



NORTH AMERICAN ENERGY STANDARDS BOARD

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NAESB INITIATES THE DEVELOPMENT OF A STANDARDIZED CONTRACT FOR RESPONSIBLY SOURCED NATURAL GAS

Last week, NAESB initiated a new effort to support the energy industry in the sale and purchase of responsibly sourced natural gas through the development of a standardized contract addendum. This standards development activity comes on the heels of a similar project within NAESB to develop a renewable natural gas addendum to the widely utilized *NAESB Base Contract for Sale and Purchase of Natural Gas* and is expected follow a similar path. Representatives from all segments of the natural gas market, including, producers, pipelines, and end users as well as representatives from the U.S. Department of Energy, the American Gas Association, and Project Canary participated in the June 2nd meeting. As discussed during the meeting, in addition to drafting a standardized addendum to support responsibly sourced natural gas trades, the scope of work will include standards that will enable additional efficiencies through the use of distributed ledger technologies and smart contracts

Within NAESB, interest in the development of a standardized contract to support responsibly sourced gas began in 2020 when it was added as a provisional standards development item. Since that time, there has been growing attention within the market regarding sustainably produced and responsibly sourced natural gas and in recent months, certification organizations operating in this space, including Equitable Origin, MiQ, and Project Canary, have engaged with NAESB, participating in a number of recent NAESB meetings and events. Given this increased industry interest and at the recommendation of NAESB members, the NAESB Board of Directors activated the standards development project during its April 14, 2022 meeting.

Valerie Crockett, Vice Chair of the NAESB Wholesale Gas Quadrant, stated, “I was extremely pleased with the turnout for the kick-off meeting last week, and it has been exciting to watch the interest in the project grow from a provisional possibility within NAESB to the robust exchange of ideas, verifying that the industry is ready to move forward.”

The NAESB Wholesale Gas Quadrant Contracts Subcommittee has scheduled a series of follow-up meetings to continue its standards development efforts. The subcommittee is soliciting comments, questions, and work papers from any interested industry parties with a submission deadline of June 14, 2022. All submissions will be discussed and reviewed by the subcommittee during its meeting scheduled for June 16, 2022. As with all NAESB efforts, participation in this standards development activity is open to all interested parties.

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.
