##### Via email and posting

##### October 25, 2024

**TO:** Retail Markets Quadrant (RMQ) Executive Committee Members absent from all or portions of the RMQ Executive Committee Meeting on October 24, 2024: Debbie McKeever, Michael Bret Giles, and George Behr

**FROM:** Caroline Trum, Director of Wholesale Electric Activities

**RE:** RMQ Executive Committee Notational Ballot on Recommendation to Support Standards Request R24001

Dear RMQ Executive Committee Members,

On October 24, 2024 the RMQ Executive Committee considered a recommendation to support Standards Request R24001. The request, submitted jointly by the U.S. Department of Energy (DoE), proposed NAESB consider the development of a standard contract to support transactions for distribution grid services between distribution utilities and distributed energy resource (DER) aggregations. The recommendation, developed jointly by the RMQ Business Practices Subcommittee (BPS) and WEQ BPS, included the proposed NAESB Base Contract for the Sale and Purchase of Distribution Grid Services from DER Aggregations (NAESB Distribution Grid Services Base Contract) and two additional documents developed at the suggestion of participants, the NAESB Conditions Precedent Addendum and the NAESB Distribution Grid Services Base Contract Frequently Asked Questions (FAQ).

During the RMQ Executive Committee meeting, a motion was made to adopt the recommendation as revised by the late formal comments submitted by the RMQ and WEQ BPS, the non-substantive consistency changes proposed during the meeting, and the additional late formal comments submitted by D. Murdock and S. Patel on behalf of the U.S. DoE. As not enough votes were cast during the meeting to make a determination, this notational ballot on the revised recommendation is being distributed. A super majority vote in support is required for adoption of the recommendation by the RMQ Executive Committee. As there are seven seated members in the RMQ Executive Committee, five affirmative votes (67%) are needed. The voting record from the meeting is included on page 4. Below, please find hyperlinks to the recommendation and attachments as revised during the meeting.

The NAESB Distribution Grid Services Base Contract provides boilerplate terms and conditions to help increase consistency and minimize uncertainties in the contracting process between DER aggregators and distribution utilities. The standard contract can be used across multiple retail jurisdictions and incorporates provisions with broad applicability and flexibility so parties can adapt the contract to their unique circumstances and to accommodate future transactions as the market evolves. The NAESB Conditions Precedent Addendum helps to facilitate contract negotiations between the DER aggregator and distribution utility before the aggregator has completed its registration process with the utility. The optional addendum allows parties to specify other agreements and regulatory, testing, certification, or other requirements that first must be met before carrying out transactions under the contract as well as establish deadlines and milestone dates. The FAQ provides generally applicable information regarding all NAESB contracts as well as specific details regarding the use of the NAESB Distribution Grid Services Base Contract and the NAESB Conditions Precedent Addendum.

After a review of the formal comments, the RMQ and WEQ BPS developed late formal comments to address issues raised by the formal commenters. The revisions, which were supported by the U.S. DoE, better clarify that transactions under the contract are limited to distribution services that enhance or support distribution system facilities and exclude any distribution services that are wholesale sales of FERC jurisdictional products. Changes also were made as part of the RMQ and WEQ BPS late formal comments to ensure that the contract provisions reflect language applicable to the buying and selling of services, as opposed to commodities. Following the submittal of the RMQ and WEQ BPS late formal comments, additional late comments were submitted on behalf of the U.S. DoE proposing a non-substantive change to the definition for the defined term Distribution Grid Services within the contract.

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| **Standards Request R24001** – Request for a standardized pro forma distribution service contract for DER Aggregations  Recommendation (as revised by the RMQ Executive Committee): <https://naesb.org/member_login_check.asp?doc=rmq_ec102424a4.docx>  Attachment 1 (as revised by the RMQ Executive Committee): <https://naesb.org/member_login_check.asp?doc=rmq_ec102424a5.docx>  Attachment 2 (as revised by the RMQ Executive Committee): <https://naesb.org/member_login_check.asp?doc=rmq_ec102424a6.docx>  Attachment 3 (as revised by the RMQ Executive Committee): <https://naesb.org/member_login_check.asp?doc=rmq_ec102424a7.doc> |

To cast your vote, you can respond to the email that accompanies this ballot or email your ballot to [naesb@naesb.org](mailto:naesb@naesb.org) by the end of business on **Wednesday, October 30, 2024**. Please feel free to call the NAESB office if you have any difficulty retrieving any of this information or need additional assistance. We very much appreciate your prompt attention to this issue.

Best Regards,

Caroline Trum

cc: Jonathan Booe, Executive Vice President & Chief Operating Officer

**RMQ Executive Committee Notational Ballot**

**Due Wednesday, October 30, 2024**

**email** [**naesb@naesb.org**](mailto:naesb@naesb.org) **or response to email request**

Please vote in favor or in opposition for the following recommendation to support Standards Request R24001, as revised by the RMQ Executive Committee on October 24, 2024:

| **Support** | **Oppose** | **Recommendation:** |
| --- | --- | --- |
|  |  | **Standards Request R24001** – Request for a standardized pro forma distribution service contract for DER Aggregations  Recommendation (as revised by the RMQ Executive Committee): <https://naesb.org/member_login_check.asp?doc=rmq_ec102424a4.docx>  Attachment 1 (as revised by the RMQ Executive Committee): <https://naesb.org/member_login_check.asp?doc=rmq_ec102424a5.docx>  Attachment 2 (as revised by the RMQ Executive Committee): <https://naesb.org/member_login_check.asp?doc=rmq_ec102424a6.docx>  Attachment 3 (as revised by the RMQ Executive Committee): <https://naesb.org/member_login_check.asp?doc=rmq_ec102424a7.doc> |

Member Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Member Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Member Company: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Segment: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

NORTH AMERICAN ENERGY STANDARDS BOARD

# 2024 EXECUTIVE COMMITTEE – Retail Markets Quadrant

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| **Retail Electric Utilities Segment** | | **Vote:** |
| Debbie McKeever | Market Advocate, Oncor Electric Delivery Company LLC |  |
| Michael Bret Giles | Project Manager, Planning and Regulatory Support Department, Southern Company Services, Inc. |  |
| **Retail Gas Market Interests Segment** | |  |
| George Behr | Director, Sales/Solutions Engineering, Latitude Technologies LLC, an ESG Company |  |
| **Retail Electric End Users/Public Agencies Segment** | |  |
| Sam Watson | General Counsel – North Carolina Utilities Commission rep. National Association of Regulatory Utility Commissioners (NARUC) | In Favor |
| Catherine Meiners | Retail Data Analyst Sr., Electric Reliability Council of Texas, Inc. (ERCOT) | In Favor |
| **Retail Electric Service Providers/Suppliers Segment** | |  |
| Donald F. Coffin | Technical Manager, Green Button Alliance | In Abstention |
| Dee Hastey | Lead Software Developer, Big Data Energy Services | In Favor |