

# BMW Group

March 17, 2025

## **SUBMITTED ELECTRONICALLY**

Clerk's Office  
California Air Resources Board  
1001 I Street Sacramento  
California 95814

### **Subject: Climate Reporting Accountability (SB 253/SB 261)**

BMW Group is pleased to submit the following comments in response to California Air Resources Board (CARB) solicitation for feedback on Corporate Climate Reporting Accountability (SB 253/SB 261). BMW Group appreciates the opportunity to provide comment on this important rulemaking. We strongly believe that additional regulatory requirements beyond the existing international standards should be avoided. Specifically, we refer to the Greenhouse Gas (GHG) Protocol, which already provides comprehensive and recognized guidelines for measuring and reporting greenhouse gas emissions.

#### **Justification**

1. **Reliance on Existing International Standards:** The GHG Protocol is a globally recognized and established framework that supports companies in the quantitative assessment and reporting of their greenhouse gas emissions. Adherence to this protocol ensures consistent and comparable reporting across various industries and regions.
2. **Recognition of Market-Based Instruments:** Market-based instruments such as Energy Attribute Certificates (EACs), Guarantees of Origin (GoOs), and Renewable Energy Certificates (RECs) are already integrated within the GHG Protocol. These instruments play a crucial role in promoting renewable energy and reducing greenhouse gas emissions. Their recognition should continue to avoid disrupting existing market mechanisms.
3. **Consideration of the Cut-Off Method:** The cut-off method, as outlined in the GHG Protocol for the CO<sub>2</sub> impact of secondary materials, provides a clear and practical approach for emissions calculation. Deviations from this established method could lead to confusion and inconsistencies in reporting.
4. **Avoidance of Bureaucratic Redundancies:** Multinational companies like the BMW Group are already subject to extensive reporting requirements, such as those mandated by the EU Corporate Sustainability Reporting Directive (CSRD). The related reporting standards ESRS contain over 1,000 sub-disclosure requirements, of which more than 200 are CO<sub>2</sub> Emission disclosure related (ESRS E1 Climate Change). Audits and verifications conducted under such international regulations should be deemed sufficient. This would



prevent unnecessary bureaucratic burden and ensure that companies can focus their resources on effective emissions reduction.

In conclusion, we believe that reporting should rely on existing international standards, particularly the GHG Protocol. Any deviations or additional requirements would only increase complexity and administrative burden without providing additional value. Therefore, we advocate for the harmonization of regulatory requirements and the recognition of existing audits and reporting systems.

Thank you for considering BMW NA's comments during this important rulemaking process. We look forward to working with staff and California Air Resources Board members. Please do not hesitate to reach out if you have any questions or need additional clarification.

Sincerely,



Manfred Grunert  
Vice President- Government Affairs and Corporate Communications  
BMW of North America, LLC

### **BMW of North America, LLC**

BMW of North America, LLC has been present in the United States since 1975. Rolls-Royce Motor Cars NA, LLC began distributing vehicles in 2003. The BMW Group in the United States has grown to include marketing, sales, and financial service organizations for the BMW brand of motor vehicles, including motorcycles, the MINI brand, and Rolls-Royce Motor Cars; Designworks, a strategic design consultancy based in California; a technology office in Silicon Valley and various other operations throughout the country. BMW Manufacturing Co., LLC in South Carolina is the BMW Group global center of competence for BMW X models and manufactures the X3, X4, X5, X6 and X7 Sports Activity Vehicles as well as the new BMW XM. The BMW Group sales organization is represented in the U.S. through networks of 350 BMW passenger car and BMW Sports Activity Vehicle centers, 146 BMW motorcycle retailers, 105 MINI passenger car dealers, and 38 Rolls-Royce Motor Car dealers. BMW (US) Holding Corp., the BMW Group's sales headquarters for North America, is located in Woodcliff Lake, New Jersey. Journalist note: Information about BMW Group and its products in the USA is available to journalists on-line at [www.bmwgroupusanews.com](http://www.bmwgroupusanews.com) and [www.press.bmwna.com](http://www.press.bmwna.com).

