**1. RECOMMENDED ACTION: EFFECT OF EC VOTE TO ACCEPT RECOMMENDED ACTION:**

|  |  |  |  |
| --- | --- | --- | --- |
| X | Accept as requested | X | Change to Existing Practice |
|  | Accept as modified below |  | Status Quo |
|  | Decline |  |  |

**2. TYPE OF DEVELOPMENT/MAINTENANCE**

|  |  |  |  |
| --- | --- | --- | --- |
| **Per Request:** | | **Per Recommendation:** | |
|  | Initiation |  | Initiation |
|  | Modification |  | Modification |
|  | Interpretation |  | Interpretation |
|  | Withdrawal |  | Withdrawal |
|  |  |  |  |
|  | Principle |  | Principle |
|  | Definition |  | Definition |
|  | Business Practice Standard |  | Business Practice Standard |
|  | Document |  | Document |
|  | Data Element |  | Data Element |
|  | Code Value |  | Code Value |
|  | X12 Implementation Guide |  | X12 Implementation Guide |
|  | Business Process Documentation |  | Business Process Documentation |

**3. RECOMMENDATION**

**SUMMARY:**

On August 3, 2021, the WEQ and RMQ Business Practices Subcommittee (BPS) voted out a joint recommendation to adopt the *NAESB Base Contract for Sale and Purchase of Voluntary Renewable Energy Certificates* under 2021 WEQ Annual Plan Item 6.b.i and 2021 RMQ Annual Plan Item 2.a.

This recommendation is the first of a two-part annual plan item. First, this recommendation contains the contract and NAESB REC Base Contract FAQ document. The technical implementation is to be developed under 2021 RMQ Annual Plan Item 2.b and 2021 WEQ Annual Plan Item 6.b.ii (Develop technical implementation business practice standards to support automation of the current REC creation, accounting and retirement processes for voluntary markets consistent with the Base Contract for Sale and Purchase of RECs).

**Recommended Standards:**

WEQ-010-X NAESB Base Contract for Sale and Purchase of Voluntary Renewable Energy Certificates

REQ.6.X NAESB Base Contract for Sale and Purchase of Voluntary Renewable Energy Certificates

See Attachment 1: <https://www.naesb.org/member_login_check.asp?doc=rmq_2021_api_6bi_weq_2021_api_6bi_rec_attach1.doc>

NAESB REC Base Contract FAQ Document

See Attachment 2: <https://www.naesb.org/member_login_check.asp?doc=rmq_2021_api_6bi_weq_2021_api_6bi_rec_attach2.doc>

**4. SUPPORTING DOCUMENTATION**

1. **Description of Request:**

Develop a Base Contract for Sale and Purchase of Renewable Energy Certificates (REC) to support the voluntary REC markets.

1. **Description of Recommendation:**

The recommendation contains a contract, the *NAESB Base Contract for Sale and Purchase of Voluntary Renewable Energy Certificates,* and NAESB REC Base Contract FAQ document developed under 2021 WEQ Annual Plan Item 6.b.i and 2021 RMQ Annual Plan Item 2.a.

1. **Business Purpose:**

The standardized contract is intended to support REC transactions in voluntary markets.

1. **Commentary/Rationale of Subcommittee(s)/Task Force(s):**

The WEQ and RMQ Business Practices Subcommittees held a series of twenty-five meetings to address 2021 RMQ Annual Plan Item 2.a and 2021 WEQ Annual Plan Item 6.b.i. Please see the notes of the meetings below:

[December 4, 2019](https://www.naesb.org/pdf4/weq_bps_rmq_bps120419fm.docx)

[January 29, 2020](https://www.naesb.org/pdf4/weq_bps_rmq_bps012920fm.docx)

[February 27, 2020](https://www.naesb.org/pdf4/weq_bps_rmq_bps022720fm.docx)

[April 13, 2020](https://www.naesb.org/pdf4/weq_bps_rmq_bps041320fm.docx)

[May 12, 2020](https://www.naesb.org/pdf4/weq_bps_rmq_bps051220fm.docx)

[June 29, 2020](https://www.naesb.org/pdf4/weq_bps_rmq_bps062920fm.docx)

[July 27, 2020](https://www.naesb.org/pdf4/weq_bps_rmq_bps072720fm.docx)

[August 10, 2020](https://www.naesb.org/pdf4/weq_bps_rmq_bps081020fm.docx)

[September 1, 2020](https://www.naesb.org/pdf4/weq_bps_rmq_bps090120fm.docx)

[September 29, 2020](https://www.naesb.org/pdf4/weq_bps_rmq_bps092920fm.docx)

[October 21, 2020](https://www.naesb.org/pdf4/weq_bps_rmq_bps102120fm.docx)

[November 19, 2020](https://www.naesb.org/pdf4/weq_bps_rmq_bps111920fm.docx)

[December 15, 2020](https://www.naesb.org/pdf4/weq_bps_rmq_bps121520fm.docx)

[January 12, 2021](https://www.naesb.org/pdf4/weq_bps_rmq_bps011221fm.docx)

[February 2, 2021](https://www.naesb.org/pdf4/weq_bps_rmq_bps020221fm.docx)

[February 23, 2021](https://www.naesb.org/pdf4/weq_bps_rmq_bps022321fm.docx)

[March 16, 2021](https://www.naesb.org/pdf4/weq_bps_rmq_bps031621fm.docx)

[April 6, 2021](https://www.naesb.org/pdf4/weq_bps_rmq_bps040621fm.docx)

[April 27, 2021](https://www.naesb.org/pdf4/weq_bps_rmq_bps042721fm.docx)

[June 1, 2021](https://www.naesb.org/pdf4/weq_bps_rmq_bps060121fm.docx)

[June 8, 2021](https://www.naesb.org/pdf4/weq_bps_rmq_bps060821fm.docx)

[June 21, 2021](https://www.naesb.org/pdf4/weq_bps_rmq_bps062121fm.docx)

[July 6, 2021](https://www.naesb.org/pdf4/weq_bps_rmq_bps070621fm.docx)

[July 19, 2021](https://www.naesb.org/pdf4/weq_bps_rmq_bps071921fm.docx)

August 3, 2021