KPMG | MARS

Procuring renewable energy for the supply chain

A comparative cost analysis of corporate-led procurement models

September 2026

kpmg.com

Executive summary

As corporations confront the critical challenge of decarbonizing their value chains, addressing Scope 3 emissions has become a strategic climate imperative. This report provides a data-driven analysis of the three primary supplier renewable energy procurement models being used in the market today: Supplier Engagement, Joint Procurement, and the Renewables Acceleration (RAcc) program launched by Mars.[1] Our findings, based on a proprietary survey of 25 corporate buyers, reveal that RAcc can offer a cost-effective and scalable approach to Scope 3 decarbonization.

The analysis exposes the significant flaws of the market's most common approaches. Supplier Engagement, utilized by 54 percent of respondents, proves to be the least effective strategy, operating as an "effort drain" with the highest average cost. Joint Procurement, while offering more predictable costs, is severely hampered by high administrative friction, lengthy execution timelines, and a limited scope that makes it insufficient for achieving comprehensive Net Zero goals.

In contrast, the RAcc model emerges as the most advanced, efficient, and strategically sound solution. By centralizing procurement and risk with the corporate buyer, RAcc achieves three critical advantages:

- Cost-effectiveness: It delivers the lowest cost of the three models, with the lowest cost per megawatt hour (MWh) when done at scale by amortizing fixed administrative costs over large volumes.
- Scalability and speed: It is the only model analyzed that provides a viable path to Net Zero by covering the value chain end-to-end, and its centralized structure allows for significantly faster and simpler execution than multiparty consortiums.
- Business flexibility: It requires no contractual burden or reliance on suppliers, preserving critical cross-departmental (e.g., procurement and sustainability teams) and supplier business relationships and allowing for complete flexibility in sourcing decisions.

This report concludes with a strong recommendation for corporate buyers to consider the RAcc model as the foundation of their Scope 3 electricity decarbonization strategy. While other models may serve supplementary or temporary roles, the RAcc model offers the most powerful, direct, and verifiable path to to achieving such Scope 3 decarbonization targets.

[1] Mars, Renewables Acceleration program.

List of acronyms

EAC: Energy Attribute Certificate

FTE: Full-Time Equivalent

MWh: Megawatt hour

PPA: Power Purchase Agreement

RAcc: Renewables Acceleration

TCO: Total Cost of Ownership

VPPA: Virtual Power Purchase Agreement

Introduction

As corporations commit to climate targets, focus has shifted toward Scope 3, the most significant and complex portion of the corporate carbon footprint. For many companies, emissions from the value chain far outweigh their direct operational emissions, with the former being 26 times higher on average than a company's direct emissions.[2] While Scope 3 encompasses many emissions sources, this analysis focuses on supplier electricity consumption, which has become a critical lever for decarbonization. However, the path forward is complex; corporate buyers must navigate a fragmented landscape of renewable energy procurement strategies, each with its own unique cost structure, risk profile, and potential for impact.

This report provides an analysis of three prevalent strategies for corporate-led supplier renewable energy procurement. The objective is to equip corporate decision-makers with a comprehensive understanding of the costs of these models, moving beyond high-level assumptions to a detailed comparison of the real-world costs and benefits observed in the market today. To establish a standardized baseline for comparison, this analysis evaluates programs on a "fully loaded" cost-per-MWh basis. While most organizations track renewable energy procurement costs separately from program administration, this model fully integrates both up-front implementation costs and the ongoing annual administrative and operational expenses into a single metric, providing a more complete view of the true long-term costs of delivery.

[2] CDP, BCG. "Scope 3 Upstream: Big Challenges, Simple Remedies," 2024.

Renewable energy procurement scenarios

Our analysis is centered on three distinct models of supplier renewable energy procurement, derived from current industry practices and supported by a survey of 25 companies:

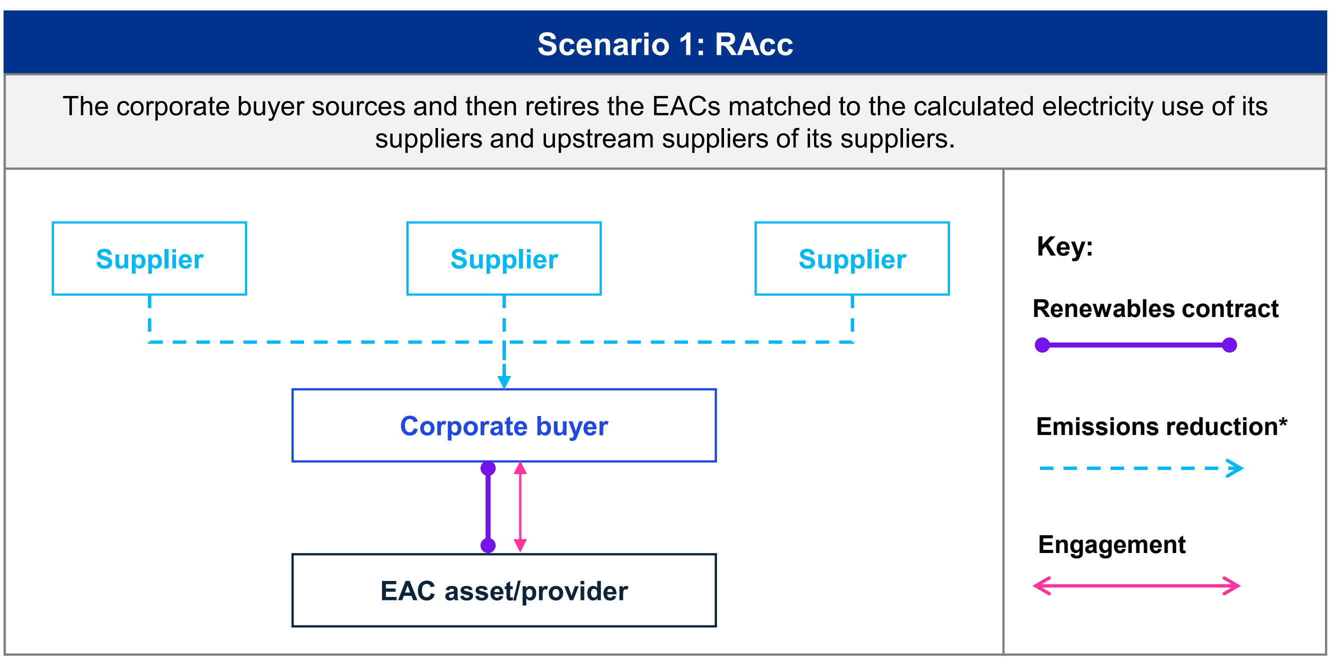
Scenario 1: The RAcc model

This scenario follows a centralized procurement model where the corporate buyer acts as the sole contracting entity. The buyer executes a large-scale renewable energy contract—e.g., a Power Purchase Agreement (PPA), Virtual Power Purchase Agreement (VPPA), or Renewable Energy Certificate strip—and applies the resulting Energy Attribute Certificates (EACs) to cover the electricity consumption of its suppliers. The corporate buyer retires certificates on behalf of their value chain, making a direct claim on the EACs to address its own Scope 3 emissions. In this model, the corporate buyer assumes the long-term financial obligations and market price risk of the EAC but guarantees reliable progress toward their decarbonization goals. This enables suppliers to avoid taking on the burden of complex renewable energy procurement, rather allowing them to focus their efforts on decarbonization initiatives that are directly within their control, such as operational energy efficiency.

For the purposes of this analysis, it is important to distinguish between the high-volume RAcc model and a smaller, pilot-scale version. This allows for a clearer comparison to other procurement approaches at various levels of investment and demonstrates the model's efficiency even at a limited scale.

The diagram illustrates the result of this centralized approach: all EACs from the project flow directly to the corporate buyer. The buyer then retires these EACs, allowing it to claim the full environmental benefits of the entire procurement volume.[3]

Figure 1. Scenario 1: RAcc Model Diagram



**Note: In this scenario, the supplier is not providing the emissions reduction, but rather the reductions resulting from the corporate buyer's procurement of renewables are being scaled to the supplier's electricity use.*

Source: Supplier Renewable Energy Procurement Report, KPMG LLP (US), 2026.

[3] Accounting for these reductions has historically been challenging due to the lack of guidance from widely recognized GHG accounting and target setting frameworks—however, the Science Based Targets Initiative Corporate Net-Zero Standard Version 2.0 as well as the Advanced and Indirect Mitigation (AIM) Platform Electricity Annex both provide guidance on how to incorporate the RAcc approach in emissions accounting and target measurement.

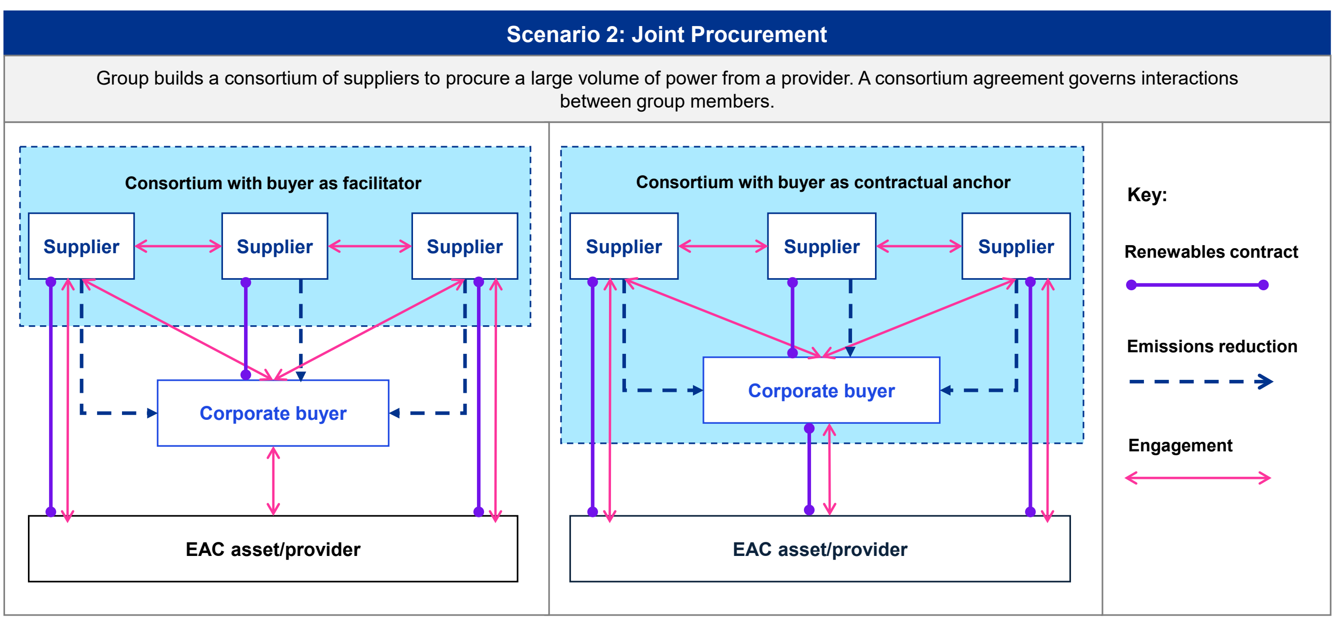
Scenario 2: The Joint Procurement model

This scenario centers on a collaborative consortium approach where the corporate buyer acts as an organizer and facilitator, bringing together a group of its suppliers to aggregate their electricity demand and jointly procure renewable energy (e.g., through shared VPPAs or PPAs). In this model, each participating supplier ultimately signs its own individual offtake contract with the developer. The corporate buyer's level of direct involvement can vary—it may act strictly as a facilitator without taking on any energy volume itself, or it may participate directly as an "anchor tenant" by signing its own offtake agreement alongside the suppliers. This anchor participation can strengthen the consortium's overall credit profile and help unlock better pricing and terms from developers.

Due to the limited survey responses captured where the corporate buyer acts as an anchor tenant, the cost model assumes the corporate buyer acts solely as a facilitator. The associated costs, therefore, reflect the administrative and coordination efforts required to manage the consortium, without including the financial commitments or risks associated with an anchor role. A deeper analysis, including the financial undertakings of an anchor role, would likely result in a different, and potentially higher, cost profile for this scenario.

In this model, the EACs are distributed among the participating suppliers, typically proportional to their negotiated share of the offtake. While the corporate buyer facilitates the deal, as the diagram shows, the EACs flow directly to the suppliers who use them to report on their procurement. In turn, the corporate buyer can report the reductions associated with the specific supplier in their Scope 3 footprint.

Figure 2. Scenario 2: Joint Procurement model diagram



Source: Supplier Renewable Energy Procurement Report, KPMG LLP (US), 2026.

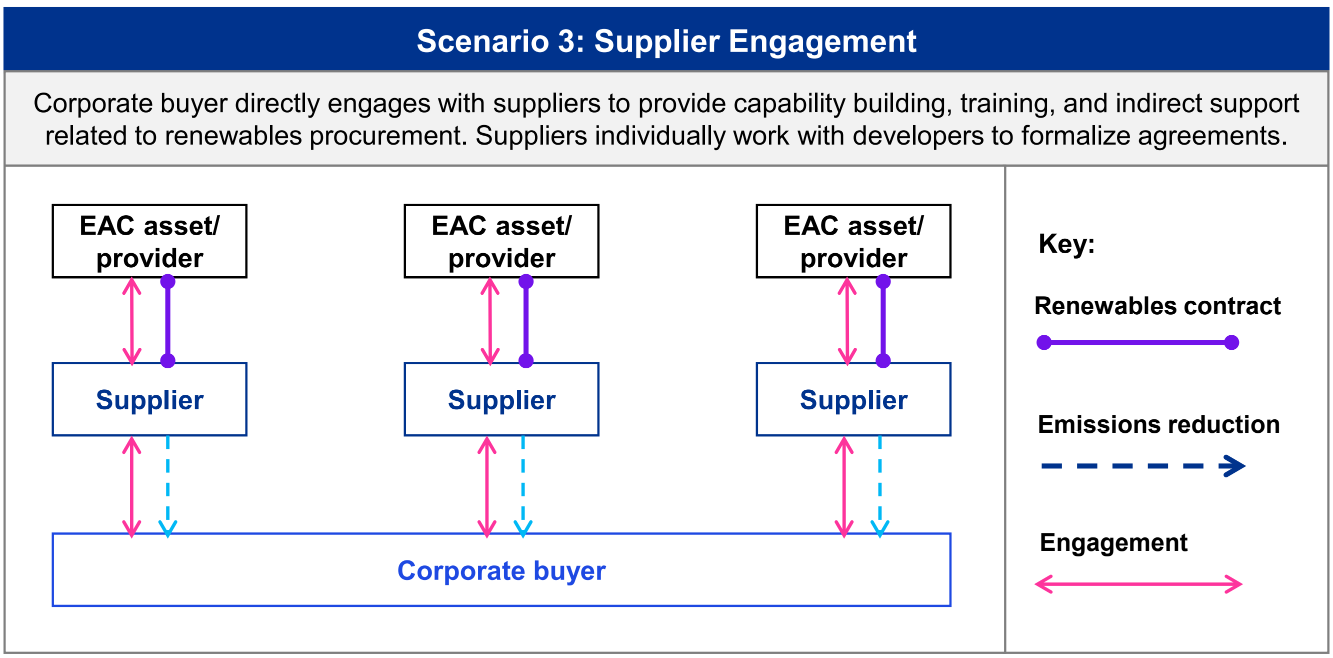
Scenario 3: The Supplier Engagement model

Supplier engagement is the most common but least direct procurement approach. In this model, the corporate buyer invests in programs designed to support suppliers in procuring their own renewable energy. However, the responsibility lies entirely with the individual suppliers, while the corporate buyer acts as a facilitator and educator but is not involved in the transaction itself.

For the purposes of this analysis, the administrative cost assumptions capture a range of activities typically conducted as part of supplier engagement programs. These include educational initiatives for suppliers (webinars, playbooks, training), capability building (technical assistance, third-party support), access to platforms (EAC and PPA marketplaces, market data), and one-to-one support to ensure suppliers are actively identifying and implementing opportunities, as well as tracking and reporting progress.

This diagram shows EACs flowing from various developers to individual suppliers. Similar to Scenario 2, when a supplier uses these EACs for the electricity consumed in its operations, it enables the corporate buyer who is encouraging and tracking these activities, to claim a reduction in its value chain emissions attributable to that supplier's activity.

Figure 3. Scenario 3: Supplier Engagement model diagram



Source: Supplier Renewable Energy Procurement Report, KPMG LLP (US), 2026.

This report dissects the costs, scalability, and measurable impact of each scenario, drawing on corporate survey data, expert input, and financial modeling to build a business case for the most impact- and cost-effective path forward and reduce barriers to adoption.

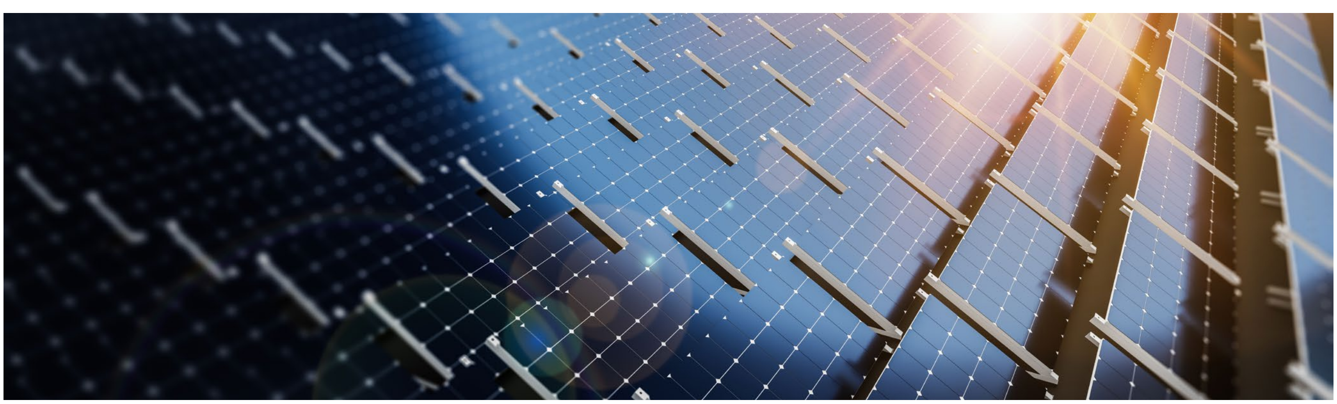


Table 1. Comparative framework of modeled scenarios

Characteristic	Scenario 1: RAcc	Scenario 2: Joint Procurement	Scenario 3: Supplier Engagement
Procurement structure	Centralized corporate buyer procures on behalf of suppliers	Corporate buyer forms a consortium of multiple suppliers to jointly procure renewable energy, either including or excluding corporate buyer	Individual suppliers procure renewable energy directly
Contract type	Single, large transaction (typically a PPA, VPPA, or EAC strip contract) between developer and corporate buyer	Single, shared VPPA or PPA negotiated collectively across multiple individual offtake contracts from each consortium participant	Small, fragmented transactions individually driven by each supplier; model assumes EAC purchases
Contracting parties	Individual contract between developer and corporate buyer	Individual but jointly negotiated contracts between developer and suppliers (and corporate buyer, if also an offtaker)	Individual contracts between developer(s) and suppliers
Corporate buyer participation	Direct engagement with developer, supplier engagement optional but beneficial	Organize suppliers and either engage directly or coordinate with developers to facilitate procurement process	Capability support to suppliers and no engagement with developers
Supplier participation	Limited to none, as credit and contracting is handled by corporate buyer	High, as it involves supplier credit checks, negotiations, and participation in consortium governance	High, as suppliers need creditworthiness and expertise to negotiate contracts
Developer participation	Works directly with corporate buyer, who is presumably an experienced offtaker and familiar with contracting approaches, incentivizing developer participation	Complex processes may reduce the developer pool and/or be priced into the contract	Work directly with several individual suppliers assuming individual supplier demand meets thresholds; may reduce developer pool due to relative immaturity of supplier buying capabilities and potential financing challenges
Risk profile	Corporate buyers assume full financial obligation and market price risk; suppliers have minimal or no exposure	Risk shared among consortium members (and buyer, if included)	Suppliers bear full market and credit risk

Analysis and calculation approach

The quantitative foundation of this comparative analysis is built on a proprietary survey designed to capture the total cost of ownership (TCO) for each procurement model. To enable a meaningful comparison across diverse strategies, the analysis evaluates two primary cost categories: procurement costs and administrative costs.

To provide a long-term, levelized view of program costs, this analysis employs a cost amortization approach, spreading all significant up-front administrative costs over a 10-year benefit period. While the total procurement cost in all scenarios is fundamentally driven by the volume of energy procured (in MWh), the administrative cost structures differ significantly. For the Joint Procurement and Supplier Engagement models, administrative costs are highly variable, scaling with both the number of suppliers engaged and the overall procurement volume, which could increase or decrease in any given year.

Procurement costs

Procurement costs represent the direct financial expenditure required to secure the EACs.

To ensure a standardized comparison across varying market conditions, a tiered baseline cost was established. Rather than relying on highly variable, project-specific cost per MWh pricing, the model utilizes an expert-informed market price. Specifically, the model assumes a baseline cost of $3/MWh for large-scale transactions, and $5/MWh for smaller-volume transactions. By using a constant energy price, the analysis can focus on the cost-efficiency of each model by removing the influence of market timing on price fluctuations.

A key clarification on the scope of this analysis is the treatment of direct procurement costs for the Joint Procurement and Supplier Engagement scenarios. This model intentionally includes the costs that suppliers incur to procure the energy itself, despite these not being a direct administrative cost to the corporate buyer's program budget. This is because these costs are ultimately passed on to the corporate buyer indirectly through increased prices for products and services. Including them ensures a more accurate and comprehensive view of the true, long-term costs of these models to the buyer.

See Appendix II for further details regarding cost estimates and volume thresholds.

Administrative costs

Administrative costs capture the internal resource needs and external investments required to design, execute, and manage the procurement program. The model calculates these costs across two subcategories:

- **Internal resource costs:** The survey captured the organizational effort required for program management, supplier capability building, and legal review in full-time equivalents (FTEs). These inputs were monetized using standardized, fully burdened salary assumptions to establish a consistent financial baseline for internal effort.
- **External and third-party support:** The model captures the direct capital expenditures required to execute the strategy, including fees for external legal counsel, specialized transaction advisors (i.e., consulting), project due diligence, and ongoing third-party assurance and performance tracking.

By combining the standardized procurement costs with the amortized internal and external administrative burdens, the model generates a "fully loaded" cost-per-MWh for the EACs in each scenario. This fully loaded" metric ensures that all long-term program management, assurance, and operational overheads are factored directly into the ultimate cost of each clean energy attribute.

See Appendix II and Appendix III for a detailed breakdown of all calculations, assumptions, and data normalization techniques.

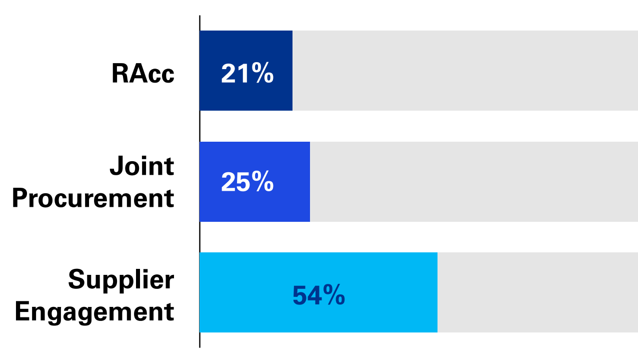
Key findings and analysis results

The results of this analysis reveal a critical, yet frequently overlooked, dimension of renewable energy procurement: the impact of administrative overhead on a per-megawatt-hour ($/MWh) basis. Historically, corporate buyers have tracked program management and energy procurement as entirely separate budgets, leaving a major blind spot regarding the true, levelized cost of delivery. By calculating these "fully loaded" costs, this analysis delivers a striking finding: In certain decentralized or low-volume scenarios, the administrative overhead per MWh actually exceeds the baseline market cost of the clean energy attributes themselves. This means corporate buyers may unwittingly spend more on program administration than on the actual clean energy they are procuring.

An inefficient market dominated by an unmeasurable strategy

Our analysis of the corporate-led supplier renewable energy procurement landscape reveals a fundamental disconnect between current market practices and optimal strategies. While most of our survey respondents (54 percent) are still pursuing traditional Supplier Engagement, our findings conclusively show that this model is outperformed by centralized, buyer-led approaches in nearly every aspect. The data shows stark contrasts in financial efficiency, scalability, and operational complexity across the three models, with the most structured approaches delivering exponentially better returns.

Figure 4. Primary procurement strategy selected by respondents



The data consistently reveals that the financial, operational, and strategic trade-offs between these models are significant. The following sections provide a detailed analysis of each procurement strategy, comparing not only their fully loaded cost-per-MWh but also their relative speed, scalability, and administrative complexity. This analysis incorporates crucial, real-world factors such as the ease of execution from a developer's perspective, the path to achieving Net Zero, and the degree of business and supplier flexibility each model affords the corporate buyer.

The following table shows the average costs per MWh found in our analysis, which will be further explored in detail throughout this section:

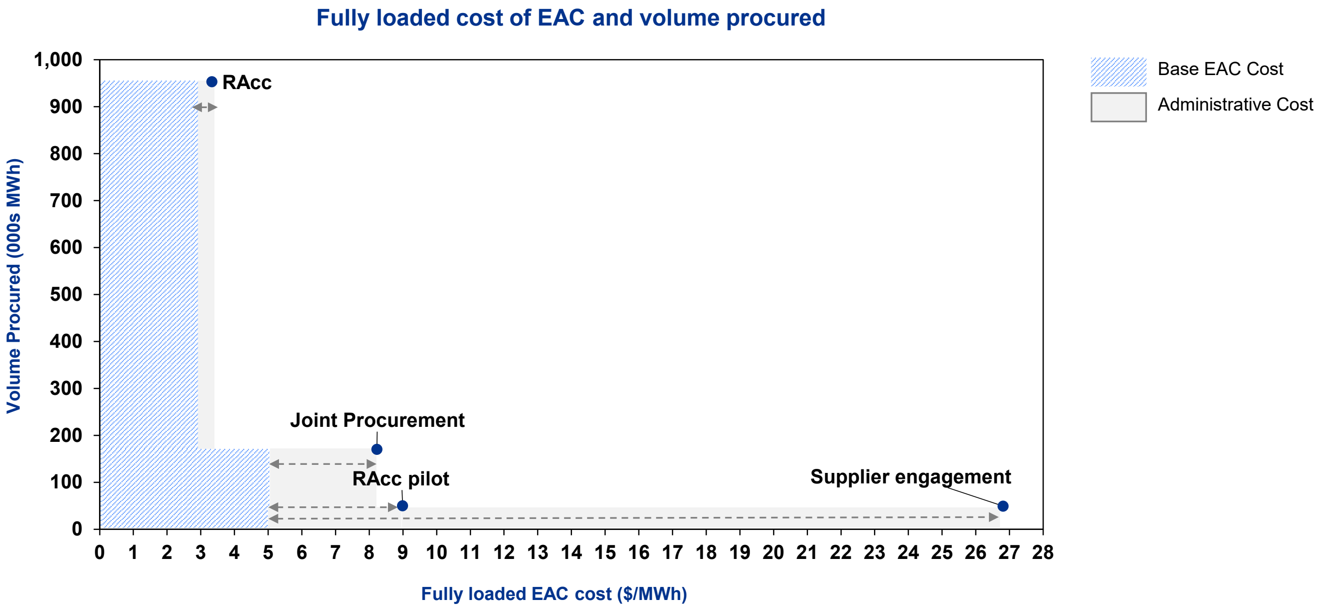
Table 2. Total average costs per unit ($/MWh) by scenario

Scenario	Fully-Loaded Cost per MWh*
Scenario 1: RAcc	$3.33
Scenario 2: Joint Procurement	$8.23
Scenario 3: Supplier Engagement	$26.81
RAcc pilot (low volume)	$8.99

*Captures amortized costs over a 10-year period

From cost to impact: A detailed analysis of procurement strategies

Figure 5. Relationship between cost of EACs ($/MWh) and volume procured (MWh)



Note: The points on this chart represent the average fully loaded cost and volume for each of the four modeled scenarios based on survey data. The shaded areas and arrows are for illustrative purposes to indicate the general relationship between administrative overhead and procurement volume, and should not be interpreted as definitive thresholds between categories.

The RAcc model: Combination of efficiency, scalability, and impact

The RAcc model stands out as the most efficient and scalable solution. The survey data perfectly illustrates this principle: administrative costs are largely fixed, meaning the cost per MWh drops significantly as procurement volume increases.

The mature, large-scale Mars RAcc project serves as a clear example of this model's potential, achieving a fully loaded cost of $3.33/MWh when administrative costs are amortized over the 953,000 MWh volume. In contrast, the analysis looked at pilot-scale RAcc projects (50,000 MWh), meant to demonstrate the proportional benefits that can be achieved through RAcc with minimal initial complexity. Even at the smaller scale, the RAcc model proved its effectiveness, with an average fully loaded cost of $8.99/MWh.

This highlights that while the RAcc model is structurally efficient, its full economic power is only unlocked at scale. It is critical to note that there is no definitive MWh threshold or set volume where the full benefits of RAcc are realized. Rather, companies can start with a manageable volume and incrementally scale their investment as the program matures, allowing them to achieve greater cost efficiencies along the way.

Unlike other models where administrative costs grow with each new participant, RAcc consolidates these into a single, fixed administrative cost. This structure allows for powerful cost amortization: As procurement volume increases, the fixed administrative burden per MWh diminishes significantly.

Beyond its cost-efficiency, the RAcc model delivers several strategic advantages that the other models cannot. Its centralized structure allows for much faster execution than a complex Joint Procurement, which can take years to negotiate. Furthermore, because suppliers are not contractual parties, the buyer gains complete value chain flexibility, as the supplier base can change without impacting the energy contract and subsequent carbon reduction benefits. Finally, by covering the electricity use of suppliers or downstream customers and consumers deep in the value chain, the RAcc model is the only strategy analyzed that provides a viable and scalable path to achieving Net Zero for Scope 3.

Joint Procurement: A step toward measurable impact, but at a high administrative cost

The Joint Procurement model, which combines the electricity demand of multiple suppliers, offers a more direct path to measurable outcomes. The data shows a relatively consistent cost-per-MWh across the totals for each survey participant, suggesting that when a joint transaction is successfully executed, the cost outcomes are also more predictable.

However, these predictable outcomes come at the cost of significant administrative burden and increased risk. The primary drawback of the Joint Procurement model is the complexity of managing multiple legal workstreams, aligning commercial terms, and satisfying the credit requirements of each individual supplier. This creates three critical barriers that are not present in the RAcc model:

High administrative delays

Anecdotal feedback from survey respondents highlighted that the "herding cats" nature of aligning a consortium can extend procurement timelines to 18 months or more. This process also exposes the risk of suppliers withdrawing before the contract is complete, leading to significant wasted effort and sunk costs for the corporate buyer.

Systemic risk and supplier burden

The model's structure introduces significant risk for both developers and participants. To secure financing, developers must underwrite the credit risk of multiple, potentially non-investment-grade suppliers. This often forces suppliers to secure costly letters of credit, which inhibit participation. Additionally, if a single supplier defaults, then it can jeopardize the entire consortium's standing with the developer, cause significant issues with certificate allocation and retirement, and simply impact the overall success of the project.

Limited scalability

The administrative costs severely constrain the model's potential for scale. Survey respondents reported engaging an average of only five suppliers per project. More importantly, the Joint Procurement model is structurally limited to covering the direct electricity use (Scope 2) of participating Tier 1 suppliers. It cannot be extended further up or down the value chain, making it an insufficient strategy for achieving a comprehensive Net Zero goal for Scope 3 emissions.

While Joint Procurement can be a viable tool for specific, small-scale consortiums, its inherent complexity, high administrative burden, and limited scope make it a less scalable and strategically inferior alternative to the centralized RAcc model.

Supplier Engagement: An indirect path to meaningful progress

The Supplier Engagement model is currently the most widely adopted strategy in the market. Its popularity is understandable, as it allows corporate buyers to signal action on supply chain emissions without assuming direct financial obligations or contractual risk for renewable energy projects. However, our analysis reveals a paradox at the core of this approach: It demands significant internal investment while failing to guarantee, or even measure, meaningful progress.

The most critical flaw exposed by the survey data is an inability for corporate buyers to track outcomes. Of the respondents utilizing the Supplier Engagement strategy, the majority were unable to quantify the MWh of renewable energy procured by their suppliers as a result of their efforts. Responses regarding impact were frequently noted as "unknown," "not tracked," or relied on estimated aggregate supplier commitments rather than verified contracts. Of the 11 respondents who provided qualitative data on procurement success, 7 (64 percent) noted that fewer than 5 percent of their engaged suppliers successfully executed a renewable energy transaction within a 12-month period.

While the outcomes are difficult to measure, the costs are not. The model requires heavy, ongoing investments in dedicated FTEs, supplier capability-building, and external consulting, averaging approximately $500,000 annually among survey respondents. To calculate the true cost-efficiency, our model amortizes this high administrative spend over the small, estimated volume of successfully procured MWh and adds the baseline cost of the energy attribute ($5.00/MWh), which is assumed to be passed on from the supplier to the buyer through the product or service pricing. This results in a total estimated fully loaded cost of $26.81/MWh, making Supplier Engagement by far the most expensive and least efficient option evaluated.

Additionally, this model creates significant systemic inefficiencies by shifting the burden of procurement onto individual suppliers. These suppliers often lack the scale, creditworthiness, and expertise to execute complex energy deals efficiently. This not only inhibits supplier participation but also means they face higher costs for project due diligence and legal negotiation—all leading to a suboptimal use of limited resources for decarbonization and an unpredictable and unmeasurable path to decarbonization for corporates. While the additional supplier-side administrative costs are not reflected in the cost-per-MWh figure, they can represent a real effort drain on the supply chain.

Table 3. Comparative summary of findings by procurement model

● Best performance
● Midrange performance
● Poorest performance

	RAcc	Joint Procurement	Supplier Engagement
Cost-effectiveness ($/MWh)	Best	Midrange	Poorest
Internal FTE requirements	Best	Midrange	Poorest
Speed-to-impact	Best	Best	Poorest
Flexibility	Best	Midrange	Poorest
Scalability (potential for NZ)	Best	Midrange	Poorest
Developer ease and attractiveness	Best	Poorest	Best
Operational complexity	Best	Poorest	Poorest
Data reliability	Best	Best	Poorest
Market adoption rate	Poorest	Midrange	Best
Risk management	Best	Midrange	Poorest

Note: For further context on the ratings presented in the above table, see Appendix IV.

Comparing Scenarios: The impact of scale

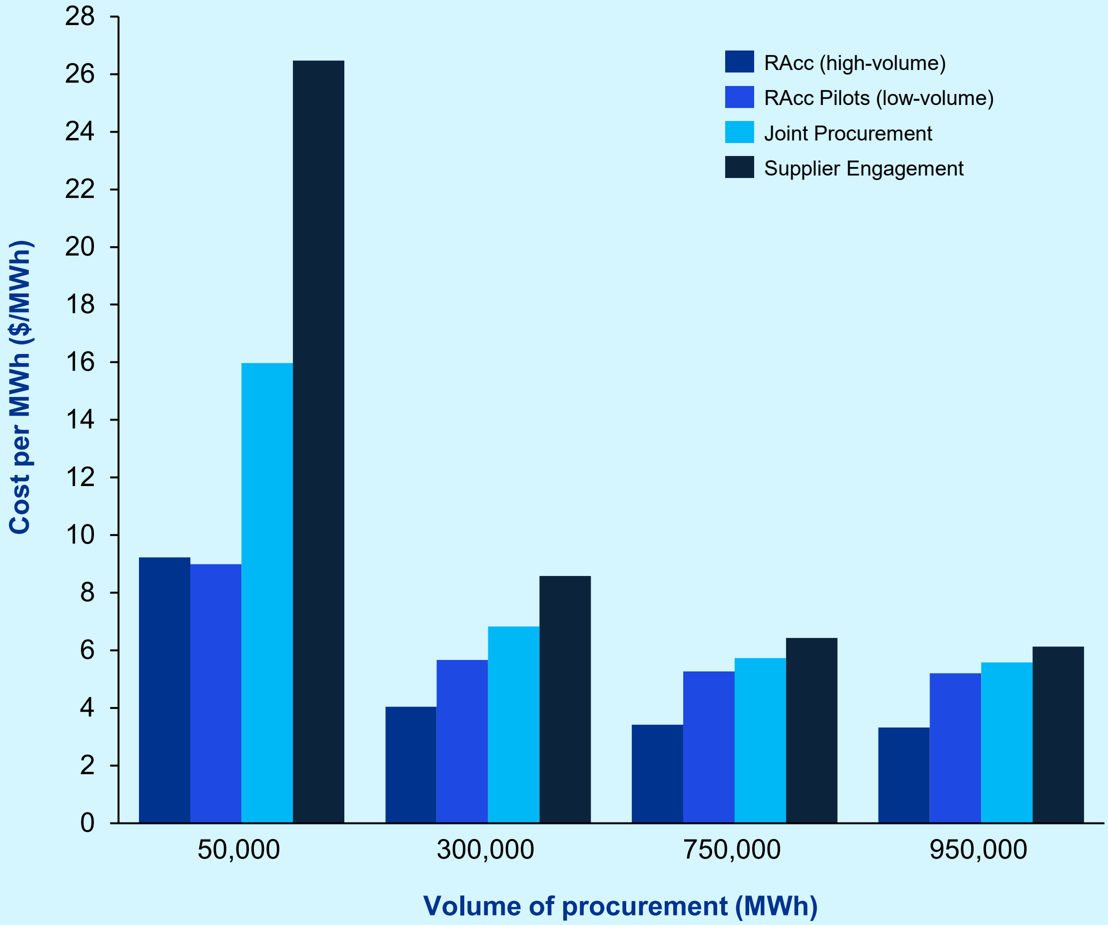
To ensure a true "apples-to-apples" comparison, a normalization exercise was conducted, evaluating the fully loaded cost of each scenario across identical procurement volumes. The resulting data reveals that the cost differentials between scenarios are extremely wide at lower levels of procurement, and narrow as total procurement grows. This emphasizes the significant role volume plays on the cost per MWh, as well as the administrative benefits of approaches that allow for large-scale aggregation.

Specifically, this normalization highlights interesting learnings:

- At the lowest procurement volume tested (50,000 MWh), the cost disparities across the three procurement models are most evident. In a direct comparison at this volume, a purpose-built RAcc pilot proves to be the most cost-effective option at $8.99/MWh, significantly outperforming both Joint Procurement ($15.97/MWh) and Supplier Engagement ($26.47/MWh).
- Interestingly, the analysis also shows that a streamlined RAcc pilot program can be slightly more cost-efficient at low volumes than a mature, high-volume RAcc program that is scaled down. This is because a pilot requires less complex administrative setup, resulting in lower amortized overhead. This addresses the distinction between the two RAcc bars shown at the 50,000 MWh level.
- While the cost gap narrows, Joint Procurement and Supplier Engagement appear to become more cost-competitive as volumes scale. However, these numerical projections do not account for the massive operational complexities, lack of impact guarantees, and hidden risk profiles that these decentralized models introduce.
- It is critical to note that achieving the higher procurement volumes (e.g., 750,000 MWh and above) that make these models appear more efficient is structurally unfeasible if a program is limited to engaging only Tier 1 suppliers. The RAcc model is the only strategy analyzed that provides a viable path to the scale required for true cost leadership, as it is designed to cover electricity use deep within the value chain.

Considering these results from a fixed budget perspective (e.g., "How do we stretch a $1,000,000 investment to achieve the greatest impact?"), the structural superiority of RAcc is further emphasized. The RAcc model consistently directs the highest percentage of every dollar spent directly toward acquiring clean energy attributes rather than administrative overhead. This efficiency ensures that corporate investment is maximized for actual environmental impact, meaning dollars go directly into renewable energy generation, and not program management.

Figure 6. Normalized procurement volumes across scenarios



Note: This graph illustrates a normalization exercise, modeling the fully loaded cost per MWh for each procurement scenario at four distinct procurement volumes. The costs for each scenario are calculated based on the aggregated survey data from multiple respondents. For a detailed breakdown of the survey respondent sample size for each scenario, please see Table 4 in Appendix I.

Conclusion and recommendations: A clear path forward

For corporations committed to achieving Scope 3 decarbonization targets, the RAcc model represents the most advanced, efficient, and reliable procurement strategy available today. This same principle can be extended to other environmental commodities beyond electricity, making the RAcc's centralized framework a blueprint for scaling investments in other value chain decarbonization opportunities, such as transport and industrial processes. Ultimately, this analysis demonstrates that the structural design of a renewable energy procurement program impacts the efficiency of a corporation's sustainability investment. By evaluating options through the lens of "fully loaded" costs, the structural superiority of the RAcc model becomes clear.

The findings of this report clearly expose the limitations of prevailing strategies:

- **The measurement deficit of Supplier Engagement:** Despite being the most widely adopted approach, Supplier Engagement is fundamentally flawed by its inability to guarantee or measure impact. It operates as an "effort drain," forcing buyers to invest heavily in programmatic overhead for an uncertain, often unquantifiable return, yielding the highest average cost of $26.81 per MWh.
- **The systemic inefficiency of Joint Procurement:** While Joint Procurement offers a path to verifiable impact, it does so at an unsustainable administrative cost. By requiring every participating supplier to navigate complex legal and credit hurdles, the model creates significant system-wide friction, limiting its scalability and extending its time-to-execution.

The RAcc model directly solves these market failures by decoupling sustainability progress from supplier procurement capability. By centralizing the legal, financial, and administrative burdens with the corporate buyer, the RAcc model achieves three critical advantages:

- **Unparalleled cost efficiency at scale:** By amortizing the fixed costs of due diligence and legal negotiation over a massive, aggregated volume of energy, mature RAcc programs can achieve market-leading efficiencies as low as $3.33/MWh.
- **Structural superiority at any size:** Even at smaller pilot scales, the RAcc model outpaces Joint Procurement by securing competitive pricing at a fraction of the required volume, while offering faster execution and eliminating the need to rely on multiple stakeholders to achieve progress.
- **Maximum business flexibility:** The RAcc model does not require suppliers to sign long-term, complex contracts, removing the risk of "supplier lock-in" and allowing procurement teams to maintain absolute flexibility in their sourcing decisions.

Recommendation

This report strongly recommends that corporate buyers consider integrating the RAcc model as a central pillar of their Scope 3 decarbonization strategy. While Supplier Engagement may remain useful for foundational education, and Joint Procurement may serve specific niche consortiums, neither will alone offer a scalable, measurable path to Net Zero.

The RAcc model offers the most powerful, direct, and verifiable method for achieving climate goals. By centralizing risk and leveraging corporate scale, it provides a clear return on investment (ROI) and establishes a new standard for leadership in value chain decarbonization.

Appendix

Appendix I. Data collection approach

Survey design and target population

The quantitative foundation of this comparative analysis is built on a proprietary survey designed to capture the real-world costs, resource requirements, and outcomes of corporate-led supplier renewable energy procurement programs. The survey was specifically distributed to corporate buyers across various sectors and company sizes who were actively adopting one or more of the renewable energy procurement strategies analyzed in this study.

To build a thorough TCO profile for each procurement model, the survey was structured to collect specific data points across four critical dimensions:

- **Internal resources:** The number of FTEs for the program set up across various internal departments (e.g., sustainability, procurement, legal, and finance)
- **External program support:** Capital expenditures related to third-party support, specifically external and/or local legal counsel, specialized consulting, and project due diligence and assurance (where applicable) fees
- **Scale of procurement:** The number of suppliers successfully engaged or contracted, and the total volume of procurement measured by MWh of renewable energy as a direct result of the program
- **Program performance:** Other program costs related to measuring, verifying, and tracking performance.

The survey employed a branching logic design, where corporate buyers first identified their primary supplier renewable energy procurement strategy and subsequently answered a series of targeted questions specific to that selected approach. This methodology ensured that respondents provided detailed, relevant information about their actual implementation experience.

Data collection process and timeline

The survey development and distribution process was conducted by KPMG in collaboration with Mars, a leading manufacturer and corporate buyer recognized for their expertise in supplier renewable energy procurement. This collaborative approach served multiple strategic purposes: leveraging industry expertise in survey design, helping ensure the questionnaire addressed real-world implementation challenges, and facilitating access to a network of peer organizations actively engaged in these procurement strategies.

Data quality control and validation

To help ensure the integrity and reliability of the survey responses for subsequent financial modeling and comparative analysis, a validation process was undertaken that included several key components:

- **Data completeness:** Each survey response underwent systematic review to identify gaps in the data that would compromise the accuracy of the cost estimates.
- **Outlier identification:** Responses were analyzed for outliers or data points that appeared inconsistent with the broader response dataset, prompting additional validation or estimates where necessary.
- **External validation:** Where respondents chose not to remain anonymous, publicly available sources were utilized to validate the reported data points.
- **Consistency checks:** Survey responses were reviewed for internal logical consistency, helping ensure that reported outcomes aligned with stated program investments and resource allocations.

Following this quality control process, responses with significant missing financial data were excluded from the analysis to maintain the credibility of the comparative analysis. Where certain outliers or gaps existed, assumptions were applied to support the robustness of the study. See Appendix I for specific details on assumptions.

Table 4. Completeness of survey responses

	Complete	Partial	Incomplete	Total responses	% total
Scenario 1: RAcc	4	1	0	**5**	**20%**
Scenario 2: Joint Procurement	4	2	0	**6**	**24%**
Scenario 3: Supplier Engagement	9	4	1	**14**	**56%**
Total responses	**17**	**7**	**1**	**25**	**100%**
% total	**68%**	**28%**	**4%**	**100%**	

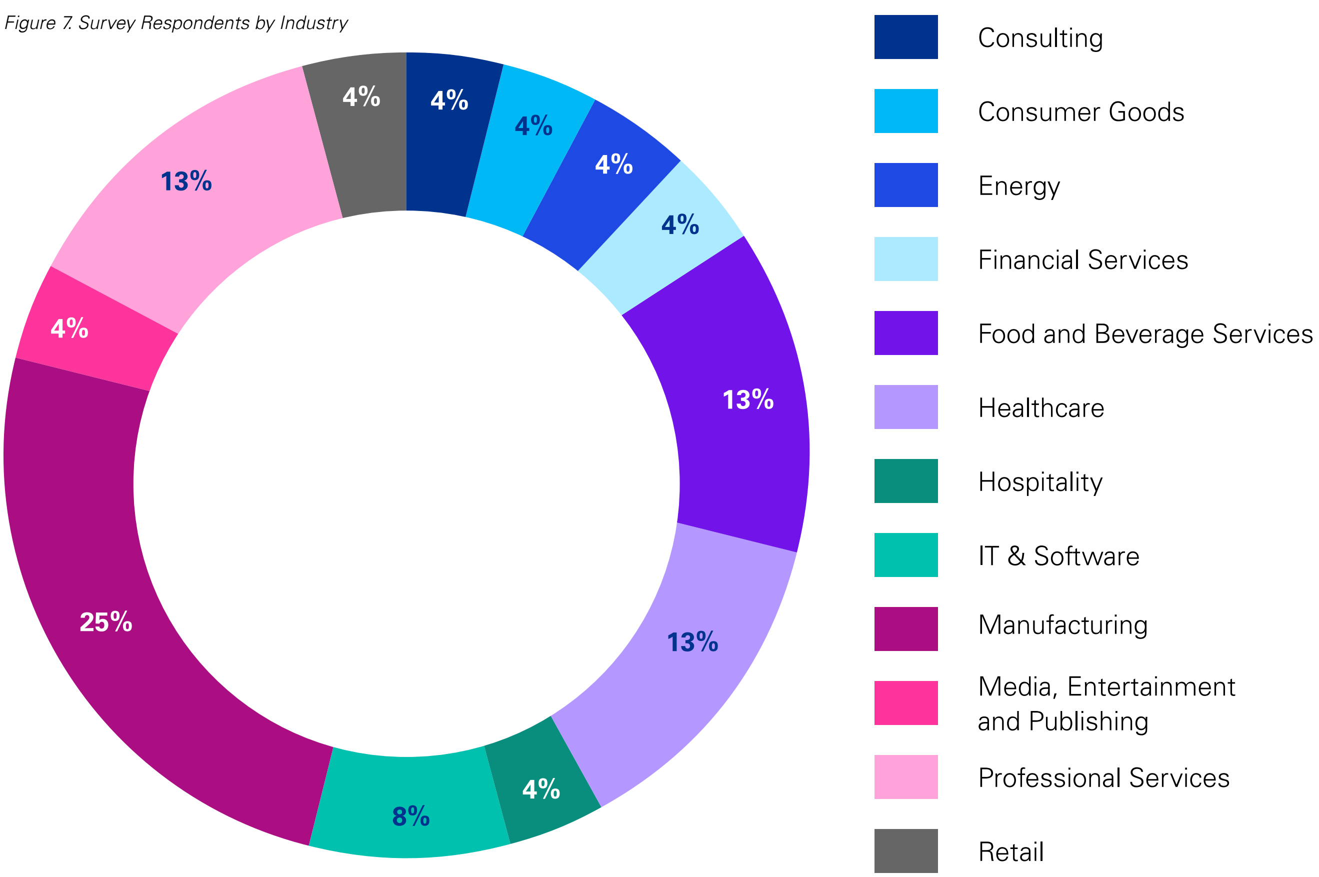
Response rate and representativeness

The survey achieved a total response rate of 25 submissions from corporate buyers representing a diverse cross-section of industries and company sizes. To help ensure the integrity of comparative financial modeling, the data cleaning and validation process resulted in 19 responses being deemed sufficiently complete and robust for the quantitative cost analysis that forms the foundation of this report's key findings. Six submissions were considered incomplete and thus excluded from the analysis and figures. The respondent pool demonstrated strong representation across multiple dimensions:

Industry diversity

Responses spanned key sectors including Manufacturing (23 percent), Food and Beverage (12 percent), and Healthcare (12 percent), among others, providing insights across different value chain contexts and procurement challenges.

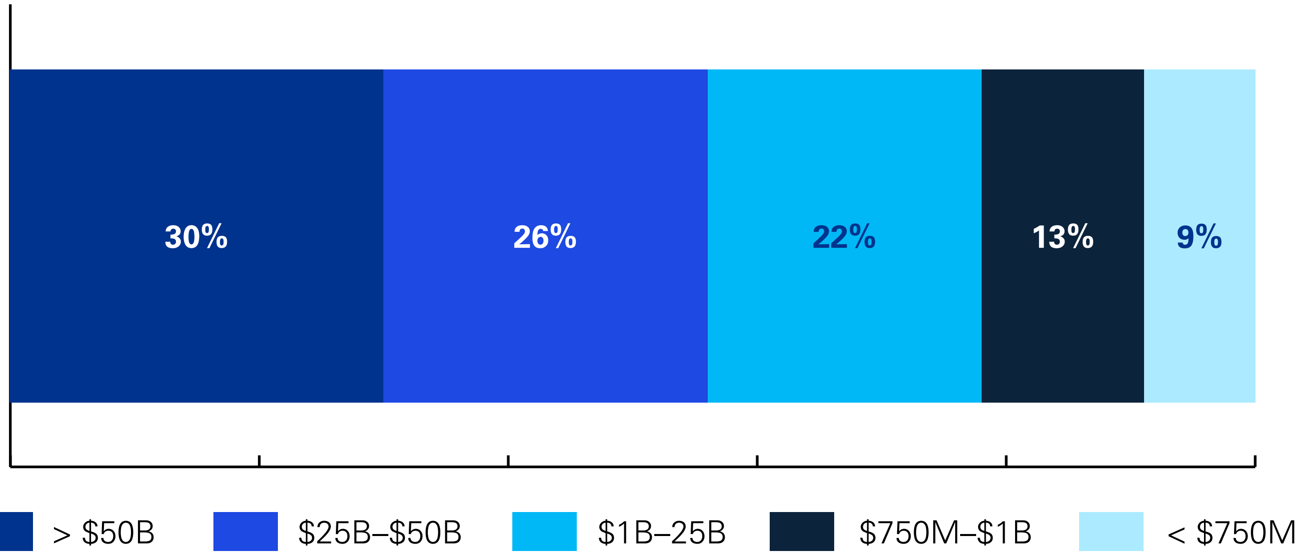
Figure 7. Survey Respondents by Industry



Company size

The survey captured perspectives from organizations with significant purchasing power and complex global value chains. Over half of the respondents represented companies with annual revenues exceeding $25 billion, including 30 percent with revenues greater than $50 billion and 26 percent with revenues between $25 billion and $50 billion.

Figure 8. Survey respondents by company size (annual revenue, $)



Note: The survey was administered with strict confidentiality protocols to encourage candid responses about procurement costs, challenges, and outcomes. Respondents were provided the option to remain anonymous, with survey distribution managed through the corporate partner to maintain this anonymity while ensuring data integrity.

Appendix II. Analysis and calculation methodology

This section outlines the calculation approaches used to enable meaningful comparison across the three renewable energy procurement models. The methodology was designed to address the inherent challenges of comparing diverse procurement strategies with varying cost structures, resource needs, and data availability.

Procurement cost calculation

Procurement costs represent the direct energy-related expenses for securing renewable energy contracts or certificates. To enable consistent comparison across different market conditions and contract timing, a standardized approach was applied:

- **Base procurement cost:** A standard cost of $5.00 per MWh was applied across all non-RAcc scenarios, based on expert input regarding typical EAC and renewable energy contract pricing in the current market. Note: Additional assumptions were applied on top of the starting base procurement cost. See "Procurement Cost assumptions, cost of EAC" section below.
- **Volume discount application:** A 5 percent volume discount was applied to procurement costs for the RAcc and Joint Procurement models to reflect the pricing benefits typically available through aggregated demand. This discount recognizes the greater negotiating power and reduced transaction costs per MWh when procuring larger volumes.

Procurement cost calculation:

Procurement costs *= (Survey-reported MWh volume) × ($5.00/MWh) × (Volume discount factor)*

Administrative cost calculation

Administrative costs capture the internal labor and external support investments required to implement and manage each procurement approach. This methodology combines standardized internal cost assumptions with directly reported external expenses.

Internal resource costs

Survey respondents reported their internal resource allocation in FTEs across different organizational functions during program setup. These FTE allocations were converted to dollar amounts using standardized salary assumptions:

- **Internal team capability building/program management:** $100,000 annually
- **Supplier capability building (where applicable):** $100,000 annually
- **Internal legal counsel:** $150,000 annually

Internal costs calculation:

Internal costs *= (Reported FTEs × Corresponding salary assumption)*

External support costs

External expenses for consultants, legal counsel, and other third-party support were incorporated directly from survey responses as absolute costs reported by respondents. This approach captures the actual market pricing for specialized services without applying additional assumptions.

Total administrative cost calculation:

Total administrative costs *= Internal resource costs + External support costs*

Cost-per-unit of procurement calculation

The primary metric for comparing procurement costs in this analysis is the fully loaded $/MWh, which provides a standardized measure of cost-efficiency that accounts for both total investment and procurement scale. This approach enables direct comparison across different models regardless of program size or company context.

Fully loaded $/MWh calculation:

Cost per MWh *= (Total Procurement costs + Total amortized administrative costs) ÷ Total MWh procured*

This metric reflects not only the absolute investment required, but also the cost-efficiency of that investment relative to the renewable energy volume achieved, providing insights into which models deliver the most value per unit of procurement.

Administrative cost amortization and averaging

To establish a representative baseline for administrative overhead, the model first calculates the average up-front and recurring administrative costs reported by respondents within each scenario. Using these averages, up-front investments are then amortized to levelize costs over the lifespan of the initiative.

Annual amortized administrative cost calculation:

Amortized admin costs *= (Average up-front respondent costs ÷ 10-year amortization period) + Average recurring annual respondent costs*

By calculating the average respondent costs first and then amortizing the up-front expenses over a 10-year benefit period, the model helps ensure that short-term setup spikes do not disproportionately distort the long-term, levelized cost profile of each procurement scenario.

Appendix III. Model assumptions and limitations

This analysis relies on a financial model informed by survey data, expert interviews, and standardized assumptions. The following section details the boundaries, assumptions, and limitations of the model to provide transparency into the report's findings.

A focus on corporate buyer costs

A primary boundary of this study is its intentional focus on the direct, programmatic costs incurred by the corporate buyer. The model does not quantify costs borne by other parties, such as suppliers, developers, or financial institutions. While these "systemwide" costs are excluded from the quantitative analysis, they have a significant real-world impact on the feasibility and true cost of each scenario and are discussed qualitatively below.

Data sources and standard modeling assumptions

- **Data source and quality:** The analysis is based on a proprietary survey of 25 companies. After data cleaning for completeness and consistency, 19 responses were deemed sufficiently robust for quantitative modeling. This sample size should be considered indicative rather than statistically definitive.
- **Modeling of data gaps:** To handle the challenge of incomplete or ambiguous survey responses, a systematic approach was developed to estimate missing values while maintaining analytical integrity. Depending on the specific cost category and procurement scenario, various techniques were employed. These methods included using the average of peer responses to fill gaps within a scenario, applying standardized rules to convert qualitative ranges (e.g., "less than $100,000") into numerical inputs, and developing proxy calculations for variables that could not be directly reported by respondents. This approach helped ensure a complete and comparable dataset across all three models.
- **Scenario simplification (Joint Procurement):** The report combines two distinct Joint Procurement approaches ("suppliers only" and "corporate buyer as anchor") into a single archetype. This was necessary due to the limited number of survey responses for each variation but may mask nuanced cost differences between the two approaches.

Procurement cost assumptions

Procurement costs represent the direct, energy-related expenses for securing renewable energy for the value chain. To help ensure a standardized and fair comparison across all three scenarios, the following assumptions and methodologies were applied.

Table 5. Procurement cost inputs

			Scenario assumptions		
Cost category	**Input type**	**S1: RAcc**	**RAcc Pilot**	**S2: joint Procurement**	**S3: supplier Engagement**
Corporate buyer offtakers	Assumption	1	1	1	n/a
Number of supplier offtakers	Survey input	—	—	—	—
Number of contracts with developer	Assumption	1	1	1	n/a
Supplier volume covered	Survey input	—	—	—	—
Cost of EAC	Assumption	$3/MWh	$5/MWh	$5/MWh	—
Volume discount	Assumption	-5%	-5%	-5%	n/a

Input key: numeric value = constant = variable survey = not applicable to scenario

Assumption details

Corporate buyer offtakers

This input represents the primary corporate entity initiating the procurement strategy. For modeling purposes, this was held constant at one across the RAcc and Joint Procurement joint procurement scenarios, as both models are predicated on a single corporate buyer leading the effort. This input is not applicable (n/a) to the Supplier Engagement model, as the corporate buyer does not act as an offtaker.

Number of supplier offtakers

This input, derived from survey responses, can be a critical differentiator between the models:

- RAcc: While suppliers in the RAcc model are not direct contractual offtakers, the number reflects the count of suppliers whose electricity consumption is being addressed by the central PPA. Where respondents did not provide a number, a conservative assumption of three was used.
- Joint Procurement: All respondents in this scenario provided a specific number of participating suppliers in the survey.
- Supplier Engagement: Where respondents did not provide a specific number of engaged suppliers, the average of the values reported by other respondents in this scenario was used to fill data gaps.

Numberof contracts with developer

This assumption reflects the contracting structure of each scenario:

- RAcc: This is fixed at one, representing the single, large-scale PPA negotiated between the corporate buyer and the energy developer.
- Joint Procurement: While multiple parties sign individual offtake agreements, this is modeled as one central contract negotiation.
- Supplier Engagement: This is not applicable (n/a) from the buyer's perspective, as each supplier independently pursues their own separate contracts with various developers.

Supplier volume covered

This input was collected from the survey and represents the volume of renewable energy procured. Due to inconsistencies in how data was provided, the following handling rules were applied to convert responses into single numerical inputs:

- For ranges (e.g., "50,000–100,000 MWh"), the lowest value of the range was used to avoid overestimating based on external examples of typical program scales.
- For "less than" responses (e.g., "<$100,000"), a 25 percent reduction from the threshold value was applied (e.g., $75,000).
- For "greater than" responses (e.g., ">$100,000"), a 25 percent increase above the threshold value was applied (e.g., $125,000).
- Where respondents provided an exact numerical value, that value was used directly.

For the Supplier Engagement model, a separate estimation methodology was required due to a complete lack of verifiable MWh data from survey respondents. To enable a comparative cost-per-MWh analysis, a proxy volume was calculated using the following standardized assumptions:

- **Supplier count:** Based on qualitative survey feedback indicating an average 5 percent supplier success rate, a standardized assumption of "five successfully engaged suppliers" was used to fill data gaps for this scenario.
- **Standard supplier load:** A conservative load of 10,000 MWh was assumed for each successfully engaged supplier.
- **Calculation:** The total estimated volume for the Supplier Engagement model was therefore calculated by multiplying the assumed number of successful suppliers (five) by the standard supplier load (10,000 MWh), resulting in a proxy volume of 50,000 MWh.

Cost of EAC ($/MWh)

This represents the foundational cost of the renewable EAC. Based on expert interviews and current market analysis, a two-tiered pricing structure was assumed to reflect economies of scale available in large-scale procurement:

- Standard price (<500,000 MWh): $5.00/MWh. This price reflects the standard market rate for smaller, fragmented, or less attractive transactions. It is applied to all Supplier Engagement deals and pilot-scale RAcc and Joint Procurement projects.

- Large-scale price (≥500,000 MWh): $3.00/MWh. This lower price is not meant to capture a volume-based discount, but an all-encompassing price applied to mature, large-scale RAcc projects, validated by the direct survey input from Mars. The rationale for this price reduction is based on key developer-side cost benefits:
  - Lower transaction costs: The developer's fixed legal and administrative overhead is spread across a massive volume, dramatically lowering their per-MWh costs.
  - Reduced financial risk: A single PPA with a highly creditworthy corporate buyer (like Mars) makes it significantly easier and cheaper for the developer to secure project financing from banks.
  - Guaranteed offtake: Selling a project's output in one simple transaction eliminates sales risk and uncertainty for the developer.

Volume discount

A 5 percent volume discount was applied to the procurement cost for the RAcc and Joint Procurement scenarios. This reflects the greater purchasing power and improved pricing typically available through the aggregation of electricity demand. This discount was not applied to the Supplier Engagement scenario, where procurement is fragmented across individual suppliers.

Administrative cost assumptions

Table 6. Administrative cost inputs

		Scenario assumptions		
Cost category	**Input type**	**S1: RAcc**	**S2: Joint Procurement**	**S3: Supplier Engagement**
Labor				
Internal capability building hours (FTE)	Survey	—	—	—
Internal capability building cost ($)	Assumption	$100,000	$100,000	$100,000
Supplier capability building (FTE)	Survey	n/a	—	—
Supplier capability building cost ($)	Assumption	n/a	$100,000	$100,000
Metrics and performance tracking	Survey	—	—	—
Legal				
Internal legal counsel hours (FTE)	Survey	—	—	n/a
Internal legal counsel cost ($)	Assumption	$150,000	$150,000	n/a
External and third-party support				
External consulting fee ($, flat)	Survey	—	—	—
External legal counsel cost ($, flat)	Survey	—	—	n/a
Project due diligence ($, flat)	Survey	—	—	n/a
Third-party assurance	Survey	—	—	—

Internal resource and capability building costs

These metrics capture the internal labor (FTEs) dedicated to building the corporate buyer's internal capabilities to deploy supplier-driven decarbonization strategies and program setup:

- Internal capability building hours: This input was derived primarily from survey responses. Standard data-handling rules were applied. Where gaps existed, survey input averages within the scenario were used. If ranges were provided, then the highest value for the range was used to avoid underestimations.
- Internal capability building cost: To monetize the internal labor hours reported, a standardized fully burdened salary rate of $100,000 per FTE was applied across all scenarios. This helps ensure that internal time is consistently valued regardless of the specific respondent.

Supplier capability building costs

These costs represent the buyer's effort to educate, train, and persuade suppliers to participate in renewable energy procurement:

- Supplier capability building and cost: This is a major cost driver in the Supplier Engagement and Joint Procurement models. It is not applicable to the RAcc model, as suppliers act solely as beneficiaries of a central PPA and require minimal education or negotiation support from the buyer. Where applicable, FTE inputs were monetized using the standard $100,000 salary rate. Where gaps existed, survey input averages within the scenario were used.

Legal costs

Legal costs were split between internal counsel (e.g., hours dedicated to contract review) and external counsel (e.g., flat fees for complex PPA negotiation):

- Internal legal counsel hours and cost: Survey inputs were monetized using a standardized rate of $150,000 per FTE to reflect the higher cost of specialized internal legal resources. Where gaps existed, survey input averages within the scenario were used.
- External legal counsel cost:
  - RAcc and Joint Procurement: This cost represents the fee to negotiate the primary PPA with the developer. Where gaps existed, survey input averages within the scenario were used. If survey input was deliberately "$0," then we assumed no cost as it may be embedded in other costs already captured.
  - Supplier Engagement: This cost was modeled as $0 for the corporate buyer, as the individual suppliers are responsible for their own legal review of their individual contracts.

External and third-party support

This represents the cost of broad programmatic support, such as supply chain strategy, carbon accounting assistance, or supplier educational campaigns:

- External Consulting Fee: Survey responses varied widely based on the maturity of the buyer and the model. Where gaps existed, survey input averages within the scenario were used:
  - RAcc: Fees represent the cost to execute a single, streamlined transaction.
  - Joint Procurement: Survey inputs generally reflected higher consulting fees, capturing the significant additional effort required by an advisor to aggregate, educate, and "herd" a multiparty consortium.
  - Supplier Engagement: Fees represent the cost of programmatic consultants hired by the buyer to run broad supplier engagement or educational campaigns.

Project due diligence

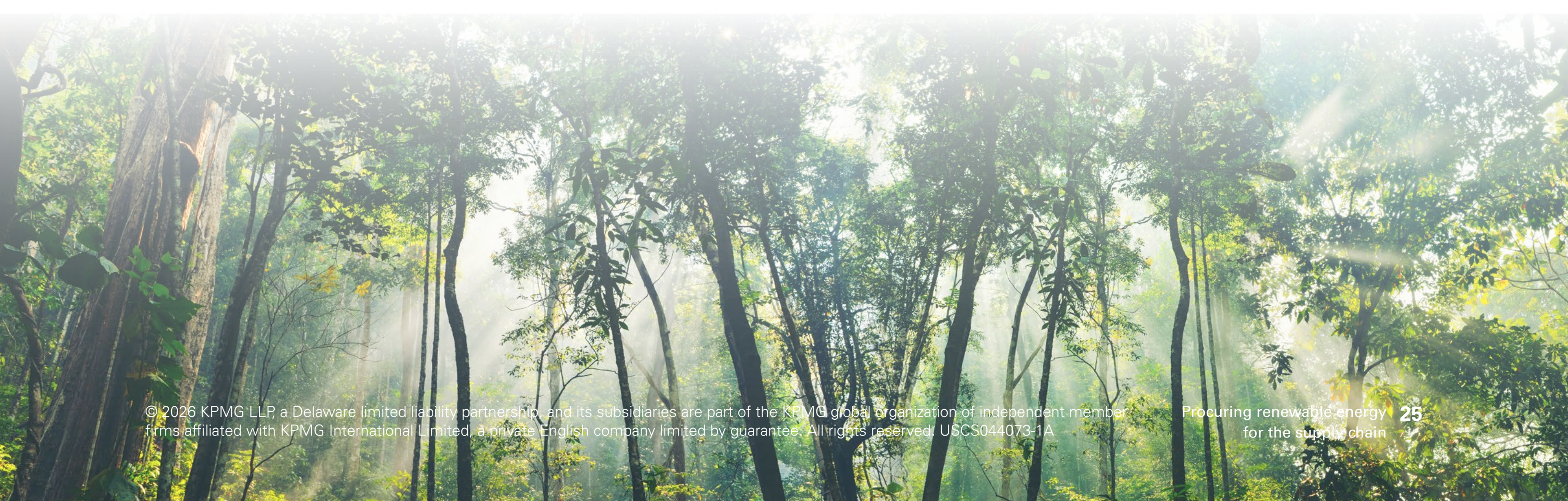
This represents the up-front cost to vet the financial, technical, and sustainability credentials of a specific renewable energy project before a contract is signed. Because survey inputs for this specific line item were sparse, a proxy methodology was used:

- RAcc and Joint Procurement: The average cost of the "External Consulting Fee" reported within each respective scenario was used as a proxy for the due diligence cost. This rationale was applied because due diligence fees typically scale proportionally with the overall complexity, size, and advisory scope of the project.
- Supplier Engagement: Modeled as $0 for the corporate buyer. In this model, individual suppliers are responsible for conducting due diligence on their own projects where applicable.

Compliance, monitoring, and reporting

These costs represent the ongoing, recurring administrative burden of managing the program after the contracts are signed. Because survey inputs were sparse, a standardized, complexity-based methodology was developed:

- Metrics and performance tracking:
  - RAcc: A fixed annual cost of $70,000 was assumed, based on the baseline effort required to manage data, receive developer reports, and verify EAC allocations for a single, centralized PPA.
  - Joint Procurement: A hybrid model was applied: a $70,000 base cost (for managing the main PPA data) plus a $5,000 variable cost per consortium member (to manage individual allocations and communications).
  - Supplier Engagement: A hybrid model was applied: a $70,000 base cost (for managing supplier engagement for data collection) plus a $5,000 variable cost per supplier successfully engaged. This reflects the immense, fragmented effort required to chase down, manually verify, and aggregate disparate data formats from multiple independent sources.
- Third-party assurance:
  - RAcc pilots: Given the limited data provided, a fixed annual cost of $97,500 was assumed based on the average of all inputs reported in survey across scenarios for the straightforward verification of a single PPA and EAC registry account.
  - Joint Procurement: No inputs were received from survey respondents for this cost. Hence, this was modeled using a baseline of $200,000 per year, derived from RAcc's survey input, which reflects the cost of larger-scale projects. An 80/20 split is then applied to this baseline to account for each consortium participant. Specifically, 80 percent of the baseline is treated as a fixed annual program assurance cost ($160,000), while the remaining 20 percent represents a variable cost allocated on a per-participant basis (proportional to the reported number of consortium participants by each of the survey respondents) to reflect the incremental legal and auditing overhead of managing multiple transaction parties.
  - Supplier Engagement: Modeled at $45,000 base cost using an average for the scenario given the number of survey inputs provided, plus $5,000 per successfully engaged supplier, reflecting the high cost of independently investigating and verifying the credibility and "additionality" of numerous fragmented claims to prevent double-counting.



Additional assumptions and limitations:

Several cost categories were intentionally excluded from the buyer's financial model due to their variability or because they are incurred by other parties.

- Supplier-side costs (legal and credit support): The model excludes costs borne directly by suppliers. In the Joint Procurement and Supplier Engagement scenarios, these are significant. Suppliers must independently hire external legal counsel to review complex contracts and are often required to secure costly letters of credit to satisfy developer credit requirements. The RAcc model eliminates these systemic costs for suppliers by centralizing legal review and leveraging the buyer's balance sheet.
- External local legal counsel: This represents fees for specialized legal support in a project's specific jurisdiction (e.g., permitting, local regulations). It was modeled as $0 as the cost is highly variable and dependent on geography, and no actionable data was provided in the survey.
- Cost of delay (time-to-execution): The model does not quantify the opportunity cost of lengthy procurement cycles. However, qualitative data indicates the "herding cats" nature of Joint Procurement can extend timelines to 18 or more months, whereas the centralized RAcc model allows for much faster execution.

Qualitative and risk considerations

- Impact of corporate credit worthiness: The quantitative model does not fully capture the profound financial benefit a corporate buyer's strong credit rating brings to a project. This is a key advantage of the RAcc model, as a creditworthy offtaker can secure better financing terms and lower project costs from developers.
- Risk allocation: The models inherently shift risk. The RAcc model places market and credit risk on the corporate buyer, who is often best equipped to manage it. The other models shift this risk to individual suppliers, who may be less equipped to manage it.
- Consortium risk (Joint Procurement): This model introduces unique risks not present in other scenarios, such as the potential for a key supplier to default on payments, which could impact the entire consortium's standing with the project developer.
- Greenhouse gas (GHG) accounting: The analysis assumes that all EACs procured and allocated result in valid GHG emissions reductions for the corporate buyer's Scope 3 inventory and align with current GHG Protocol guidance.
- Scope of analysis: The analysis focuses on three common procurement archetypes and is not exhaustive of all possible strategies (e.g., it excludes programs managed entirely by a third-party aggregator).

Appendix IV. Additional notes

Additional key advantages of RAcc by function

To further illustrate the cross-functional value of the RAcc model, the table below outlines its key strategic advantages. The benefits are organized to highlight how they address the distinct priorities of key internal stakeholders, from the chief financial officer (CFO) and chief procurement officer to the Legal and Sustainability teams.

Table 7. Key advantages of RAcc by business function

Key advantage	Sustainability	Finance/CFO	Procurement	Legal/Risk
Cost efficiency	**Faster ROI** on sustainability investments, achieving Scope 3 targets with lower budgets	**Lowest total cost of procurement,** reflecting lower $/MWh of EAC purchase from volume discounts, lower overhead costs, and lower costs of capital	**Lower $/MWh** of EAC purchase from volume discounts; avoid premium pricing from suppliers passing through (often higher) EAC costs	**Reduced per-MWh legal costs** through economies of scale; lower contract complexity costs
Risk management	**Reliable progress** toward decarbonization targets regardless of supplier turnover or capability gaps	Fixed-rate contracts provide **cost certainty;** avoid supplier cost pass-throughs	Maintain supplier optionality; **avoid switching costs** resulting from sustainability investments with suppliers	**Single counterparty** risk versus multiple contracts; directly negotiated terms reduce legal exposure
Control and flexibility	Achieve reductions on **targeted timelines** regardless of supplier readiness or limitations	Protect investments from supplier relationship changes; **retain control** over renewables investment portfolios	Make **optimal supplier decisions** based on quality, cost, reliability, etc., without consideration for sustainability investments/ performance	Buyer **retains ownership and control** of all renewable attributes; no supplier claims on certificates
Operational complexity	Same effort for **larger retirements** that cover demand through tier-N suppliers	**Single budget line-item** versus tracking multiple supplier renewables programs	**One master agreement** versus dozens of supplier-specific renewables contracts	**Standard contract terms** versus negotiating contract in partnership with suppliers for joint procurement

Key advantage	Sustainability	Finance/CFO	Procurement	Legal/Risk
Speed-to-market	**Immediate emission reductions** and increased market demand versus long wait for supplier progress	Quick deployment enables **faster ROI;** no up-front time required in supplier education or engagement	Implement using **existing procurement infrastructure;** no changes to supplier relationship management required	Use **established renewables procurement legal frameworks;** no novel contract structures
Scale advantages	Centralized procurement can secure **larger renewables volumes,** amplifying impact	**Concentrated buying power** drives better terms at lower total cost than individual supplier procurement	Access to **utility-scale projects** versus smaller, fragmented supplier deals at lower costs	Spread due diligence costs across larger volume; **economies of scale** in legal review
Strategic value	Support firm's sustainability agenda **without impacting procurement**	Competitive advantage through **cost-effective scope 3** approach	Strategic procurement decisions **unconstrained by sustainability**	Enable procurement at **lowest risk** and legal support

Table of figures

Authors

Blythe Chorn
Managing Director, Climate & Sustainability, KPMG US

Blythe is a managing director in KPMG US and the KPMG Global Decarbonization Hub and a recognized leader in sustainability, climate strategy, and business transformation. For nearly 20 years, she has advised leading global organizations on turning climate and decarbonization ambitions into measurable business value, helping clients strengthen resilience, improve operational performance, drive innovation, and enhance long-term competitiveness.

Working across sectors including consumer products, retail, technology, private equity, and financial services, Blythe specializes in helping organizations address complex strategic challenges through sustainability-led transformation. Her areas of experience include climate transition planning and decarbonization strategy, circularity, supplier and value chain engagement, organizational change management, and executive facilitation.

Blythe is a frequent speaker at global sustainability and business forums and has contributed to the development of influential sustainability guidance through her work with organizations such as the United Nations Global Compact and the Organisation for Economic Co-operation and Development.

Prior to joining KPMG, Blythe held leadership roles in Deloitte Consulting's Sustainability practice and Business for Social Responsibility. She also founded and led Ramboll's US sustainability consulting team, helping establish and grow the firm's sustainability advisory capabilities.

Kevin Rabinovitch
Global VP of Sustainability, Mars, Incorporated

Kevin is the Global VP of Sustainability for Mars, Incorporated, leading the Performance Acceleration team. That team spans a wide range of areas that make delivering on Mars' Sustainable In a Generation plan easier, faster, less expensive, or more fun. This covers sustainability data systems creation and management, business operating model redesign, and novel strategy development. He directly manages the RAcc program—a global portfolio of renewable electricity covering not only Mars operations but electricity across the entire value chain. His team also leads the assessment of all sustainability impacts for Mars' entire global value chain.

Externally, among other roles, Kevin is the board president of the Renewable Thermal Collaborative, sits on the board of the Livelihoods Carbon Funds 3 and 4, teaches at Virginia Tech and Georgetown University, and frequently speaks externally on behalf of Mars' sustainability program. He has been with Mars for 32 years—19 years in sustainability, having helped start Mars' program, and the first 13 in research and development functions of multiple Mars business segments in the US and Europe specializing in technology development, scale up, and intellectual property.

More information about Mars is available at www.mars.com.

Steve Ingmire
Senior Sustainability Manager—Renewables Acceleration
Mars

Steve is a Senior Sustainability Manager at Mars, where he leads the RAcc program—the company's largest decarbonization initiative. RAcc is designed to reduce roughly 3 million metric tons of GHG emissions, delivering approximately 10 percent reduction in Mars' total global carbon footprint through an innovative strategy scaling renewable electricity coverage across the value chain.

In his role, Steve drives internal cross-functional execution across procurement, operations, and sustainability teams, and coordinates external communications for the program, including partnerships with the Corporate Energy Buyers Association and Scope 3 peer group. Across his 16-year career at Mars, Steve has built a proven track record of scaling strategic initiatives, leading multidisciplinary teams, and growing global brands. Steve's expertise is in integrating business strategy with high-impact climate action. He holds a bachelor's degree in engineering from the University of Illinois Urbana-Champaign and an MBA from the University of Michigan's Ross School of Business.

Arianna Bottome
Senior Associate
KPMG US

Arianna is a senior associate at KPMG, helping clients drive increased value and resilience through data-driven sustainability strategies. With an established track record in supporting clients across GHG emissions accounting, Scope 3 decarbonization strategy, and navigating the continuously evolving regulatory environment, Arianna brings cross-sector experience. She has worked alongside clients in the consumer goods, chemicals, energy, real estate, and industrial manufacturing. Arianna's strong solutions-oriented mindset fosters creative thinking during client engagements, enabling the development of innovative, practical, and realistic solutions.