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Gas Industry Standards Board
1100 Louisiana, Suite 3625
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December 7, 2001

RE: Department of Energy's Industry Meeting Regarding the
Wholesale Market Electricity Standards Organization

The IEEE Power Engineering Society is the recognized leader in the development of international standards in the field of Power Engineering. These standards have historically been in the area of equipment standards and supporting applications guidance. These standards are approved through the Standards Board of the IEEE Standards Association, which also supports the standards efforts of some 47 other Societies and Councils that comprise the Institute of Electrical and Electronics Engineers, some 325,000 members strong. I am here as the Power Engineering Society President to make you aware that the standards that are the subject of this proposal are within an area in which the Power Engineering Society has expertise and is an accredited ANSI Standards Developing Organization. The standards development process we use in PES is completely open, both in the volunteer development stage and in balloting.

The Power Engineering Society made a substantial effort in 1999 and 2000 to assist NERC with the creation of a joint and open process for the development and approval of standards, including direct adoption of completed standards. I made an informational presentation to a joint session of the three NERC Standing Committees on March 28, 2000 on this exact subject, updating the Committees on actions taken to develop a joint process. NERC Staff, however, had other ideas about these standards, and the joint development process was scuttled.

The IEEE Power Engineering Society would like to observe that the bulk of what NERC has developed and is targeting for standards under the "WESM Proposal" are not really standards in the usual sense of the word. In order for something to be standardized, it must also be measurable. A significant portion of what has been developed is "content free", because the measure typically used is whether or not you have a plan, not what the plan must contain in order to achieve reliable operation of the bulk power system. I believe the most immediate issue NERC faces is to separate those items which can and should be standardized from those that cannot. Once that is determined, the process of developing each type can then be pursued.

The IEEE Power Engineering Society remains interested in working with NERC to provide ANSI-approved standardization in those areas involving power engineering. We note that much of what is going on in the marketing arena comes closer to accounting and law (and maybe magic) than engineering though we would be willing to work with NERC to see the best process for handling that work as well.

It is my belief that the NERC proposal, if accepted, will accomplish little but risks overtaxing the limited technical resources available to the power industry to write standards. My recommendation is to be very prudent in determining what standards are needed, why, and when; and then consider the most effective way of obtaining and maintaining them.

I would now like to address the eleven Proposed Themes and Criteria for this forum. Please note that these perspectives come not only from PES, but also from my many years of involvement directly with NERC and it's Regional Reliability Council, MAIN.

1. Reliability and business standards and practices can be developed separately, but they can and must affect other. However, reliability of the bulk power system must always come first.
2. The core reliability issue is to know of transactions and system conditions far enough ahead of occurrence in order to effectively maintain reliability while promoting an effective energy market.
3. Reliability of the bulk power system must come first, always. The role of the market is to be able to react in a timely fashion to changes in the bulk system and its components in order to continue to operate reliably.
4. Once it is determined that reliability is first, you do not have to be concerned about what is second.
5. An open process is essential, with each vote carrying equal weight. Note that an open process is far from what has been proposed. You should know that we in IEEE struggled greatly with this concept and found that fears of ballot box stuffing and negative votes without substance were unfounded. Without an open process, gaining ANSI approval of the standards will be difficult. The Power Engineering Society process is already approved under ANSI.
6. Not applicable if their primary mission is one of assuring that the proper process is followed, as is done with IEEE.
7. FERC does not have the expertise to judge their technical merits. I suggest that a listing of applicable standards in the tariffs would suffice.
8. None.
9. Talented engineers from RTOs and ISOs should become highly involved in the standards development process to assure that the standards that are developed meet their needs and those of the industry.
10. Standards development should be a volunteer effort, made by those who must live with the results.
11. ANSI certification is important for credibility, as is certification of the standards development process through which each standard has progressed on its way to approval.

I thank you for the opportunity to present my views.

Donald R. Volzka

President
IEEE Power Engineering Society