##### February 14, 2024

**TO:** All Interested Parties

**FROM:** Amrit Nagi, Staff Attorney

**RE: WGQ Contracts Subcommittee Activities**

The WGQ Contracts Subcommittee is currently working on two major initiatives. First, they are developing a standardized contract for the sale and purchase of hydrogen. This draft contract draws on existing NAESB agreements for natural gas and includes provisions for certificate tracking, carbon intensity values, and transportation methods. An informal comment period closed on September 6, 2024, with seven sets of feedback submitted. The subcommittee reviewed this feedback during meetings on September 12 and October 17, 2024, and continues to refine the draft. They are targeting the first quarter of 2025 for finalizing the recommendation. The initiative kicked off with a meeting on July 11, 2024, attended by over 50 stakeholders, focusing on market trends like carbon intensity tracking and hydrogen transportation. During the February 11, 2025 meeting, participants completed a second review of the hydrogen contract, addressing sections on carbon intensity, facility information, and energy attribute certificates. The final review and vote are scheduled for February 27, 2025.

Additionally, the subcommittee met on January 17, 2025, to begin its review of Item 6 in the 2025 WGQ Annual Plan. This item focuses on updating the renewable natural gas (RNG) addendum, specifically addressing new regulations and developments in the RNG market related to transactions under the NAESB Base Contract. Participants discussed the impact of the Biogas Regulatory Reform Rule (BRRR) on RIN generation and the NAESB RNG Addendum. During the February 12, 2025 meeting, the subcommittee reviewed proposed edits that will serve as a basis for the revision. The next meeting is expected to be scheduled in the coming weeks.