**2022 NAESB WGQ Annual Plan Item: Responsibly Sourced Natural Gas Addendum**

**4/14/2022 NAESB Board of Director’s Motion Approved: Develop a Responsibly Sourced Natural Gas (RSG) Addendum to the NAESB Base Contract for various program offerings. (Underway)**

**10-25-2022:** NAESB WGQ Contracts Subcommittee (SC) initial meeting to define scope and start work.

Plan for development of draft Addendum (**10/25/2022**)

* 1. Meeting schedule (dates) at 2-4 PM.
		1. **Initial meeting held June 2, 2022**
		2. **Thursday, June 16, 2022**
		3. **Tuesday, June 28, 2022**
		4. **Thursday, July 21, 2022**
		5. **Tuesday, August 2, 2022**
		6. **Thursday, August 18, 2022**
		7. **Thursday September 15, 2022**
		8. **Thursday, September 29, 2022**
		9. **Thursday, October 6, 2022**
		10. **Thursday, October 25, 2022 (1:00 to 4:00 PM)**
		11. **Thursday, November 17, 2022 (1:00 to 4:00 PM) (planned)**
		12. **Tuesday, December 6, 2022 (1:00 to 4:00 PM) (if needed)**
	2. The above meeting dates and timing is based on the anticipated scope of the meetings:
		1. **October 25th (1-4 PM)** – Finalize review of Addendum, Exhibit A including resolution of outstanding Parking Lot items (likely to be a balance vote on a few items). Review FAQs.
		2. **November 10th** – Due date for submittal to NAESB Office of any final comments on documents (Certified Gas Addendum, Exhibit A, Exhibit B, and FAQs) or actions (votes) as of the end of October 25th meeting.
		3. **November 17th** – Final meeting (1-4 PM) for review of Certified Gas Addendum, Exhibit A and FAQs and vote on recommendation.
	3. Updates to Cover Standard Section 3.2 (proposed or alternative) per discussion at **10/6/22 meeting**
	4. This discussion will take place after review of the addendum’s terms and conditions are updated on the **Parking Lot** on page 2. Comments and other items may require balance vote for resolution are organized under separate topics.
	5. Updated Base Contract FAQs with Certified Gas section is posted for the October 25th meeting.
	6. After completion and adoption of addendum and related documents as standard, work to continue to develop electronic dataset version of addendum including associated Technical Implementation of Business Process (TIBP) instructions.

Next meeting work efforts:

* Confirm date/time **(November 17 (Thursday), 2022, at 1-4 PM)**
* Anticipate Final Meeting with Balance Vote on recommendation for CG Addendum and Exhibit A.
* SC working documents for SC discussions will be posted for participants review approximately prior SC meeting.

**Parking Lot**:

* Discussion and possible Vote on **NAMING** convention for Addendum
	1. **EDF** “Contractually Certified Gas”
	2. **Project Canary** “Responsibly Sourced Gas”
	3. **MiQ**: do not use term RSG (marketing hype, not neutral, leads to greenwashing accusations)
	4. Retain placeholder: “Certified Gas”
* Discussion and possible Vote on terms and conditions related to **“Facility(ies)”:**
	1. MiQ: Current definition of “Facility(ies)” definition 2.\_\_ and Exhibit A
	2. Review U.S. EPA definition ()
* Discuss and possible vote on approach for **Certificates, Certification, and Verification requirements and definitions**
	1. EDF: Certification program needs verification from an independent third party.
	2. Industry ‘best” practice for the CG transaction market:
		1. Addendum terms and conditions should require Certificates issued by a Certificate Authority,
		2. Certificates shall be verified by an independent third party, and
		3. Certificates be recorded in a “registry” or equivalent electronic database to track the certificate from initial creation/issuance by a Certification Authority, certificate transfers under a transaction, and ultimate retirement of a certificate, as applicable.
	3. COP - Addendum as strictly a **transactional tool** between buyers and sellers and structured in a way to maximize transactional possibilities.
		1. 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,
		2. NAESB should strive to develop contracts that simply facilitate transactions and allow the marketplace to define deal structure.
* **OTHER Terms:**
	1. Section 3.2 – Cover Standard review of alternatives (Base Contract 3.2 as modified or RNG 3.2 as modified)
	2. Section 16.1 – Alternative name for **CG Spot Price** (see also 3.2 Cover Standard) as the value of the CG without certification under disqualified CG.
	3. Exhibit A; CG ESG Attributes: retain Buyer/Seller identifying the Methane Intensity Maximum % value. Review to confirm definition of methane intensity.
* **FAQs:**
	1. Review current FAQ document posted for 10/25/2022 meeting.
	2. **EDF:** Add to recommendation for NAESB to commit to revisiting the addendum after two years of industry’s additional experience with the certified gas market. Annual Plan provisional item.
* **Additional Principles**
	1. **MiQ:** NAESB adoption of “Principles”. No suggested principles for review.