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**TO:** NAESB Retail Markets Quadrant (RMQ) and Wholesale Electric Quadrant (WEQ) Business Practices Subcommittee (BPS) Participants and Interested Parties

**FROM:** Elizabeth Mallett, NAESB Director of Wholesale Gas and Retail Markets Quadrants

**RE:** Draft Minutes from June 22, 2022 Joint RMQ BPS and WEQ BPS Conference Call

**DATE:** June 27, 2022

**NORTH AMERICAN ENERGY STANDARDS BOARD**

**Joint RMQ/WEQ Business Practices Subcommittee**

**Conference Call with Webcasting**

**June 22, 2022 – 1:00 PM to 3:00 PM Central**

**DRAFT MINUTES**

1. **Welcome**

Ms. Sieg welcomed the participants to the meeting. Ms. Mallett provided the Antitrust and Other Meeting Policies reminder. The participants introduced themselves over the phone. Ms. Sieg reviewed the agenda. The agenda was adopted on a motion by Mr. Johnson, seconded by Mr. DeGroff

The participants reviewed the May 16, 2022 draft meeting minutes. Mr. Sappenfield’s name was added to the participant list. Mr. Sappenfield moved, seconded by Mr. DeGroff, to adopt the revised draft minutes as final. The motion passed a simple majority vote without opposition.

The May 16, 2022 final minutes can be viewed at the following link: <https://naesb.org//pdf4/weq_bps_rmq_bps051622fm.docx>.

1. **Discuss 2022 RMQ Annual Plan Item 2.a/2022 WEQ Annual Plan Item 5.b.i – Develop technical implementation business practice standards to support automation of the current REC creation, accounting and retirement processes for voluntary markets consistent with the** ***NAESB Base Contract for Sale and Purchase of Voluntary Renewable Energy Certificates***

From May 18, 2022 to June 8, 2022, the WEQ and RMQ BPS held a [formal comment period](https://naesb.org/pdf4/weq_bps_rmq_bps051822reqcom.doc) on the the technical implementation for the *NAESB Base Contract for Sale and Purchase of Voluntary Renewable Energy Certificates*. The documents posted for comment were [Attachment B](https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps051822reqcom_attachB.docx) – Draft Business Practice Standards; [Attachment C](https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps051822reqcom_attachC.docx) – Draft Contract Dataset; [Attachment D](https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps051822reqcom_attachD.docx) – Draft Transaction Confirmation Dataset; [Attachment E](https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps051822reqcom_attachE.docx) – Draft Sale and Purchase Invoice Dataset; and [Attachment F](https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps051822reqcom_attachF.docx) – Draft Sale and Purchase Invoice Response Dataset.

During the three-week comment period, comments were submitted from Ms. Crockett at Tennessee Valley Authority (TVA) and Mr. Sappenfield at Cheniere Corpus Christi Liquefaction: [Comments submitted by V. Crockett, TVA](https://naesb.org/pdf4/weq_bps_rmq_bps051822reqcom_tva.docx), [Attach B Comments from K. Sappenfield](https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps051822reqcom_attachB_kms.docx), [Attach C Comments from K. Sappenfield](https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps051822reqcom_attachC_kms.docx), [Attach D Comments from K. Sappenfield](https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps051822reqcom_attachD_kms.docx), [Attach E Comments from K. Sappenfield](https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps051822reqcom_attachE_kms.docx), and [Attach F Comments from K. Sappenfield](https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps051822reqcom_attachF_kms.docx).

Mr. Sappenfield stated that his comments focused on consistency throughout the attachments.

Attachment B

In REQ.6.11.3.20X a grammatical correction was made. REQ.6.11.3.27 was modified to replace “natural gas” with “REC.” On the NAESB Base Contract, when universal standards existed, the subcommittee wanted to leave space for new standards so, the standard in REQ.11.3.29 was changed to REQ.6.11.3.100X/WEQ-10-2.1.100X. Ms. Crockett stated that universal standards are usually separated to be able to easily identify. She explained that jumping up to 100 is an easy way that the WGQ has used. Ms. Crockett explained that the standard itself defines the Mandatory, Conditional, and other usages that are identical to the WGQ in order to allow software developers to create a uniform product.

Attachment C

Mr. Sappenfield stated that he changed “natural gas” to “REC” throughout the document and added “and binding” in the introduction of Attachment C. Additionally, Mr. Sappenfield inserted (URS1) and (URS2) in the Business Process section. The table in the Technical Process section was reformatted. Mr. Sappenfield stated in Scenario C, he modified the language to clarify that the party is accepting changes for errors. Ms. Crockett agreed and stated it is not a rewrite of the terms. Mr. Sappenfield read the language in the Data Value/Content field on the Party A signatory row in Step D2. He suggested splitting the language into two sentences. Ms. Crockett agreed with the revision. She stated that the table is guidance for software developers and provides a reflection of what developers should see happening as they create the software. Mr. Sappenfield reviewed his revisions to Step E2 to clarify the information.

In Scenario I, Mr. Sappenfield added a reference to Section 11 to guide those who may need more information on Termination. Ms. Crockett stated that the addition will be useful for readers. The subcommittee compared the Attribute/Field Format information placed in the definitions section was parallel to that in the WGQ Business Practice Standards under “NAESB WGQ Standards Version Final Action As-Of-Date” and found that that field was missing from the WGQ language. Mr. Sappenfield continued to review his formatting changes to Attachment B. He stated that there was a prepayment provision that could be completed by check or ACH and he added “Other” in one section to cover a more universal category for future payment methods, such as bitcoin. Ms. Crockett asked the subcommittee for any questions or comments on the addition. None were offered.

 Attachment D

Mr. Sappenfield stated that the insertion of “either” in the introductory language was a grammatical change. He noted that his comment on the phrase, “as of the date of the Confirm Deadline” indicated that a review of the REC Transaction Confirmation would be needed to confirm the statement. Ms. Sieg stated that the contract covers it. Ms. Crockett asked whether the phrase refers to the two-day deadline that, if not responded to, would be an automatic confirmation. Mr. Sappenfield stated that there is no default acceptance, which is different from the *NAESB Base Contract for Sale and Purchase of Natural Gas*. The subcommittee looked at Section 1.3 of the *NAESB Base Contract for Sale and Purchase of Voluntary Renewable Energy Certificates* and noted that the contract must be fully executed. Mr. Sappenfield stated that his comment looked to the expiration upon failure to provide an acceptance of the confirmation deadline results. He clarified if the acceptance is not received or is late, then the contract is not binding. Ms. Sieg agreed that the language should be accepted or disputed by the deadline and supported the change. Next, Mr. Sappenfield explained that clarifications were added to the attachment to reference the location of Exhibit B. Mr. Sappenfield stated that the formatting in the Step Tables (i.e., REC Step A1, etc) ensures that indentations and other formatting provide clarification and ease of reading. Ms. Crockett thanked Mr. Sappenfield for taking the time to format the tables in the Attachment.

Attachment E

In the Introduction of Attachment E, Mr. Sappenfield modified the language to provide further clarification. He stated that if a REC Invoice is sent, the sender should be prepared to use the REC INV Response Dataset. Ms. Crockett asked whether corrections are done in a subsequent invoice if there are updates to the Final Invoice. Mr. Allen stated that sometimes a REC bill or energy bill that has an error, will be revised the prepayment bill or the final bill and the customer will receive a secondary bill that revises the bill that is being corrected. Ms. Crockett stated that that explanation supports the revisions made by Mr. Sappenfield in Page 5. The subcommittee determined that “final invoice” and “preliminary invoice” should be lower cased. Mr. Sappenfield noted that “Check” is missing from the Method of Payment table. The subcommittee added a row for checks. Mr. Sappenfield stated that he added a row for “Other” methods of payment. Ms. Sieg thanked Mr. Sappenfield and Ms. Crockett for submitting comments on the document.

The subcommittee reviewed the FAQ document for the *NAESB Base Contract for Sale and Purchase of Natural Gas*, as revised following the development of the electronic version. Ms. Crockett volunteered to review the document offline and determine whether any of the additions made to accommodate the WGQ contract could apply to the REC contract.

The subcommittee agreed to vote on a draft recommendation containing the technical implementation during the next meeting which is tentatively scheduled for July 7, 2022 from 10:00 to 12:00 PM Central.

Attachment B as revised during the meeting is available at the following link: <https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps062222a3.docx>.

Attachment C as revised during the meeting is available at the following link: <https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps062222a4.docx>.

Attachment D as revised during the meeting is available at the following link: <https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps062222a5.docx>.

Attachment E as revised during the meeting is available at the following link: <https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps062222a6.docx>.

Attachment F is available at the following link: <https://naesb.org/member_login_check.asp?doc=weq_bps_rmq_bps062222a7.docx>.

1. **Discuss Next Steps and Future Meetings**

The subcommittee agreed to vote on a draft recommendation containing the technical implementation during the [next meeting](https://naesb.org/pdf4/weq_bps_rmq_bps070722a.docx) which is scheduled for July 7, 2022 from 10:00 to 12:00 PM Central.

1. **Adjourn**

The meeting adjourned at 2:37 PM Central on a motion by Mr. Sappenfield.

1. **Attendance**

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| **First Name** | **Last Name** | **Organization** |
| Adrian | Allen | Bonneville Power Administration |
| Valerie | Crockett | Tennessee Valley Authority |
| Dustin | DeGroff | Tenaska Power Services |
| Cory | Herbolsheimer | NV Energy |
| Alan | Johnson | NRG |
| Elizabeth | Mallett | North American Energy Standards Board |
| Catherine | Meiners | Electric Reliability Council of Texas |
| Deborah | McKeever | Oncor  |
| Farrokh | Rahimi | OATI |
| Robin | Rebillard | Manitoba Hydro |
| Keith | Sappenfield | Corpus Christi Liquefaction |
| Lisa | Sieg | LG&E and KU Services Company |
| Caroline | Trum | North American Energy Standards Board |