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On behalf of AQC Environmental Brokerage Services Inc., which advises a number of entities working to comply with California’s evolving climate and environmental regulations, I would like to thank the Board for its leadership in establishing ambitious climate targets and for its efforts to implement Senate Bill 253, the Climate Corporate Data Accountability Act.

As you proceed with rulemaking to implement SB 253, I respectfully urge the Board to remain mindful of the substantial burden that comprehensive greenhouse gas (GHG) reporting—particularly Scope 3 emissions—places on reporting entities. Many covered companies are fully committed to transparency and climate accountability but face significant technical and operational barriers when attempting to quantify indirect emissions across complex and global value chains.

Scope 3 emissions estimation often requires assumptions, incomplete supplier data, and evolving methodological standards. Rigid reporting frameworks or inflexible assurance requirements may inadvertently penalize good faith efforts and discourage participation, particularly among smaller companies or those without mature GHG accounting systems.

We therefore respectfully request that CARB adopt a phased and adaptive approach to Scope 3 reporting, including:

* **Materiality Assessments:** Allowing companies to conduct and disclose materiality assessments that prioritize relevant Scope 3 categories based on significance and data availability.
* **Methodological Flexibility:** Permitting a range of recognized estimation methods (e.g., spend-based, model-based, or supplier-specific) and clearly identifying acceptable reporting boundaries.
* **Good-Faith Reporting Protections:** Creating safe harbor provisions for companies that demonstrate good-faith efforts to improve data quality and completeness over time.
* **Iterative Implementation:** Allowing for pilot phases, grace periods, or transitional compliance to support meaningful capacity-building and ensure high-quality reporting practices.

California has an opportunity to lead not only in emissions transparency, but in designing a policy framework that supports continuous improvement, practical implementation, and robust climate action without imposing unmanageable burdens on the regulated community.

Thank you for considering these comments. We are available to support CARB’s rulemaking efforts and contribute to a regulatory design that is both ambitious and achievable.