

SBTi POWER SECTOR NET-ZERO STANDARD CONSULTATION DRAFT EXECUTIVE SUMMARY

September 2025

Disclaimer: *The Executive Summary is intended to provide an overview and guidance for stakeholders and does not constitute a normative part of the draft Standard. For the full scope of the proposed requirements, users should refer to the main body of the consultation draft.*

Introduction

The Science Based Targets initiative (SBTi) Power Sector Net-Zero Standard provides a framework for companies across the power sector—including power generation, electricity transmission and distribution, electricity storage, trade and retail—to set near- and long-term science-based targets aligned with limiting global warming and achieving net-zero emissions by 2050 at the latest.

The draft Power Standard builds on and will replace the SBTi [Quick Start Guide for Electric Utilities](#) (2020). It aligns with the first consultation draft of the Corporate Net-Zero Standard V2 and incorporates best practices for decarbonization in the power sector. It lays out how companies in the power sector should use the latest version of the SBTi Corporate Net-Zero Standard V2, along with sector-specific criteria, to set targets covering all relevant activities and emissions.

The SBTi Power Sector Net-Zero Standard expands its scope to cover a more comprehensive list of sector activities and emission sources across the sector's value chains. It proposes target-setting methods tailored to specific activities including emissions intensity and low-carbon electricity trajectories. And, introduces new metrics, targets, and activity-based segmentation to reflect different operational realities.

Purpose of public consultation draft

This document is the first consultation draft of the SBTi Power Sector Net-Zero Standard. Feedback and consultation are critical to the development of a Standard that is practical for businesses, while scientifically robust and credible—helping accelerate climate action in line with net-zero goals.

Public consultation, alongside input from the Expert Advisory Group and pilot testing is a key step in the Standard's development process. We invite stakeholders to review this draft and share feedback on its content, clarity and applicability through the [consultation survey](#). The public consultation will provide stakeholders with an opportunity to help shape the Power Sector

Net-Zero Standard, ensuring it reflects sector realities, supports implementation, and accelerates climate action.

Key highlights of the draft

The draft Power Sector Net-Zero Standard introduces several significant changes to current guidance and criteria for the power sector, including:

- A direct link with the first consultation draft of the [SBTi Corporate Net-Zero Standard V2](#), including clarity on how to apply the criteria from each Standard.
- Comprehensive and clear scope, addressing companies with power generation, electricity transmission and distribution, electricity storage, trade and retail.
- Detailed rules for applicability of the Power Sector Net-Zero Standard based on activities and emission sources in scope.
- Updated pathways based on IPCC AR6 and IEA NZE 2023 scenarios, used to derive emission intensity and low-carbon electricity trajectories for target setting.
- For power generation activities, targets based on emissions and low carbon power generation, with additional requirements for unabated fossil fuel capacity phase out.
- Specific metrics and targets for other value chain activities, including electricity losses for transmission and distribution, and storage activities, and low carbon electricity purchased for trade and retail.

How to participate in the public consultation

The Power Sector Net-Zero Standard project was initiated in May 2024, and is being developed in line with the [Standard Operating Procedure \(SOP\) for Development of SBTi Standards](#).

The draft was developed through extensive research and input from a dedicated Expert Advisory Group. This first draft will be open for public consultation from September 2 until November 3, 2025. The SBTi welcomes all feedback on the draft Standard, especially on the following topics:

- Activities and emissions in scope of the Power Standard and its applicability.
- Applicability of the draft Corporate Net-Zero Standard V2 with this Standard.
- Metrics for determining base year performance.
- Options proposed for power generation activities to set interim targets based on emissions and low carbon power generation.
- Requirement for unabated fossil fuel capacity phase out and sustainable sourcing of biomass for power generation activities.
- Metrics and targets for other value chain activities, including electricity losses for transmission and distribution, and storage activities; and technology share targets for trade and retail activities.

Feedback can be submitted through the [consultation survey](#). Respondents can choose to complete the full survey or respond to selected sections. Input will help strengthen the clarity, credibility, and ambition of the Standard. Depending on the sections chosen, completing the survey can take as little as 35 minutes.

Next steps

Following the public consultation period, all feedback received will be reviewed and analyzed. A summary of the feedback and how it has been addressed will be published on the [power sector webpage](#) in due course. The draft may then be revised in response to the input received and will undergo technical review and refinement in collaboration with the Expert Advisory Group. It will then be re-released for pilot testing and a second round of public consultation. Feedback from both the pilot testing and public consultation will further inform revisions to the draft. Before becoming operational, the Standard will be submitted for approval by the Technical Council and adoption by the Board of Trustees.