NYCLab Project Report

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SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Project Overview

As one of the highest contributors to GHG emissions, power generation accounts for 25% of U.S. emissions. The sector also plays a critical role in the decarbonization of all other sectors. However, adoption of science-based targets by US electric utilities has been slow. To accelerate adoption in this critical sector, the SBTi needs to consider the diverse US electric utility landscape (including its unique challenges and opportunities) to create an engagement strategy that motivates and guides the sector towards ambitious science-based decarbonization targets. Through extensive research and stakeholder engagement, our team has generated recommendations and next steps to inform the SBTi's engagement strategy.

Methodologies

1. Performed extensive desktop research to understand the regulatory and economic landscape impacting US electric utilities' ability to decarbonize.
2. Created a benchmark of US electric utilities.
3. Conducted interviews with US electric utility sector stakeholders to determine key barriers and motivations for utilities setting Science-Based Targets.

Recommendations

1. Consider utilities' specific regulatory environment, including at the State level when engaging them.
2. Cultivate relationships with key industry stakeholders to boost the credibility and relevance of SBTi in the sector.
3. Leverage the SBTi's Corporate Net-Zero Standard major revision as an opportunity to engage multi-utilities on the topic of natural gas.

Next Steps for the SBTi

1. Build partnerships with state regulators & facilitate trainings with investors on decarbonizing IOUs.
2. Improve CRM to monitor, address, and build relationships with IOUs.
3. Invite consultation from multi-commodity utilities.
4. Attend conferences with the goal of actively listening to utilities.