##### June 13, 2022

**TO:** All Interested Parties

**FROM:** Elizabeth Mallett

**RE: Renewable Energy Certificate (RECs) Activities Update**

On June 22nd, the WEQ and RMQ Business Practice Subcommittees will meet to review informal comments submitted on the proposed technical standards to support the *NAESB Base Contract for Sale and Purchase of Voluntary Renewable Energy Certificates* (NAESB REC Base Contract). The NAESB REC Base Contract was ratified by the NAESB membership in November and 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. On the heels of its ratification, the subcommittee set out to begin work on the technical standards to support the contract, including standards that allow for the digitalization of the agreement on blockchain and other technologies.

In mid-May, the subcommittees agreed to post the technical standards for an informal comment period that concluded on June 8th. Six comments from Tennessee Valley Authority and Cheniere Corpus Christi Liquefaction were submitted during the informal comment period. During the June call, the participants will discuss the informal comments and determine whether any changes should be made to the proposed standards.

As next steps, the subcommittees will schedule an additional call to vote on the recommendation containing the new technical standards. If approved, the recommendation will be posted for a thirty-day formal industry comment period and subsequently reviewed by the WEQ and RMQ Executive Committees in October. Throughout the process of drafting the NAESB Base REC Contract and the technical standards, the subcommittee leveraged the work created within the Wholesale Gas Quadrant to digitalize the *NAESB Base Contract for Sale and Purchase of Natural Gas*. The RMQ and WEQ Business Practice Subcommittees are on track to complete this joint effort this year.