regulations in other jurisdictions that are adopting ISSB standards.



- b. For covered entities that already report climate related financial risk, what approaches do entities use?

Rivian Response: see above (13.a)

- c. In what areas, if any, is current reporting typically different than the guidance provided by the Final Report of Recommendations of the Task Force on Climate related Financial Disclosures?

Rivian Response: None. We expect and hope that California will adopt the TCFD framework (similar to the CSRD and ISSB).

- d. If not consistent with the Final Report of Recommendations of the Task Force on Climate-related Financial Disclosures, are there other laws, regulations, or listing requirements issued by any regulated exchange, national government, or other governmental entity that is guiding the development of these reports?

Rivian Response: The TCFD recommendations and guidance documents themselves are ambiguous and give lots of room for companies to develop decision-useful, forward-looking disclosures for their stakeholders. However, this is a potential issue when the disclosure is subject to a compliance reporting regime (and the associated assurance verification). For example, in the Strategy pillar under recommended disclosure c), how many scenarios are required to be SB 261-compliant? How often is a new analysis required? Every two years will be a financial and time burden for companies. Is a qualitative approach appropriate or is a quantitative approach required? Where possible, CARB should provide clarity and guidance on how they will interpret the recommendations within the four pillars.