

Materiality Threshold

December 2019

Background

RE100 companies make a commitment to use 100% renewable electricity across their global operations. This ambitious commitment requires them to take action in every market in which they operate, creating demand for renewable electricity across over 140 countries worldwide. As a leadership initiative, RE100 can be unashamedly challenging for members.

Nevertheless, some RE100 companies have small operations such as a single store or bank branch in a market*, which have negligible impact on local demand. In markets where it is not technically feasible for the company to source RE due to reasons like small size, small load, landlord-tenant issues, etc., these small loads can have a disproportionate impact on the company's ability to make RE use claims, tying up team resources whilst having no material impact on market transformation due to their small size.

In recognition of this, RE100 has elected to set a maximum allowable threshold of electricity consumption that may be excluded from the RE100 target coverage.

** See RE100 Market Boundary Criteria to determine what constitutes a market*

Solution

RE100 member companies:

- 1. Can exclude small loads (small offices, retail outlets, etc.) having electricity consumption up to 100 MWh/year[†], per market, from the RE100 target boundary;**
- 2. Can claim exclusions[‡] up to a total of 500 MWh/yr (with a limit of 100 MWh/year per market);**
- 3. Cannot make any exclusions according to the above criteria in markets where it is technically feasible to source renewable electricity via any credible sourcing options such as EACs.**

[†] *The size of the excludable load was determined using modelling of energy consumption for a small office, commercial building, or retail space as well as loads reported by companies to RE100.*

[‡] *All claimed exclusions must still be reported to RE100 via the annual reporting process*

Additional information

RE100 is a leadership initiative, and as leaders driving the transition to a zero-emissions economy, companies can use these exclusions only when all other options have been exhausted. A key to driving change is highlighting in which markets renewables are not available, both internally to RE100 and externally to market stakeholders. Once renewables are available in a market this threshold no longer applies for the next reporting year.