##### August 15, 2023

**TO:** All Interested Parties

**FROM:** Elizabeth Mallett, Director, Wholesale Gas and Retail Markets Quadrants

**RE: Distributed Energy Resources and Grid Services Development**

WEQ-025 Grid Services Supporting Wholesale Electric Interactions

On July 31, 2023, NAESB published Version 004 of the NAESB Wholesale Electric Quadrant (WEQ) Business Practice Standards which includes a new suite of standards, WEQ-025 Grid Services Supporting Wholesale Electric Interactions. WEQ-025 was developed by the WEQ Business Practices Subcommittee (BPS) over twelve meetings in response to a request submitted by the U.S. Department of Energy (DoE), Lawrence Berkeley National Laboratory, and Pacific Northwest National Laboratory to support a part of the DoE’s Grid Modernization Laboratory Consortium (GMLC). Ratified by the NAESB WEQ membership on April 27, 2023, the new standards in WEQ-025 identify six categories of operationally based grid services utilized within the wholesale electric market: energy grid service, reserve grid service, regulation grid service, frequency grid service, voltage management grid service, and blackstart grid service. Also, the standards delineate the electrical, timing, and performance determination attributes that may be used by system operators to define the unique requirements for services within their markets.

FERC Order Nos. 841 and 2222

Since the completion of WEQ-025, the WEQ BPS has returned to the standards development effort to support the use of energy storage resources and DER aggregations under requirements established by FERC Order Nos. 841 and 2222. As part of this work, the WEQ BPS has sought to develop business practice standards that define an index/registry for storage and distributed energy resources, business practices for information and reporting requirements, and business practices to establish performance metrics. During its mid-August meeting, the WEQ BPS reviewed a work paper containing potential DER terminology to be added to WEQ-000 and a proposed list of information requirements for resources participating in wholesale markets under FERC Order Nos. 841 and 2222. Additionally, a spreadsheet containing use case examples for DER aggregation was discussed. Looking ahead, the WEQ BPS will soon announce a date for its September meeting to continue discussion. All interested parties are welcome to attend the meeting.