



NORTH AMERICAN ENERGY STANDARDS BOARD

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NAESB TO WORK WITH THE U.S. DEPARTMENT OF ENERGY, LBNL, AND PNNL ON STANDARDS DEVELOPMENT TO SUPPORT MARKET INTEGRATION OF DISTRIBUTED ENERGY RESOURCES

On May 2, 2022, the U.S. Department of Energy (DOE), Lawrence Berkeley National Laboratory (LBNL), and Pacific Northwest National Laboratory (PNNL) jointly submitted a request for standards development to the North American Energy Standards Board (NAESB) seeking to harmonize grid service terminology and definitions supporting distributed energy resources offered by the organized markets and distribution systems. As described in the request, the effort is intended to create standardized, technology-neutral grid service definitions that can benefit both wholesale and retail electric market interactions. Such a step will advance interoperability and integration of distributed energy resources while recognizing the diverse needs of differing markets and regions. The request was submitted to support the U.S. DOE's Grid Modernization Laboratory Consortium (GMLC) efforts to modernize the nation's electric grid.

GMLC Principal Investigator (PI) Richard Brown, LBNL, and Co-PI Steve Widergren, PNNL, said "LBNL and PNNL are excited to utilize the NAESB process to take this step on behalf of the DOE-funded GMLC grid services, energy services interfaces, and grid connected devices team. A lack of common industry terminology regarding grid services can be a roadblock to the interoperability of distributed energy resources and the development of other standardized practices. NAESB standardization of grid service definitions could provide a foundation for a common framework that would simplify distributed energy resource integration and enable the comparison of grid service usage across the markets, leading to improved accuracy and consistency of information concerning grid service performance and metrics."

As indicated in the request, the NAESB standards development effort will promote more efficient wholesale and retail electric market operations while also advancing market utilization of distributed energy resources. The request proposes to build upon existing wholesale market structures by standardizing common grid service names, definitions, and performance characteristics that align with the market product taxonomies and definitions identified in the Federal Energy Regulatory Commission (FERC) Electric Quarterly Reports. Per the request, the NAESB standard will enable wholesale market operators to associate or classify existing market products with common grid services and support more efficient communications between market operators and market participants, such as generators, distribution system operators, and distributed energy resource aggregators. Once developed, the standards applicable to the wholesale electric market can provide a foundation for the development of similar retail electric standards which will serve to assist emerging retail markets to integrate, with greater consistency, the flexibilities that can be realized from distributed energy resources.

Michael Desselle, Southwest Power Pool Vice President and Chief Compliance and Administrative Officer and current Chairman of the NAESB Board of Directors, stated "NAESB is appreciative of the opportunity to develop standards that further the goals of the U.S. DOE and the work of the national laboratories, and we plan to do so by incorporating this effort into standards development already underway related to energy storage and distributed energy resources in support of FERC Order Nos. 841 and 2222."

Within NAESB, standards development to address the request is being initiated by both the Wholesale Electric Quadrant (WEQ) and Retail Markets Quadrant (RMQ). As envisioned by the request, the WEQ will proceed first with standards development, and a kick-off meeting is scheduled for Tuesday, June 14, 2022. It is anticipated that the RMQ will begin standards development later this year.

For more information, contact Jonathan Booe, NAESB Executive Vice President and Chief Operating Officer, (713) 356-0060.



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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 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.