**Comments from ConocoPhillips Company submitted by Ben Schoene**

WGQ Contracts Subcommittee,

I am submitting these comments since I have a scheduling conflict with the July 21, 2022 conference call and may not be able to deliver them verbally. People can feel free to call me to discuss personally as desired.

General

ConocoPhillips (COP) views the addendum as strictly a transactional tool between buyers and sellers and should be structured in a way to maximize transactional possibilities. Specifically, COP supports broader language to allow for transactions that utilize frameworks that provide measurement, reporting, and verification but don’t classify themselves as certifiers (e.g. OGMP). The currently contemplated draft forecloses the opportunity to utilize such frameworks and can unnecessarily pressure entities to use a narrow set of frameworks despite delivering the same or better results, as the use of NAESB contracts is highly preferred within the industry. NAESB should strive to develop contracts that simply facilitate transactions and allow the marketplace to define deal structure. Specific terms that should be reviewed for adequate breadth include:  Applicable Certification, Certification, Certification Authority,  and perhaps others as the contract addendum continues to progress. COP recognizes that this topic is likely part of the broader conversation about how to label such transactions.

COP understands “claim” in this addendum to refer solely to the transactional aspect of the attribute specifically attached to the “CG” that can be discretely owned and transferred and effectively captured in items 4 and 5 on Exhibit B. “Claim” does not refer to statements that characterize the nature of an entity’s business (e.g. Producer Y produced 100MMCF of “CG” in 2022.). To the extent anybody has a different opinion or feels there may be some ambiguity, then let’s talk through it.

EDF July 18, 2022 Comments

COP fully agrees with EDF’s statement that NAESB is a **neutral** standards making body. We disagree that this process will or should “set the rules of the road for transacting certified gas.” NAESB shouldn’t set rules and is explicitly mandated to not set policy. As NAESB crafts this addendum it needs to be extra cautious not to cross that line since this concept is nascent, which is why the focus should simply be on developing something that facilitates transactions between buyers and sellers under desired frameworks and prices. Therefore, we are in agreement on the value of the FAQ and the need to review the addendum at a specified time in the future because this market will certainly evolve. Specifically, wells should be eligible for certification. That is a question for producers, buyers, certifiers, and likely eventually regulators to decide and certainly, other stakeholders will drive the behavior and decisions of these groups through engagement designed to help define the market and influence the industry. It is outside of NAESB’s scope to make this call. NAESB would violate its neutrality and commitment against making policy to make such a determination. It is not NAESB’s role to define a marketplace, but to simply help the processes needed by a marketplace function more efficiently and effectively.

Sincerely,

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