



North American Energy Standards Board

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Home Page: www.naesb.org

June 15, 2022

NAESB UPDATE CONFERENCE CALL

MIQ PRESENTATION ON CERTIFIED GAS: Mr. Tijbosch, CEO of MIQ, delivered the presentation. MiQ is an independent not-for-profit foundation established by RMI and SYSTEMIQ with the aim of accelerating methane emissions reduction in the oil and gas sector through certified gas. Methane has a shorter atmospheric lifetime than Co2 but it is a much more potent greenhouse gas. MiQ is technology neutral and third-party audits are performed to avoid conflict of interest. Grades from A to F are given after considering the calculation of intensity, deploying extensive monitoring on a facility and source level, and considering company practices and policies for methane management. Mr. Busch asked why only the facilities, rather than the wells are monitored. Mr. Tijbosch explained that the entire area, including the wells, are included in the definition of “Facility”. He stated that MiQ would not monitor 10 of the 100 wells in the area, but instead measure 100 out of 100. Mr. Booe thanked Mr. Tijbosch for his presentation and asked about the MiQ plans for integration into market platforms. Mr. Tijbosch stated that MiQ is discussing the backwards integration into several market platforms. He explained that the work within NAESB to develop an addendum for certified gas would be especially helpful for platform and bilateral trading. Mr. Booe asked for more information on how “facilities” are defined within MiQ. Mr. Tijbosch stated that it could be described as the operations of the operator within a basin, a geographic area. Mr. Booe thanked Mr. Tijbosch for the presentation.

WEQ/RMQ RENEWABLE ENERGY CERTIFICATE (REC) ACTIVITES: Ms. Sieg, Co-chair of the Wholesale Electric Quadrant (WEQ) Business Practices Subcommittee (BPS) provided the REC update. She stated that the *NAESB Base Contract for Sale and Purchase of Voluntary Renewable Energy Certificates* (NAESB REC Base Contract) was ratified in November. The WEQ BPS and Retail Markets Quadrant (RMQ) BPS are currently working to develop the technical standards to support the digitization of the NAESB REC Base Contract. The NAESB REC Base Contract is intended to improve efficiencies in the voluntary REC transaction processes through the establishment of uniform terminology and model terms and conditions that can serve as a starting point for contract negotiations. Where possible, the subcommittees are leveraging the standards created by the Wholesale Gas Quadrant (WGQ) to digitize the *NAESB Base Contract for Sale and Purchase of Natural Gas*. During its June 22 meeting, the subcommittees will review any informal comments received on the technical implementation and make any modifications to the standards, if needed. Mr. Booe thanked Ms. Sieg for her leadership in the effort. He noted that the paper version of the NAESB REC Base Contract is now available for industry use.

WEQ COORDINATION ACTIVITES WITH NERC: Ms. Mallett, NAESB Deputy Director, delivered the update. She stated that NAESB and NERC staff are in constant communication in order to harmonize projects related to cybersecurity, area control error (ACE), energy storage, distributed energy resources, and the WEQ-023 Modeling Business Practice Standards. Recently, the U.S. Department of Energy, Lawrence Berkeley National Laboratory, and Pacific Northwest National Laboratory jointly submitted a NAESB standards request which seeks to harmonize grid service terminology and definitions supporting distributed energy resources offered by the organized markets and distribution systems. The standards request has been assigned to the WEQ BPS. Also, the WEQ BPS is considering revisions to the standards in response to FERC Order No. 676-J regarding WEQ-023 Modeling Business Practices. The subcommittee anticipates voting out a recommendation on that effort in early July. The WEQ Standards Review Subcommittee (SRS) is also monitoring several NERC efforts that could result in modifications to reliability standards for which NAESB maintains complementary business practices. One such effort is NERC Project 2022-01 Reporting ACE Definition and Associated Terms. Mr. Booe thanked Ms. Trum and the subcommittee participants for monitoring the NERC activities.

WEQ OASIS SUBCOMMITTEE UPDATE: Mr. Wood, Co-chair of the WEQ OASIS Subcommittee, stated that the subcommittee is currently working on several projects. During the June 21st meeting, the participants anticipate voting on a recommendation addressing the need to easily assess profile changes that occurred as a result of the



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Preemption and Right of First Refusal (PROFR) process and reviewing any formal comments submitted on the no action recommendation after a review of the Concomitant standards. Also, proposed revisions to Table 25-3, the PROFR Process Table, may also be voted on during the June 21st meeting. A standards request to review FERC Order No. 881 and implement ambient-adjusted ratings on the transmission lines may be triaged to the WEQ OASIS Subcommittee and placed on a future meeting agenda. Mr. Booe thanked Mr. Wood for the update. He noted that the triage of the standards request would conclude on June 27th.

WEQ/RMQ DOE COMMON LIST OF GRID SERVICES STANDARDS REQUEST: Mr. Phillips, Chair of the WEQ Executive Committee and the WEQ Business Practices Subcommittee, provided the update. The WEQ Business Practices Subcommittee held a kick off meeting in mid-June to begin discussion on Standards Request R22001. The request proposes technology neutral, standardized definitions of common grid service names, definitions, and performance characteristics. The development effort will first focus on the wholesale electric markets and, once that work is complete, move to the retail electric markets with the RMQ BPS picking up the standards development activities. Ms. Weaver asked whether the materials from the mid-June WEQ BPS meeting are available online. Mr. Phillips stated that the materials are posted to the WEQ BPS page.

WEQ ENERGY STORAGE & DISTRIBUTED ENERGY RESOURCES ACTIVITIES: Mr. Phillips, Chair of the WEQ Executive Committee and the WEQ Business Practices Subcommittee, provided the update. The WEQ BPS is developing standards to support distributed energy resources (DERs) in support of the wholesale electric industry's effort to implement FERC Order Nos. 841 and 2222. Recent meetings have focused on developing standards to define registration process. Given the applicability of the work that may be developed under Standards Request R22001 which also addresses grid services, the WEQ BPS determined that it would be prudent to pause the work on FERC Order No. 2222 and address the grid services definitions first. Mr. Booe noted that the WEQ BPS has been a busy group. He stated that Mr. Phillips and Ms. Sieg working together as Co-chairs has been great.

WGQ: RENEWABLE NATURAL GAS AND CERTIFIED GAS ADDENDUM UPDATE: Mr. Sappenfield, Chair of the WGQ Contracts Subcommittee provided the update. The WGQ Contracts Subcommittee has held a series of meetings to develop a Renewable Natural Gas (RNG) Addendum to the *NAESB Base Contract for Sale and Purchase of Natural Gas*. The addendum, which will address both voluntary and regulated markets, contains the terms and conditions specific to RNG transactions and also the technical implementation to transact using distributed ledger technologies, such as blockchains. The next meeting to address RNG will be held on June 30, 2022. Additionally, the board took action during its April 14th meeting to add certified gas to the active 2022 WGQ Annual Plan. A planning meeting for the development of the addendum was held on June 2nd and several comments were submitted after the meeting regarding whether the name of the product. The next meeting to discuss the sustainably produced gas/responsibly sourced gas/certified gas addendum is scheduled for June 16, 2022. Mr. Agen thanked Mr. Sappenfield and NAESB for their work on the effort. He stated that the American Gas Association supports moving forward with the certified gas addendum and would appreciate revisiting the terminology for the product. Mr. Booe thanked Mr. Agen for his comments and thanked Mr. Sappenfield for his guidance through the development of the addendums to the NAESB Base Contract.

REGULATORY AND BOARD ACTIVITIES UPDATE: Mr. Booe, NAESB Executive Vice President and Chief Administrative Operator, provided the Regulatory and Board Activities update. He stated that the Board Strategy Committee is now working to finalize the 2022 NAESB Standards Development Survey. The survey is distributed every two years and provides an opportunity to receive input on standards development from a wide audience. The survey is expected to be made available in late June or early July. All of the comments received will be posted and discussed during the September 1, 2022 Board of Directors Meeting including the Meeting of the Members and Strategic Session.

NEXT CONFERENCE CALL: The next NAESB Update Conference Call is scheduled for August 16, 2022 from 1:00 PM - 2:00 PM Central. The agenda and any work papers will be posted on the NAESB Update Call page of the NAESB website, accessible at the following link: http://www.naesb.org/monthly_update.asp. 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 naesb@naesb.org.



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NAESB Update Conference Call, Participant List	
June 15, 2022 1:00 PM Central	
Name	Organization
Denise Adams	ONEOK
Matthew Agen	American Gas Association
Diane Antonelli	PJM Interconnection
Rebecca Batchelder	BP
Jonathan Booe	North American Energy Standards Board
Jim Busch	BP
Donald Coffin	Green Button Alliance
Michelle Coon	OATI
Brad Cox	Tenaska
David Crabtree	TECO Energy
Valerie Crockett	Tennessee Valley Authority
Stephen Crutchfield	North American Electric Reliability Corporation
Paolo D'Alessandro	TECO Energy
Paul Dajewski	PJM Interconnection
Kara Fidanza	NRG
Tomislav Fischbach	Sacramento Municipal Utility District
Karen Frank	MISO Energy
Cory Herbolzheimer	NV Energy
Joel Hindman	Golden Pass LNG
Julie Hudson	ONEOK
Michael Kaufmann	NRG
Bryan Kelly	Power Costs, Inc
David Kimmel	PJM Interconnection
Tom Kraft	ONEOK
Anna Kuperstein	Boardwalk Pipelines
Renee Lani	American Public Gas Association
Nichole Lopez	Kinder Morgan Inc.
Elizabeth Mallett	North American Energy Standards Board



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Name	Organization
Anastasia Markel	Western Area Power Administration
Steven McCord	TC Energy Corporation
Gene Nowak	Kinder Morgan
Joshua Phillips	Southwest Power Pool
Bob Pickett	Regulatory Commission of Alaska
Julia Popova	NRG
Farrokh Rahimi	OATI
Keith Sappenfield	Cheniere Corpus Christi Liquefaction
Lindsey Saunders	Quorum Software
Lisa Sieg	LG&E and KU Services Company
Benjamin Smith	TECO Energy
Carolyn Stone	Cascade Natural Gas Corporation
Keith Sutherland	Emera Energy
Cassandra Taylor	ONEOK
Georges Tijbosch	MiQ
Sarah Tomalty	BP
Caroline Trum	North American Energy Standards Board
Kimberly Van Pelt	Boardwalk Pipelines
Samantha Weaver	Community Solar Access
Ben Webster	MiQ
Mary Wolosek	Southern Company
JT Wood	Southern Company
Kenneth Yagelski	Southern Company
Sheikh Zulkader	California ISO