



NORTH AMERICAN ENERGY STANDARDS BOARD

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NAESB ADOPTS STANDARDIZED ADDENDUMS FOR RENEWABLE NATURAL GAS AND CERTIFIED GAS

NAESB is pleased to announce the release of two highly anticipated addendums to the *NAESB Base Contract for Sale and Purchase of Natural Gas* (NAESB Base Contract) that will add efficiency to Certified Gas and Renewable Natural Gas transactions moving forward. The NAESB Base Contract has been widely adopted by the industry and its general terms and conditions are utilized by the vast majority of parties contracting for natural gas throughout the United States, Mexico, and Canada. The Certified Gas and the Renewable Natural Gas Addendums have been developed to expand upon the use of the NAESB Base Contract specific to these new products with the intention of leveraging the efficiency, dependability and cost-savings the NAESB Base Contract has provided to industry.

In support of the emerging certified gas market, NAESB drafted the Certified Gas Addendum, receiving input from a broad spectrum of the wholesale gas industry, including natural gas producers, certification authorities, and end users, among other segments of the market. With an overarching goal that the addendum be supportive of existing and future certification programs, the participants active in the standards development effort worked collaboratively to reach consensus on standardized terms, conditions, and definitions that will support transactions within this nascent market. To further assist the industry in the use of the addendum, an accompanying Frequently Asked Questions (FAQ) document was also developed. With unanimous support through the standards development process, the Certified Gas Addendum has been adopted by NAESB and is now available for industry use.

As part of a separate industry push, the newly developed Renewable Natural Gas Addendum to the NAESB Base Contract will streamline the sale and purchase of Renewable Natural Gas in both voluntary and regulated markets. In reaching consensus on the establishment of uniform terminology and model terms and conditions included in the addendum, NAESB took into consideration numerous programs, such as state renewable portfolio standards, the US Environmental Protection Agency Renewable Fuel Standard, certification schemes, and utility procurement requirements. Similar to the Certified Gas Addendum, the Renewable Natural Gas Addendum and its FAQ document also received unanimous support along its way through the NAESB standards development process. Both addendums are exclusively available through the NAESB [website](#).

Keith Sappenfield, Chair of the NAESB Wholesale Gas Quadrant Contracts Subcommittee, stated, “The participation by key players in the natural gas industry active in both the renewable natural gas space as well as the developing certified gas markets was of immense value in the development of both addendums. The substantive contributions we received from the numerous entities participating throughout the process has ensured that the final addendums are true consensus products.”

Michael Desselle, Chair of the NAESB Board of Directors stated, “NAESB has once again shown its commitment to industry priorities through the release of the Certified Gas and Renewable Natural Gas Addendums to the NAESB Base Contract for Sale and Purchase of Natural Gas. I am grateful for the participation from newcomers and experienced contributors who dedicated significant time and expertise to reach consensus on these extremely important contract standards.”

As originally contemplated, now that the Renewable Natural Gas Addendum and the Certified Gas Addendum have been finalized, NAESB will continue its work in these areas to develop the technical standards that will facilitate the use of digital technologies for transactions under the addendums, such as blockchain. For more information, please contact Jonathan Booe, NAESB Executive Vice President and Chief Operating Officer (713) 356-0060.

The North American Energy Standards Board (NAESB) serves as an industry forum for the development and promotion of standards which will lead to a seamless marketplace for wholesale and retail natural gas and electricity, as recognized by its customers, business community, participants, and regulatory entities. It is composed of about three hundred corporate members in the energy industry and many more non-member volunteers who contribute to the drafting and adopting of NAESB standards. To learn more about NAESB, go to www.naesb.org.
