#####  April 25, 2022

**TO:** NAESB Advisory Council

**FROM:** Caroline Trum, Director, Wholesale Electric Quadrant

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

The WEQ Business Practices Subcommittee (BPS) continues to hold monthly meetings to address standards for information and reporting requirements to support battery storage/energy storage and, more broadly, distributed energy resources in front and behind the meter. The initial focus of the subcommittee has been on the development of standards to support 2022 WEQ Annual Plan Item 6.b – Develop business practices for information and reporting requirements for the qualified energy storage resources and distributed energy resources participating in wholesale markets.

Currently, the WEQ BPS is in the process of drafting business practice standards to define a common set of information requirements intended to support the various entities associated with the registration processes for a distributed energy resource aggregation and/or an individual resource comprising an aggregation. The standards are based on a subcommittee developed use case which identified potential data elements that may be needed to convey necessary information as part of the registration process. The draft standards language includes proposed data elements identified in the use case to help support uniform and consistent data exchange.

Once the drafted standards are completed, the subcommittee intends to hold an informal comment period to gain additional industry input as well as determine if there are other use cases that should be explored for potential standards development as part of this annual plan item. As previously identified by the subcommittee participants, other relevant use cases could include standards to support market products or services, such as the development of common categorizations or attributes for grid services, as well as various commercial communications between battery/energy storage asset owners and distributed energy resource owners/aggregators, such as interactions between an aggregator and an individual resource or system operator and/or interactions between an asset owner and system operator.

The WEQ BPS anticipates voting out a recommendation for 2022 WEQ Annual Plan Item 6.b later this year. Once completed, the subcommittee participants will address 2022 WEQ Annual Plan Item 6.a (develop business practices that define an index/registry for qualified energy storage resources and distributed energy resources participating in the wholesale markets) and 2022 WEQ Annual Plan Item 6.c (develop business practices to establish performance metrics for the qualified energy storage resources and distributed energy resources participating in the wholesale markets.