

1415 Louisiana Street, Suite 3460, Houston, Texas 77002 Phone: (713) 356-0060, Fax: (713) 356-0067, E-mail: naesb@naesb.org Home Page: www.naesb.org

June 16, 2025

#### NAESB UPDATE CONFERENCE CALL

WEQ NERC COORDINATION: Ms. Nagi, NAESB Staff Attorney, provided the update. She stated that NAESB and NERC continue to coordinate on efforts to align WEQ Business Practices Standards with NERC Reliability Standards, with current focus areas including DERs, IBRs, and congestion management. In April, the WEQ and RMQ initiated a joint effort to explore business practices supporting DER/DER aggregation registries. NERC staff participated in the kickoff meeting, and participants identified the NERC white paper, *Reducing DER Variability and Uncertainty Impacts on the Bulk Power System*, as a potential resource. NAESB will continue coordination as the scope for standards developments is defined. The WEQ Standards Review Subcommittee (SRS) met on May 13, 2025 to review ongoing NERC projects, including those in response to FERC Order No. 901. Discussions including DERs, IBRs, cybersecurity, and cold weather preparedness. The SRS will continue monitoring for areas of alignment. WEQ efforts also continue to work together to ensure alignment. WEQ efforts also continue on the development of business practices standards to support interconnection-wide congestion management in the Western Interconnection. WECC representatives are engaged, and NAESB is keeping NERC Informed. The new standards are not expected to impact existing NERC Reliability Standards, including those governing the Western Interconnection's Unscheduled Flow Mitigation Plan (UFMP), and are intended to complement current industry procedures.

WEQ CISS: Mr. Browning, Co-Chair of the WEQ Coordinate Interchange Scheduling Subcommittee (CISS), provided the update. He reported that the CISS is evaluating the need for standards to support bi-directional resources such as batteries. The subcommittee reviewed industry use of electronic tags (e-Tags) to manage these transactions and has identified potential issues, including complex internal scheduling and increased risk of human error due to multiple e-Tags. While a standardized approach may help address these concerns, participants agreed during the April 22, 2025 meeting, that standards development in this area may be premature. As such, a no action recommendation was voted out during the June 4, 2025 meeting, and the comment period for this recommendation will end on July 3, 2025. Additionally, during the June meeting, the subcommittee also began its annual review of the WEQ Electronic Tagging Functional Specification to ensure alignment with current WEQ Business Practices Standards, NERC Reliability Standards, and cybersecurity best practices. The next meeting will be on June 25, 2025

WEQ/RMQ BPS: Ms. Sieg, Co-Chair of the WEQ Business Practices Subcommittee (BPS), provided the update. She reported that the WEQ and RMQ BPS have held two joint meetings, on April 21, and May 29, 2025, to begin work on 2025 Annual Plan Item WEQ 5.a and RMQ 2.b. The focus is on developing business practices to support DER and DER aggregation registries. Presentation form CAISO, MISO, NYISO, Evergy, and Collaborative Utility Solutions highlighted current registry practices, data validation, and aggregation models. Discussions are helping identify potential priorities for standardization, interoperability and compliance with FERC order No. 2222. In parallel, the RMQ BPS began work on Annual Plan Item 2.d to explore distributed ledger technology (DLT) business practices that could support automation of the NAESB Distribution Grid Services Base Contract. The chairs are preparing draft work papers drawing on prior NAESB DLT efforts for discussion at future meetings. Additionally, the WEQ BPS Western Interconnection Congestion Management Working Group met on May 16, 2025, to continue work on Standards Request R24005 and Annual Plan Item 1.b. The group reviewed updates to draft language supporting expanded functionality of the Enhanced Curtailment Calculator. Topics included transaction prioritization, GTL impacts, and coordination with seams agreement.

WEQ/RMQ/WGQ CYBERSECURITY ACTIVITIES: Mr. Brooks, Business Cyber Guardian, provided the update. He stated that the WEQ Cybersecurity Subcommittee held its first meeting of the year in May to begin its annual review of the WEQ Business Practices Standards and ACA Accreditation Requirements. The group discussed ongoing NERC CIP standards projects, including CIP-002-8 and CIP-003-11, and reviewed the FERC NOPR on Supply Chain Risk Management. No revisions were recommended at this time, but participants agreed to continue monitoring these developments. During the June 5, 2025 meeting, discussion included NIST's new post-quantum encryption guidance and potential implication for WEQ Standards.



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She reported that the WEQ Cybersecurity Subcommittee held its first meeting of the year in May to begin its annual review of the WEQ Business Practice Standards and ACA Accreditation Requirements. The group discussed ongoing NERC CIP standard projects, including CIP-002-8 and CIP-003-11, and reviewed the FERC NOPR on Supply Chain Risk Management. No revisions were recommended at this time, but participants agreed to continue monitoring these developments. Additionally, the WGQ and RMQ are scheduling their annual joint review of the WGQ Cybersecurity Related Standards Manual and RMQ Cybersecurity Model Business Practices. The WGQ EDM and RMQ IR/TEIS subcommittees will lead the review, with a meeting announcement expected soon.

WGQ BPS: Mr. McCluskey, Co-Chair of the WGQ BPS, provided the update. He stated that the WGQ BPS held four meetings from March through May 2025 to review four standards requests related to nominations, scheduling, data transparency, and system timelines. For Standards Request R24006, which proposed adding off-system upstream and downstream contract indicators to nomination dataset, the subcommittee voted out a no action recommendation and the comment period closed on June 6, 2025, with no comments received. The subcommittee also reviewed Standards Request R25002, recommending mandatory data additions, such as shipper contact information and replacement contract numbers, in the bids offers and awards dataset. Instructions were approved for technical development by the WGQ IR/Technical Subcommittees, with attention to disclosure flexibility and alignment with business practices. Standards Request R25003 proposed updates to nomination and confirmation timelines to support timely communication and discourage transaction delays. The subcommittee approved the changes for technical review and public comment. Lastly, Standards Request R25001, which proposed adding volume data to scheduled quantity datasets, was withdrawn by the submitter, who determined it could be addressed outside the standards process. The subcommittee will continue supporting technical work and monitoring these efforts ahead of Executive Committee review.

WGQ CONTRACT ACTIVITIES: Mr. Sappenfield, Chair of the WGQ Contracts Subcommittee, provided the update. He reported that the WGQ Executive Committee will meet on June 26, 2025, to consider two recommendations from the WGQ Contracts Subcommittee under the 2025 Annual Plan. The first, Annual Plan Item 4, proposes a standardized contract for the sale and purchase of hydrogen. The draft, based on existing NAESB agreements, includes terms for certificate tracking, carbon intensity, and transportation methods. It was voted out during the February 27, 2025 meeting, and received six comments during and after the formal comment period. The second, Annual Plan Item 5, includes updates to the Renewable Natural Gas (RNG) Addendum in light of the Biogas Regulatory Reform Rule (BRRR). The subcommittee revised the addendum over four meetings, and a second comment period was held due to an administrative oversight. One comment was received during the extended period ending June 9, 2025.

REGULATORY AND BOARD ACTIVITIES UPDATE: Ms. Nagi, NAESB Staff Attorney, provided the update. She stated that the Board of Directors met virtually on May 23, 2025, with the Honorable Mark W. Menezes attending to share his perspectives on the future of domestic and international energy markets following the recent administration change. The Board reviewed membership status, organizational finances, and recommended updates to the annual plans adopted by the Executive Committees in March. They also discussed ongoing standards projects, including the Base Contract for Hydrogen, WEQ and RMQ DER activities, and plans to address cybersecurity annual plans items for 2025. Since the last meeting, Board Committees have not convened, but the Strategy Committee plans to meet over the summer to advance the 2025-2027 Strategic Plan and explore potential standards initiatives for consideration at the September Board meeting. The Committee is also reviewing guidance related to the 2024 National Petroleum Council Study on GHG emissions, focusing on developing standards and metrics to support differentiation of lower GHG intensity natural gas in contracts. On the regulatory front, only one new filing has been made with FERC, to notify the Commission of a segment block that occurred during the March WGQ Executive Committee meeting.



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**NEXT CONFERENCE CALL:** The next NAESB Update Conference Call is scheduled for August, 27, 2025, from 1:00 PM - 2:00 PM Central. The agenda and any work papers will be posted on the NAESB Update page of the NAESB website, accessible at the following link: <a href="http://www.naesb.org/monthly\_update.asp">http://www.naesb.org/monthly\_update.asp</a>. We hope you can join us. If there are particular topics you would like to see covered or if you would like to receive additional information, please contact the NAESB Office by phone at (713) 356-0060 or email at <a href="maesb@naesb.org">naesb@naesb.org</a>.



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NAESB Update Conference Call, Participant List  June 11, 2025 1:00 PM Central		
Inna Belza	PacifiCorp	
Andrew Boehnlein	Virginia State Corporate Commission	
Dick Brooks	Business Cyber Guardian	
Nik Browning	MISO	
Christopher Burden	Enbridge (U.S.), Inc.	
Zachary Buus	BPA	
Katie Davis	BPA	
Jay Dibble	Chevron	
Jeremiah Doyle	SSL.com	
Karen Frank	MISO	
Matthew Glattfelder	Virginia State Corporate Commission	
Tom Kraft	ONEOK	
Mike Kraft	Basin Electric Power Cooperative	
Deborah Kupczyk	National Fuel Gas Supply Corporation	
Jasmeen Malhi	Manitoba Hydro	
Leif Mattson	WBI Energy Transmission	
Willis McCluskey	Salt River Project	
Saranga Mudiyanselage	Manitoba Hydro	
Nichole Mulcahy	Nebraska Public Service Commission	
Amrit Nagi	NAESB	
Farrokh Rahimi	OATI	
Lisa Russo	National Fuel Gas Supply Corporation	
Keith Sappenfield	KS Energy Consultant	
Patty Satkiewicz	PacifiCorp	
Ben Schoene	ConocoPhillips Company	
Sara Shepard	NorthWestern Energy	
Lisa Sieg	LG&E and KU Energy Services Company	
Danielle Smith	SMUD	



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Name	Organization	
Karen Stampfli	TVA	
Greg Staton	Spire	
Carolyn Stone	Cascade Natural Gas Corporation	
Caroline Trum	NAESB	
Sandy Walker	TVA	
Jeremy West	OATI	
JT Wood	Southern Company	