##### August 17, 2021

**TO:** NAESB Advisory Council

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

**RE: Update for the Board of Directors – Battery Storage and Distributed Energy Resources**

On June 21, NAESB submitted to the FERC an [informational status update](https://naesb.org/pdf4/naesb062121_informational_status_update_ferc_order841and2222.pdf) regarding its energy storage resource and distributed energy resource standard development activities supportive of the wholesale electric industry’s effort to implement FERC Order Nos. 841 and 2222. The report provided a high-level overview of the activities that led to NAESB undertaking standards development in this area as well as a description of the efforts of the WEQ Business Practices Subcommittee (BPS) to address 20201 WEQ Annual Plan Item 7 – develop and/or modify standards for information and reporting requirements to support battery storage/energy storage and, more broadly, distributed energy resources in front and behind the meter. As part of this effort, the WEQ BPS has been tasked with developing business practices for energy storage resources and distributed energy resources participating in the wholesale markets that (1) define an index/registry; (2) create information and reporting requirements; and (3) establish performance metrics.

The WEQ BPS continues to hold regular meetings to discuss potential standards development. Initial discussions of the subcommittee have focused on the development of standards to address information and reporting requirements, including potential data standards, as well as standards to support a potential index or registry of energy storage and distributed energy resources. In support of these areas, initial use cases proposed by subcommittee participants have focused on information exchanges, including the types of data that will need to be communicated between various parties, such as between resource owners or aggregators and the ISOs/RTOs. The participants have also worked to identify descriptive characteristics of energy storage resources, distributed energy resources, and aggregations that could serve as the basis for drafting standards to support the communication of such information between relevant parties, including locational information and operational characteristics. Discussions regarding a potential index or registry have centered on an industry tool that could house data such as geographic and interconnection information provided for individual resources and/or aggregations that could be accessed by parties such as ISOs/RTOs, relevant retail regulatory authorities, distribution system operators, and distribution companies.

The WEQ BPS has enjoyed broad industry participation as part of this standards development effort. Since holding a kick-off meeting on February 25, approximately 60 different participants representing 30 different companies have participated in subcommittee meetings. As you may recall, the Board of Directors took action to add 2021 WEQ Annual Plan Items 7.a, 7.b, and 7.c during its December 2020 meeting. This followed the identification of battery storage as an area of growing industry interest by the NAESB Advisory Council and a recommendation that NAESB explore the potential for standards development as well as the results of the 2020 NAESB Standards Development Survey that indicated strong industry support for NAESB to consider standards in this area.