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From: James Thompson [mailto:Jthompso@ANSI.org]

Sent: Thursday, February 20, 2003 1:59 PM

To: Ron Niebo

Cc: Anne Caldas

Subject: NERC Application

Dear Mr. Niebo,

ANSI's Executive Standards Council (ExSC) reviewed NERC's Application for Accreditation as a Developer of American National Standards at its February 3-4, 2003 meeting in Ft. Lauderdale, FL. The ExSC's review of NERC's application and proposed operating procedures included NERC's responses to the last set of ExSC comments forwarded to NERC on December 11, 2002.

In general, most of NERC's responses to the ExSC's comments were satisfactory to the group. The ExSC agreed to grant approval of NERC as an ANSI-Accredited Standards Developer, contingent upon the following changes being made to the *NERC Organization Standards Process Manual*:

- NERC agrees to incorporate the proposed language it submitted in its response to the ExSC's 12/11/02 comments relating to the parts of its manual dealing with compliance administration;
- In accordance with its response to the ExSC's 12/11/02 concern that *Step 9 - First Ballot* of the *NERC Organization Standards Process Manual* appears to discourage consensus body members from submitting comments with negative votes during the first ballot period, NERC agrees to add a clarifying statement to this section. This statement shall state that if any comments are received during the ballot period, they shall be addressed in accordance with *Step 8* and include recirculation (electronic posting) of unresolved objections to the ballot pool (consensus body). As expressed in clause 2.6 of the *ANSI Essential Requirements*, it is not acceptable to limit comments by consensus body members to the public review period only;
- In accordance with the openness requirements defined in clause 2.1 of the *ANSI Essential Requirements*, NERC cannot include language in its manual that explicitly prohibits voting by materially affected identified interest categories. Consequently, the following language from Appendix B (page 34) of NERC's manual shall be deleted, prior to the approval of NERC's accreditation:

"...Vendors, consultants, prime contractors of generation or transmission facilities, academics and others may participate actively as standards are developed, but will not be permitted to be voting members of any segment..."

In addition, it is not appropriate to exclude an interest category from voting because there are less than 5 members (Appendix B, page 33). This statement should also be deleted from NERC's manual.

Once NERC's response to these conditions is received, it will be circulated back to the ExSC's Subcommittee on Accreditation to confirm that NERC's final revised procedures have met the intent of the ExSC's request. NERC will be formally notified of the ExSC's final accreditation decision shortly thereafter.

Please feel free to contact me at 212/642-4913 or by responding to this message if you have any questions or concerns relating to this matter. Thanks.

Regards,

Jim Thompson
Manager, Standards Developer & ISO/TAG Accreditation Programs

Procedures and Standards Administration

American National Standards Institute