##### November 17, 2021

**TO:** All Interested Parties

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

**RE: Renewable Energy Certificate (RECs) Contract Update**

On November 4, RMQ and WEQ membership ratified the *NAESB Base Contract for Sale and Purchase of Voluntary Renewable Energy Certificates* (NAESB REC Base Contract). The contract, approved by the WEQ Executive Committee on October 5 and the RMQ Executive Committee on October 6, was jointly developed by the WEQ and RMQ Business Practices Subcommittees (BPS). The NAESB REC Base Contract is intended to improve efficiencies in the voluntary REC transaction processes through the establishment of uniform terminology and model terms and conditions that can serve as a starting point for contract negotiations. Also included as part of the model contract is an attestation exhibit that allows parties to evidence transfer of REC ownership, including uniform description of a REC’s origins and creation. Additionally, the WEQ and RMQ BPS developed a FAQ document to that may be of use to parties utilizing the NAESB REC Base Contract.

With the completion of the NAESB REC Base Contract, the WEQ and RMQ BPS have now begun to jointly address part-two of the annual plan item, the development of standards to address the technical implementation, including the digitalization of the contract. Over the course of six meetings held between August 31 and October 25, the subcommittee participants have worked to create data elements and code values for the various datasets that will be needed. Where possible, the subcommittees are leveraging the standards created by the WGQ to digitalize the *NAESB Base Contract for Sale and Purchase of Natural Gas*. The WEQ and RMQ BPS have an additional joint meeting planned for November 30 and are in the process of scheduling meetings for 2022. The subcommittees are on track to complete this joint effort next year.