

March 21, 2025

California Air Resources Board 1001 I Street Sacramento, CA 95814

Re: Information Solicitation to Inform Implementation of California Climate-Disclosure Legislation: Senate Bills 253 and 261, as amended by SB 219

In response to the California Air Resources Board (CARB) Information Solicitation to Inform Implementation of California Climate-Disclosure Legislation: Senate Bills 253 and 261, as amended by 219, I am writing to share comments on behalf of the Data Center Coalition (DCC).

DCC is the national membership association for the data center industry. Our members include leading data center owners and operators, as well as companies that lease large amounts of data center capacity. Data centers provide the digital infrastructure that keeps us connected in our daily lives and supports many sectors of the 21st-century innovation economy – including artificial intelligence, financial services, advanced manufacturing, cybersecurity, healthcare, and other key industries.

The data center industry is leading the charge locally and globally in developing and procuring carbon-free energy, now driving approximately half of all contracted corporate renewable energy in the U.S.² This aggressive investment in clean energy is in line with the industry's sustainability goals: many data center companies have committed to achieving carbon neutrality and supporting their operations with 100 percent clean energy within the next 10 years. Many companies are already reaching this goal and supporting their operations with 100 percent renewable energy.

As CARB considers specifics surrounding the implementation of reporting requirements, DCC encourages CARB to consider existing reporting regimes to allow reporting entities to leverage established frameworks for reporting. As noted in the solicitation, many entities that would be subject to the reporting requirements under SB 261 are already providing

¹ Public testimony and written comments submitted by DCC do not necessarily reflect the views of each individual DCC member. A list of current DCC members is accessible at https://www.datacentercoalition.org/members.

² S&P Global, "<u>Data centers account for half of US clean energy procurement but only 20% in Europe: report,</u>" October 31, 2024.

other types of climate financial risk disclosures. Alignment with other reporting regimes would help to standardize and streamline processes for reporting and associated internal approvals, minimizing the need to build out bespoke compliance frameworks. Even minor divergences in requirements can prove time-intensive and costly for covered entities.

In addition, it is our understanding that CARB must issue specifics on reporting requirements by July 1, 2025, but the reporting deadline for entities covered under SB 261 (January 1, 2026) remains unchanged. DCC encourages CARB to work with and provide flexibility to covered entities to allow for ample time to review, implement, and come into compliance with CARB's forthcoming guidance. This will ensure this additional reporting is done to the best of each reporting entity's ability and to properly address requirements in advance of the quickly approaching reporting deadline.

DCC appreciates your consideration of these comments and looks forward to future opportunities to engage with CARB.

Sincerely,

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