THE INTEGRITY COUNCIL
FOR THE VOLUNTARY CARBON MARKET

Consultation

Proposed Technical Notice on Electricity procurement approaches

Consultation period: 25 November - 30 December 2026

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1. Introduction

The Integrity Council for the Voluntary Carbon Market (ICVCM) is an independent, non-profit governance body that aims to ensure carbon markets effectively contribute to global greenhouse gas emissions mitigation action and climate finance delivery at scale. The Integrity Council sets and maintains the independent global threshold for carbon credits. This threshold is based on the ICVCM's Core Carbon Principles (CCPs) and is implemented through the Assessment Framework, which sets out the criteria and requirements for high integrity.

Since publishing the Core Carbon Principles and Assessment Framework in July 2023, the Integrity Council has driven a step-change in global carbon market standards. Thirteen major carbon-crediting programs and 47 methodologies have been approved, following rigorous assessment against the Core Carbon Principles.

Under the Integrity Council's "two-tick" assessment process a carbon-crediting program's governance and systems are assessed first, followed by an assessment of the methodologies for designing and implementing carbon projects. Programs are assessed against requirements relating to their governance, social and environmental safeguards, and delivering positive sustainable development outcomes. Methodologies are assessed against requirements intended to ensure that they deliver lasting and robustly measured greenhouse gas emission reductions that would not have otherwise occurred.

These assessments are informed by the Integrity Council's Expert Panel which provides independent technical guidance to ensure that evaluations are robust and aligned with best practice. Carbon credits can only be tagged with the CCP label if the issuing program is CCP-Eligible and the methodology used is CCP-Approved by the Integrity Council's independent Governing Board.

Approvals of programs and their methodologies mark the beginning of the Integrity Council's assurance and oversight process which includes annual reporting by CCP-Eligible Programs and ongoing performance-monitoring activities.

2. Background to this consultation

In 2026, the Integrity Council adopted the CCP Rule Architecture, which establishes a system of Interpretations, Technical Notices, and Clarifications. The Rule Architecture sets out how these instruments are developed, approved and applied, and how they support the application and evolution of the Core Carbon Principles, Assessment Framework and Assessment Procedure. Instruments will now be developed in line with this rule architecture and related processes.

During category assessments (assessment of methodologies), the Integrity Council identified questions about the use of electricity procurement approaches when quantifying project emissions associated with electricity consumption from the grid. These questions arise where a methodology permits procurement arrangements to support the use of an emission factor below the applicable grid emission factor. This approach is relevant across multiple categories and may be particularly significant for electricity-intensive activities, including engineered carbon dioxide removal.

The accounting treatment can materially affect the quantity of emission reductions or removals credited. Where electricity consumption represents a substantial component of project emissions, applying a lower emission factor can significantly reduce calculated project emissions and increase the quantity of credits generated. It is therefore important that the procurement arrangement provides a sufficiently robust basis for the emission factor applied.

The Integrity Council's consideration of this issue has included a review of relevant literature, electricity-accounting practices and provisions used by carbon-crediting programs. This work identified differences in how procurement arrangements are linked to generation assets, how generation and consumption are matched geographically and temporally, and how exclusive attribution of environmental attributes is demonstrated. It also highlighted the importance of distinguishing the purposes of organisational electricity-emissions reporting from those of carbon-credit quantification: an approach used for the former does not automatically provide a sufficient basis for the latter.

These questions have implications for the consistent application of the Assessment Framework across methodologies already approved, those under assessment and future submissions. Addressing them through the CCP Rule Architecture provides a common process for considering the technical requirements and their prospective application, including appropriate implementation and transition arrangements.

This consultation seeks stakeholder evidence and views to inform that process. Electricity-accounting practices continue to evolve, and the Integrity Council recognises the importance of considering relevant developments alongside the integrity requirements specific to carbon crediting. The consultation covers both the proposed Technical Notice and its proposed application and transition measures. The proposals are presented for consultation and do not constitute adopted requirements.

Key terms used in this document are listed in the Glossary (section 7). Readers may find it helpful to review them before proceeding.

3. Overview of the CCP Rule Architecture

The three tiers of the CCP rule base are:

- Tier 1 – the Core Carbon Principles (CCPs) and the Assessment Framework;
- Tier 2 – Interpretations and Technical Notices; and
- Tier 3 – Clarifications.

Tier 1 constitutes the authoritative foundation for assessments conducted by the ICVCM.

Tier 2 instruments support the interpretation and technical application of the CCPs and the Assessment Framework and may affect how criteria and requirements are assessed.

Tier 3 instruments support operational implementation and procedural application of the CCP rule base and are not intended to affect how criteria and requirements are assessed.

The Rule Architecture provides for three types of instrument: Interpretations, Technical Notices, and Clarifications (see Glossary in section 7). These instruments sit within the Rule Architecture which explains how they are developed, approved, and applied, and how they relate to the Core Carbon Principles (CCPs) and the Assessment Framework.

The instrument proposed in this consultation is a technical notice addressing the technical application of the Assessment Framework to electricity procurement approaches used when quantifying project emissions associated with electricity consumption. The consultation seeks views on the proposed requirements, their application and transition measures.

4. Proposed Technical Notice

4.1 Context

Mitigation activities may incur significant project emissions from grid electricity consumption. Project developers may seek to use electricity procurement approaches as a basis for applying an emission factor below the applicable grid emission factor when calculating those emissions. This consultation concerns the use of electricity procurement approaches for that accounting purpose.

The proposed Technical Notice addresses several related considerations: the link between the procurement arrangement and the generation asset; the geographic relationship between generation and consumption; temporal matching; exclusive attribution of environmental attributes; and additionality. These considerations address different aspects of the accounting claim and need to be considered together.

Procurement arrangements may provide for electricity supply, convey environmental attributes separately through instruments or provide only a financial settlement. The alternatives in condition 1 in the draft below seek views on whether, and under what safeguards, arrangements conveying only environmental attributes or only a financial settlement can provide a sufficiently robust basis for applying a lower emission factor.

Geographic and temporal correspondence are relevant to whether the procured generation can credibly be associated with the activity's electricity consumption. The temporal-matching options differ in the granularity of correspondence required between generation and consumption, ranging from annual matching to finer temporal matching. The consultation seeks views on the implications of these alternatives for robust quantification, including their feasibility in different electricity markets.

The geographic options seek views on the appropriate boundary within which generation and consumption should be associated.

Exclusive attribution and evidence that the associated environmental attributes have been retired, cancelled or otherwise permanently removed from circulation help prevent multiple claims to the same attributes. Residual-mix accounting addresses the further risk that generation attributed to one consumer remains reflected in the electricity emission factors used by others. The bracketed references to certification and comprehensive residual-mix accounting seek views on whether these should be required as additional safeguards.

The proposed text includes a bracketed provision concerning a demonstration of additionality equivalent in stringency to the requirements of the CCP Assessment Framework. This raises a separate question from matching generation to consumption and securing exclusive attribution: whether an additionality demonstration should also be required for the generation asset or procurement instrument. The consultation seeks views on whether such a demonstration should be required and, if so, its appropriate form and evidentiary basis in the context of electricity procurement approaches.

Electricity-accounting practices and supporting data systems continue to evolve, and the availability of granular generation, consumption and attribute-tracking information varies across electricity markets. The consultation seeks views on requirements that support robust quantification while taking account of these differences and relevant developments in electricity accounting.

The draft in section 4.2 presents proposed conditions and alternatives for consultation, not adopted requirements. Respondents are invited to comment on the proposed options and suggest alternative approaches or safeguards, including conditions under which particular procurement arrangements could provide a sufficiently robust basis for using an emission factor below the applicable grid emission factor.

4.2 Draft proposed text

The Integrity Council is consulting on a proposed Technical Notice addressing the use of electricity procurement approaches to quantify project emissions associated with electricity consumption. The draft below, in the Proposed instrument text section sets out proposed conditions under which an emission factor associated with procured electricity that is lower than the applicable grid emission factor may be used.

Square brackets indicate draft options for consultation.

Instrument type	Technical Notice
Assessment Framework text	10.4. a) The following approaches are considered to enable conservativeness and robust quantification: 1) the quantification methodology or applicable program documents use approaches to quantify emissions or removals from the mitigation activity that are conservative in light of the uncertainties, taking into account the choice of assumptions, models, parameters, data sources, default factors, measurements methods and other factors; 2) the quantification methodology or applicable program documents use comparable quantification approaches for both baseline and mitigation activity emissions or removals.
Proposed instrument text	Where a methodology or protocol permits the use of an emission factor associated with procured electricity that is lower than the applicable grid emission factor, that lower emission factor may be used to quantify project emissions associated with electricity consumption only if all the following conditions are satisfied: **1. A renewable energy generation asset that is specifically linked to the procurement -** Electricity is supplied to the project **[from an identified renewable electricity generation asset]** through **[a direct connection] [an arrangement providing for the supply of that asset's output].** Arrangements conveying only environmental attributes or only a financial settlement **[do] [do not]** meet this condition. **2. Temporal matching -** Electricity generation under the arrangement is matched to project electricity consumption on **[at least an annual basis] [a quarterly basis] [an hourly basis] [a basis demonstrating that the generation of the asset and the**

	demand of the project coincide on a daily and seasonal basis]. **3. Physical deliverability of the procured electricity -** The identified generation asset and the project are located within **[the same grid boundary] [the same grid boundary used to determine the applicable grid emission factor] [an accounting boundary established under an internationally recognised protocol or approach accepted by ICVCM].** **4. Exclusive attribution of the environmental attributes associated with the procured electricity - a)** All **[certified]** environmental attributes associated with the procured electricity are transferred to the project participant and permanently retired, cancelled, or otherwise removed from circulation with proof of retirement **[and b) comprehensive residual-mix accounting is applied across the relevant grid].** **5. Additionality - [the identified generation asset or instrument includes a clear demonstration of additionality that is equivalent in stringency to the requirements of the ICVCM Assessment Framework].**
Relevant Assessment Framework Criteria	Criterion 10.4 Quantification of emissions or removals from the mitigation activity.
Issued by	To be adopted by the Standards Oversight Committee under the CCP Rule Architecture, under delegated authority from the Governing Board.
Effective date	6 months following the adoption date.
Application to ongoing and completed assessments	See Section 4.3 of this document.

4.3 Proposed application and transition measures

The following application and transition measures are proposed for consultation. They are not adopted requirements. Square brackets indicate proposed periods or indicative dates that remain subject to the final adoption date and consideration of consultation responses.

Scope of application

The Technical Notice would apply to provisions in methodologies, protocols and associated tools that permit electricity procurement approaches to support the use of an emission factor below the applicable grid emission factor when quantifying project emissions associated with electricity consumption.

Grace period and effective date

A grace period of [six months from the date of adoption] is proposed before the Technical Notice takes effect. An indicative adoption date of [30 December 2026] would therefore result in an effective date of [30 June 2027].

From the effective date, assessments and assurance activities shall be conducted in accordance with Criterion 10.4 of the CCP Assessment Framework, the adopted Technical Notice as well as any other applicable CCPs, Assessment Framework criteria and requirements, and any relevant instruments effective under the CCP Rule Architecture.

The proposed grace period is shorter than the default 12 months, as set out in the CCP Rule Architecture, to address the identified integrity concern and limit market distortions, while allowing time for implementation.

Application to new submissions

Methodologies and protocols submitted for assessment on or after the effective date would be assessed against the Assessment Framework and the Technical Notice.

Application to ongoing assessments

Programs with methodologies or protocols under assessment would be encouraged to revise the relevant provisions at the earliest opportunity and resubmit them to reflect the Technical Notice.

Transition for CCP-Approved methodology versions

CCP-Approved methodologies may need to be revised to comply with the Technical Notice.

Carbon credits issued under currently CCP-Approved methodology versions may continue to be labelled as CCP-Approved without meeting the new requirements until the earliest of:

1. The end of the current crediting period for the relevant mitigation activity;

2. Approval of a new version of the methodology by the carbon-crediting program; or

3. **[31 December 2028]**, indicatively corresponding to **[18 months after the effective date]**

The final periods and dates would be confirmed when the Technical Notice is adopted, taking account of consultation responses.

5. Consultation questions

Responses from stakeholders are invited on the questions below through a dedicated webform. Respondents may comment on the proposed Technical Notice and its proposed application and transition measures and are encouraged to identify the relevant question or provision in their responses. Respondents will also be asked to submit general information about their organisational affiliation.

For any enquiries, please email: consultations@icvcm.org. Please do not use this email to submit responses to the consultation questions.

The Integrity Council will review and consider all public consultation responses received, publish the responses with a high-level summary (see publicity notice below), and determine whether and how the proposed Technical Notice and its application and transition measures should be refined before consideration through the Integrity Council's governance process.

Consultation questions

1. Should methodologies or protocols permit the use of electricity procurement approaches to justify an emission factor lower than the applicable grid emission factor, when quantifying project emissions associated with electricity consumption?
2. If so, should this be permitted across all ICVCM categories or only specified categories? If only specified categories, which ones, and why?

In relation to the draft proposed text for a Technical Notice:

3. Are the factors listed in the draft proposed text the most material factors for ensuring robust quantification of project emissions associated with electricity consumption under different procurement approaches, consistent with the applicable Assessment Framework requirements (e.g. criterion 10.4)? Would you add or remove any factors?
4. Which of the factors listed in the draft proposed text, if any, are not material to robust quantification of project emissions associated with electricity consumption under different procurement approaches?
5. Do you have any technical suggestions regarding the factors and options proposed in the draft proposed text?
6. Do you have any policy suggestions regarding the factors and options proposed in the draft proposed text?
7. Are the draft proposed application and transition measures clear, sufficient and proportionate to the identified integrity concern regarding the quantification of project emissions associated with electricity consumption?
8. What type of additionality demonstration should be required for generation assets or instruments used under electricity procurement approaches in this context, if any?

6. How to respond

Please submit responses through the online consultation form.

The consultation will be open until **30th December 2026, 11.59 pm Pacific Time.**

Publicity notice

The Integrity Council for the Voluntary Carbon Market (ICVCM) is committed to transparency and openness in its public consultations. As part of this commitment, ICVCM will publish consultation responses in full by default. Publishing full responses supports openness, accountability, and confidence in ICVCM's decision-making processes.

Responses will normally be visibly attributed to the submitting individual or organisation. For that reason, respondents are asked not to include confidential, sensitive, or personal information in their submissions unless strictly necessary. Requests for anonymisation will be considered on a case-by-case basis against the exceptions criteria set out below. If the request cannot be granted, the respondents will be offered the opportunity to resubmit a response within the consultation window.

Exceptions

In limited circumstances, ICVCM may anonymise, redact, or withhold parts of a response before publication, upon a respondent's request via consultations@icvcm.org. This may apply where a response includes:

- Personal data or other information requiring protection under applicable data protection laws;
- Confidential or commercially sensitive information, including proprietary or confidential material provided with reasonable justification;
- Safeguarding, security, or safety-related concerns;
- Exceptional legal or regulatory risk, where publication could reasonably prejudice legal or regulatory processes.

Responses that are clearly outside the scope of the consultation, or that do not constitute a genuine consultation submission (for example, spam or irrelevant material), contain defamatory, abusive, or inflammatory content, or unsubstantiated allegations will not be taken into consideration and will not be published.

By submitting a response, respondents acknowledge and agree to the consultation's data protection and the above publication terms.

Languages

The language of this consultation is English. ICVCM cannot guarantee that responses made in any other languages will be processed accurately.

7. Glossary

Below is an informal glossary of terms used for the purpose of this consultation. The definitions may not be fully consistent with the Definitions section of the CCP Assessment Framework and are subject to change following this consultation.

Term	Definition
CCP rule architecture	The structure, processes, governance arrangements, and pathways for developing, adopting and using Interpretations, Technical Notices, and Clarifications to support the evolution of the CCP rule base over time.
CCP rule base	The body of rules, instruments, and supporting documents used to apply the Core Carbon Principles and the Assessment Framework in practice. It includes the CCPs, the Assessment Framework, regulatory instruments, and relevant companion documents.
Clarification	An operational instrument that explains how criteria and requirements are implemented in assessment and assurance. Clarifications may focus on procedural, administrative, or documentation matters. They are not intended to affect how criteria and requirements are assessed.
Environmental attributes	Environmental characteristics associated with a commodity's production, such as its greenhouse gas emissions or the energy sources used. Where an applicable certification or tracking system allows, rights to specified attributes may be transferred separately from the physical commodity.
Instrument	A formal document type used within the CCP rule architecture to interpret, apply, or clarify existing requirements. Instruments sit below the CCPs and the Assessment Framework in hierarchy terms and include Interpretations, Technical Notices, and Clarifications.
Interpretation	An instrument adopted by the Governing Board that explains the meaning, scope, or intent of an existing provision in the CCPs or the Assessment Framework or strengthens the way it is

	implemented. Interpretations may affect how criteria and requirements are assessed.
Material impact	Occurs where a change resulting from an Instrument affects how criteria and requirements are assessed after the Effective Date. Instruments with material impact will often require public consultation and transition measures, such as grace periods.
Non-material impact	Occurs where a change resulting from an Instrument does not affect how criteria and requirements are assessed. Instruments with non-material impact are not expected to affect eligibility or labelling. Instruments with non-material impact are usually operational or administrative in nature, and so transition measures are not usually required.
Technical Notice	An instrument that addresses the technical application of the CCPs or the Assessment Framework criteria and requirements. Technical Notices may deal with methods, parameters, data sources, or technical approaches, and may affect how criteria and requirements are assessed.