#####  November 17, 2021

**TO:** NAESB Advisory Council

**FROM:** Caroline Trum, NAESB Deputy Director

**RE: Energy Storage and Distributed Energy Resources Update**

The WEQ Business Practices Subcommittee (BPS) is continuing to hold regular meetings to address 2021 WEQ Annual Plan Item 7 – develop and/or modify standards for information and reporting requirements to support battery storage/energy storage and, more broadly, distributed energy resources in front and behind the meter. For the past several meetings, the subcommittee participants have been focused on the development of a use case identifying data elements that may be needed in the registration of a distributed energy resource aggregation and/or an individual resource comprising an aggregation in order to identify a common set of information requirements that would support the various entities associated with the registration process. The WEQ BPS held a three-week informal industry comment period beginning October 19 regarding the data elements identified in the use case and seeking input on if additional data elements may be needed. The WEQ BPS participants reviewed the informal comments during a meeting held on November 10 and will continue discussions during a meeting scheduled for December 1.

As identified by the WEQ BPS participants, energy storage and distributed energy resources may be an area of overlap between reliability and commercial considerations. In support of the WEQ BPS standards development effort, NAESB staff has been in communication with NERC staff regarding the subcommittee’s activities as well as efforts within NERC to address reliability issues related to batteries and distributed energy resources. Recently, NERC staff provided a document developed by the NERC System Planning Impacts from Distributed Energy Resources Working Group (SPIDERWG) containing terms and working definitions identified by the working group. The WEQ BPS has reviewed the document and will consider it as part of the development of any defined terms developed as part of the standards drafting process.

As you may recall, the WEQ BPS kicked-off this standards development effort in February after the item was added to the 2021 WEQ Annual Plan by the NAESB Board of Directs based on a recommendation from the Board Task Force on Battery Storage. The effort is intended to be supportive of the wholesale electric industry’s effort to address directives contained in FERC Order Nos. 841 and 2222. Earlier this year, in June, NAESB submitted an informational status update to the FERC regarding standards development. The update contained a high-level description of the areas of standards development being addressed as well as an overview of the initial efforts of the WEQ BPS.