

Subj: **Re: NAESB Amended WEQ Procedures**
Date: 5/22/2003 5:17:55 PM Central Daylight Time
From: Ronald.D.Nunnally – Southern California Edison
To: NAESB
CC:

Sent from the Internet ([Details](#))

Thank you for the opportunity to provide comments on the amended WEQ procedures. SCE commends the efforts NAESB has put forth in drafting these procedures and generally supports the principles set forth. However, SCE believes that Section 5.1.E is troublesome since it extends voting rights to Service Entities (providers of services to participants in the wholesale electric industry). As stated in Section 5.1.A , membership and voting rights in the WEQ are open to any person or legal Entity that has an active and significant business interest in the wholesale electric market. Section 5.1.E modifies this by extending membership, and therefore voting rights, to Service Entities by defining their legitimate business interest as providing service by contracting primarily with Entities that would qualify for Segment and Sub-Segment Membership.

Section 5.1.E

"Service Entities will be viewed as having a legitimate business interest in any Segment and Sub-Segment to which they directly provide service by contracting primarily with Entities that would qualify for Segment and Sub-Segment Membership."

SCE believes that these Service Entities are not true stakeholders in the Segments and Sub-Segments as they are not directly involved in the functioning of the wholesale electricity market and should not have an equal voice/vote with true stakeholders in WEQ matters. In addition, the inclusion of this provision could lead to some Entities attempting to "pad" the membership of the WEQ in their favor with contracted Service Entities (e.g. law firms, consultants, etc..) in order to gain influence in the WEQ . This provision should be eliminated or modified to include Service Entities in a non-voting advisory role only.

Other than the Section 5.1.E, the remainder of the procedures, as currently drafted, are acceptable to SCE.

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