

JUN 23 2004

June 18, 2004

Ms. Louise McCarren
Chief Executive Officer
WECC
615 Arapeen Drive, Suite 210
Salt Lake City, Utah 84108-1262

Ms. McCarren:

Permit me to introduce myself. I am the Vice President of Product Management for Henwood Energy Services, Inc. and the representative at WECC. It has recently come to Henwood's attention that the California ISO has made a proposal for WECC maintenance of a production cost data base. Our observation is that the proposal describes a fairly far ranging activity that does not seem to be consistent with WECC's role as a reliability organization. It is our expectation, as a WECC member, to be adequately informed and possibly included in the dialogue surrounding a proposal of this magnitude. We view this an opportunity for both you to meet objectives of building a data set while focusing on your mission of maintaining grid reliability and for Henwood to provide WECC an alternative that leverages over a decade of data gathering efforts by industry experts.

Henwood, among other companies, is in the business of providing the kinds of services that California proposes that WECC provide. Based on years of experience in this business, our belief is that the cost and effort WECC will incur if it should adopt the California ISO proposal is well beyond that indicated in the California presentation, and that acquiring this information from a commercial vendor would be much more cost-effective as well as more consistent with the WECC mission. For example, Henwood would be willing to make its proprietary data available to WECC members at a reasonable price and with reasonable protections. We believe this information could be made available on a more cost effective basis and would not require all WECC members to pay for it. Only those members who want the information would pay for and have access to it.

May I suggest that it is appropriate to delay any vote on this proposal until further communication can be made. Ron McMahan, our CEO and I would like to set up a meeting with you in Salt Lake City to discuss these matters further prior to any vote being submitted to the WECC Board on the CAISO proposal. Richard Lauckhart, the leader of Henwood's WECC initiatives, will contact you to set up a meeting.

Sincerely,



Vikram Janardhan
Vice President, Product Management
Henwood Energy

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