



KEY INSIGHTS

- **Scope 1 and scope 2 emissions reporting is due November 10, 2026 under SB 253**
- **Third-party assurance is not required for 2026 scope 1 and 2 disclosures.**
- **Wholesale electricity transactions that occur in interstate commerce are exempt from consideration as “doing business in California.”**
- **Additional regulatory action required to incorporate GHG Protocol updates into SB 253 requirements.**
- **For the initial 2026 reporting cycle, CARB has provided flexibility on how covered entities satisfy the reporting requirements.**



California SB 253: Corporate Climate Data Accountability Act's first due date is coming up - what to know in October 2026

by Bailie Neary

Scope 1 and 2 reporting is due on November 10, 2026.

After being signed into law in October 2023 and progressing through the California Air Resources Board (CARB) rulemaking process, SB 253: Corporate Climate Data Accountability Act soon enters its next phase of implementation: the first reporting deadline. While this law ultimately requires reporting on scopes 1, 2 and 3 greenhouse gas emissions, only scopes 1 and 2 must be reported in the initial compliance cycle, with submissions due November 10.

Coverage under SB 253 is determined if an entity is “doing business in California” and generates over \$1 billion in annual revenue. CARB aligned these definitions with California Revenue and Taxation Code (subsections 23101(b)(1) or 23101(b)(2) and section 25120(f)(2)), extending applicability beyond companies incorporated or headquartered in California to include a broader set of large businesses with sufficient economic activity in the state.

Of particular importance to the electric sector, **wholesale electricity transactions conducted in interstate commerce are excluded when determining whether an entity is “doing business” in California.** This provision is intended to avoid bringing out-of-state generators or load-serving entities into the program solely because they participate in the wholesale electricity markets. Additional exemptions are also provided for insurance companies, non-profit organizations, government entities, and telework-only businesses.

SB 253 reporting requirements are based on the Greenhouse Gas Protocol (GHGP) Standards and CARB-specific implementation requirements and clarifications. Through the rulemaking process, CARB identified where SB 253 adopts existing GHGP requirements, elevates the GHGP recommendations to mandatory reporting requirements, or establishes California-specific provisions. For example, reporting entities must document missing data along with estimation methodologies, report biogenic emissions separately from the scopes, and apply a 5% significance threshold for base year recalculation.

The timing of SB 253 implementation also coincides with ongoing revisions to the GHG Protocol standards. CARB has stated that future GHG Protocol updates will not automatically become part of SB 253 compliance requirements. Instead, any adoption of revised GHG Protocol standards would require additional regulatory review and action by CARB before becoming applicable to covered entities.

For the initial 2026 reporting cycle, CARB has provided flexibility on how covered entities satisfy the reporting requirements.

Entities may submit:

- An existing annual report including Scope 1 and 2 GHG emissions;
- Existing Scope 1 and 2 data reported to other programs/voluntary initiatives;
- Scope 1 and 2 emissions information using CARB's draft Reporting Template; or
- A statement-of-non-reporting if emissions data were not being collected and reporting activities were not planned as of December 5, 2024, consistent with CARB's transitional compliance pathway.

Third-party assurance is not required for 2026 scope 1 and 2 disclosures. Limited assurance will be required beginning in 2027 and reasonable assurance will be required in 2030. Assurance requirements for scope 3 remain under development as a part of CARB's ongoing rulemaking process.

Resources from CARB for covered entities

[Enforcement Notice](#) (12/24/2026)

- Notifies reporting entities how CARB has decided to exercise its enforcement discretion

[Reporting Guidance Document](#) (09/01/2026)

- Intended to assist entities in preparing and submitting 2026 Scope 1 and Scope 2 greenhouse gas (GHG) emissions reports

[Final Regulation Order](#) (09/21/26)

- Contains final version of CARB's rulemaking

Draft Scope 1 and Scope 2 Reporting Template (available for download [here](#))

CARB's SB 253 [Frequently Asked Questions](#) (FAQ)

Full list of CARB resources for SB253 available at [Resources | California Air Resources Board](#)

