##### October 8, 2025

**TO:** All Interested Parties

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

**RE: RMQ Business Practices Subcommittee: Distributed Ledger Technologies Activities**

On October 23, 2025, the RMQ Executive Committee will consider a recommendation supporting the second phase of development for the NAESB Base Contract for Sale and Purchase of Distribution Grid Services from DER Aggregations (NAESB Distribution Grid Services Base Contract). The recommendation proposes new model business practices that will allow parties to create a digitized version of the standardized contract that can be used to conduct transactions on distributed ledgers. In developing the recommendation, the RMQ Business Practices Subcommittee leveraged existing NAESB Distributed Ledger Technology (DLT) related standards, including those developed to support the the NAESB Certified Gas and Renewable Gas Addendum to the base contract and the NAESB Base Contract for the Sale and Purchase of Voluntary RECs.

The formal industry comment period regarding the proposed new standards closed on September 8, 2025, with one set received. The formal comments suggested minor, non-substantive revisions for consistency and clarity. The comments along with the recommendation will be considered by the RMQ Executive Committee as part of its upcoming meeting. If approved by the RMQ Executive Committee and subsequently ratified by membership, the new DLT standards will be considered a final action and included in the next version of the RMQ Model Business Practices. As final actions, the voluntary business practices would be available for industry use along with NAESB Distribution Grid Services Base Contract and Conditions Precedent Addendum.

The standardized contract and accompanying addendum were ratified by membership in December 2025. NAESB initiated the development effort in response to a request submitted by the U.S. Department of Energy. The NAESB Distribution Grid Services Base Contract supports bilateral negotiations between distribution utilities and DER aggregators for grid service transactions subject to state or local jurisdiction. The standardized terms and conditions established in the contract provide a baseline for the negotiation process, helping to increase consistency and minimize uncertainties in the contracting process as well as reduce costs associated with counterparty negotiations.