May 17, 2019

**TO:** NAESB Retail Market Quadrant Executive Committee and Wholesale Electric Quadrant Executive Committee Members, Alternates and Interested Industry Participants

**FROM:** Caroline Trum, NAESB Deputy Director and Elizabeth Mallett, NAESB Deputy Director

**RE:** Retail Electric Quadrant (RMQ) and Wholesale Electric Quadrant (WEQ) Executive Committee Distributed Ledger Technology Task Forces Formation and Meeting Announcement

Dear All,

As included in the 2019 Annual Plans, the RMQ and WEQ have been assigned a joint item, 2019 RMQ Annual Plan Item 7 and 2019 WEQ Annual Plan Item 7.b, to review the current Renewable Energy Certificate (REC) process for financial and/or sustainability accounting/reporting to determine if distributed ledger technology business practice standards or protocols are needed, and if so, develop such standards and protocols. At the request of Debbie McKeever, the RMQ Executive Committee acting chair, and Roy True and Joshua Phillips, the WEQ Executive Committee chair and co-chair, this distribution serves as notice of the formation of the RMQ Executive Committee Distributed Ledger Technology Task Force and the WEQ Executive Committee Distributed Ledger Technology Task Force. The purpose of these task forces is to address 2019 RMQ Annual Plan Item 7.a and 2019 WEQ Annual Plan Item 7.b.i, which includes a review of the REC processes for financial and/or sustainability accounting/reporting and a determination as to whether distributed ledger technology related standards or protocols are needed. If a determination is made by the task forces that the current REC processes would benefit from standardization, the standards development activities will be assigned jointly to RMQ and WEQ subcommittees as appropriate.

To initiate the efforts, Debbie McKeever will serve as chair of the RMQ Executive Committee Distributed Ledger Technology Task Force, and Roy True and Joshua Phillips will serve as chair and co-chair of the WEQ Executive Committee Distributed Ledger Technology Task Force. A kick-off meeting has been scheduled for Friday, June 7 from 1:00 PM – 3:30 PM Central with a follow-up meeting to take place on Monday, June 24 from 10:00 AM – 12:00 PM Central. Participation in these meetings is open to all interested parties.

If you plan to participate in the conference call, please RSVP to the NAESB office (naesb@naesb.org or 713-356-0060). The agenda for the June 7, 2019 meeting is available below.

| **NAESB RMQ and WEQ Executive Committees Distributed Ledger Technology Task Forces Conference Call – June 7, 2019** |
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| **Topic** | **Information/Requests** |
| Mission | * The RMQ and WEQ Executive Committees Distributed Ledger Technology Task Forces function solely at the pleasure of the RMQ and WEQ Executive Committees and report directly to the RMQ and WEQ Executive Committees. The task forces are charged with jointly addressing 2019 RMQ Annual Plan Item 7.a and 2019 WEQ Annual Plan Item 7.b.i by (1) reviewing the current REC processes for financial and/or sustainability accounting/reporting and (2) determining whether distributed ledger technology related business practice standards and/or protocols are needed
* Materials for the RMQ Executive Committee Distributed Ledger Technology Task Force are posted on the NAESB website on the RMQ Executive Committee webpage: [https://naesb.org//REQ/req\_ec.asp](https://naesb.org/REQ/req_ec.asp)
* Materials for the WEQ Executive Committee Distributed Ledger Technology Task Force are posted on the NAESB website on the WEQ Executive Committee webpage: [https://naesb.org//weq/weq\_ec.asp](https://naesb.org/weq/weq_ec.asp)
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| Status and Context of Work | * As approved by the NAESB Board of Directors, the 2019 RMQ and WEQ Annual Plans include items jointly assigned to the RMQ and WEQ to review the current REC processes for financial and/or sustainability accounting/reporting to determine if distributed ledger technology business practice standards and/or protocols are needed and, if so, to develop such standards and/or protocols.
* The leadership of the RMQ and WEQ Executive Committees has proposed the formation of RMQ and WEQ Executive Committee task forces to address 2019 RMQ Annual Plan Item 7.a and 2019 WEQ Annual Plan Item 7.b.i. The task forces will work jointly to efficiently conduct the review of the current REC processes as described by the annual plans and make a determination as to whether the processes would benefit from the development of distributed ledger technology related business practices and/or protocols.
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| Call-in & web cast information for :Friday, June 7, 20191:00 PM to 3:30 PM C: | * Please contact the NAESB office if you are interested in participating.
* Any interested party may attend.
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| Draft Agenda | 1. Administrative:
* Welcome
* Antitrust Guidance
* Adoption of Agenda
* Establishment of Task Force Chairs and Mission Statement:

*“The RMQ and WEQ Executive Committees Distributed Ledger Technology Task Forces function solely at the pleasure of the RMQ and WEQ Executive Committees and report directly to the RMQ and WEQ Executive Committees. The task forces are charged with jointly addressing 2019 RMQ Annual Plan Item 7.a and 2019 WEQ Annual Plan Item 7.b.i by (1) reviewing the current REC processes for financial and/or sustainability accounting/reporting and (2) determining whether distributed ledger technology related business practice standards and/or protocols are needed.”* 1. Review the Current REC Processes for Financial and/or Sustainability Accounting/Reporting
2. Overview on Distributed Ledger Technology and Applications
3. Begin to Discuss the Current REC Processes and Potential Benefits of Distributed Ledger Technology Related Standards and/or Protocols
4. Discuss Next Steps and Plan for June 24, 2019 Conference Call
5. Other Business
6. Adjourn
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| Pre-meeting Assignments | * Review 2019 RMQ Annual Plan Item 7.a and WEQ Annual Plan Item 7.b.i.
* Review posted work papers.
* Provide any additional work papers or comments to the NAESB office for posting and consideration (naesb@naesb.org)
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| Meeting & Background Reference Materials | **Meeting Materials:*** Antitrust Guidance: <http://www.naesb.org/misc/antitrust_guidance.doc>
* Meeting Work Papers:
	+ REC Primer Presentation: <https://naesb.org//pdf4/retail_weq_ec_dlt060719w1.pptx>
	+ Example of Merged Generation Spreadsheet: <https://naesb.org//pdf4/retail_weq_ec_dlt060719w2.xlsx>
	+ Distributed Ledger Technology Primer Presentation: *to be provided shortly*
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| Schedule of Upcoming Meetings | * Monday, June 24, 2019 from 10:00 AM to 12:00 PM Central
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