

Comparison of the WESM/NERC and NAESB/GISB Proposals

	WESM/NERC	NAESB/GISB
Scope	<ul style="list-style-type: none"> • Wholesale electric • Proposes to “occupy” the WEQ of NAESB • Addresses both reliability and commercial issues 	<ul style="list-style-type: none"> • Four “quadrants” – Wholesale & retail, electric & gas • Limited to commercial – no reliability – although subject to change
Governance	<ul style="list-style-type: none"> • Independent, self-perpetuating Board with a Stakeholders advisory committee • Technical standards drafting staff and committee support 	<ul style="list-style-type: none"> • Stakeholders Executive Committee and Board with representatives elected by each quadrant • Voluntary organization (presently only 3 FT staff)
Process	<ul style="list-style-type: none"> • Will request ANSI certification • Open and inclusive • Anyone can participate and vote in the standards development process • Must pay a fee (+/- \$500) to be in the “ballot pool” and vote to approve the standard • Weighted sector voting • Associations can pay and vote • All comments must follow the standards until the commentor’s concerns are satisfied • All standards will be filed with FERC 	<ul style="list-style-type: none"> • Presently ANSI certified • Open and inclusive • Anyone can participate and vote in the standards process • Must pay a fee (\$5k) to vote on the approval of the standard • Sector voting • Associations cannot join, but can be representatives or agents • All comments must follow the standards until the commentor’s concerns are satisfied • All standards will be filed with FERC
Funding	<ul style="list-style-type: none"> • Will charge a fee to “self-fund” the standards approval process • Very rough estimate of the required costs -- \$2 million 	<ul style="list-style-type: none"> • \$5k fee per member to pay the costs of the organization • Very limited staff – thus much lower revenue needs

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History/ Track Record	<ul style="list-style-type: none"> • +30 years of experience setting reliability standards • However, viewed by many (most?) in the commercial sectors as being biased towards reliability • Very qualified technical staff – but historically the staff have been responsive to those that paid – electric utilities • No real-life experience with the WESM model – but the approval process is similar in many ways to the “proven” GISB process • FERC Commissioners have expressed concerns RE: several critical aspects of the NERC’s process – but seems intrigued with the WESM proposal 	<ul style="list-style-type: none"> • +6 years experience • Established over 500 gas standards – with FERC approval for all • The process is truly open and inclusive • However, the process also has clearly shown that a strictly “voluntary” organization requires tremendous resource (i.e., time) commitment to represent your views and concerns • No real-life experience in the retail gas, wholesale electric or retail electric quadrants – however the approval process is nearly identical to the WGQ • FERC Commissioners and staff have expressed strong support for the GISB process – but recently seem to be warming to the WESM proposal also