

Power Marketer Application

Note: This example assumes that the power marketer is NOT affiliated with any generation or transmission facilities, nor has an electric utility affiliate with a franchised service area with captive customers. This example includes the following elements.

- Cover letter
- Petition for acceptance of initial rate filing
- Rate Schedule FERC No. 1
- Notice of Filing
- Notice of Filing of Supplemental Information

EXAMPLE OF COVER LETTER

(current date)

Magalie R. Salas, Secretary

Federal Energy Regulatory Commission
Information Services Division
ED 12.3
888 First St. NE
Washington, D.C. 20426
Re: Apex Power Marketing, Inc.
Docket No. ER03-XXXX-000

Dear Ms. Salas:

Enclosed for filing are an original and six copies of the Petition For Acceptance Of Initial Rate Schedule, Waivers And Blanket Authority, submitted by Apex Power Marketing, Inc. (Apex). The Petition requests acceptance of Apex Rate Schedule FERC No. 1, under which Apex will engage in wholesale electric power and energy transactions as a marketer; the granting of certain blanket approvals, including the authority to sell electricity at market-based rates; and the waiver of certain Commission regulations. Attached to the Petition is a form of notice of this filing suitable for publication in the Federal Register, and a copy of the notice on a 3 1/2" diskette.

Apex is not currently subject to any state regulatory commission nor is it selling power to any person pursuant to the proposed rate schedule. Accordingly, no copies have been served on other parties.

Please file stamp and return one copy of the cover letter, using the enclosed stamped self-addressed envelope.

Sincerely,

Cynthia F. Kilowatt
Vice President
Apex Power Marketing, Inc.
Suite 9000
1111 Half Street, N.W.
Washington, D.C. 20426-0000

Enclosure

EXAMPLE OF PETITION FOR ACCEPTANCE OF INITIAL RATE FILING

UNITED STATES OF AMERICA

BEFORE THE

FEDERAL ENERGY REGULATORY COMMISSION

Apex Power Marketing, Inc. Docket No. ER97- -000

PETITION FOR ACCEPTANCE OF INITIAL RATE SCHEDULE,
WAIVERS AND BLANKET AUTHORITY

Pursuant to Rules 205 and 207 of the Commission's Rules Of Practice and Procedure, 385.205 and 385.207, and section 35.12 of the Commission's Regulations, 18 C.F.R. S 35.12, Apex Power Marketing, Inc. ("Apex") hereby submits for filing Apex Rate Schedule FERC No. 1, under which Apex will engage in wholesale electric power and energy transactions as a marketer.

I. COMMUNICATIONS

All communications and service related to this application should be directed to the following:

Cynthia F. Kilowatt
Vice President
Apex Power Marketing, Inc.
Suite 9000
1111 Half Street, N.W.
Washington, D.C. 20426-0000

II. DESCRIPTION OF APPLICANT

Apex is a Delaware corporation with its principal place of business in Washington, D.C. Apex is involved in natural gas marketing and the marketing of electricity. Apex is a wholly-owned subsidiary of Apex Buggy Whips Manufacturing Corporation. Apex Buggy Whips is primarily engaged in the manufacture of farm equipment. Other affiliates of Apex are engaged in the production and distribution of building supplies. A chart of the corporate affiliations of Apex is attached as Exhibit A.

Apex proposes to act as a power marketer, purchasing electricity and reselling it to wholesale customers. Apex may also engage in other, nonjurisdictional, activities to facilitate efficient trade in the bulk power market, such as facilitating the purchase and sale of wholesale energy without taking title to the electricity (brokering), and arranging services in related areas such as transmission and fuel supplies. All

transactions between Apex and its purchasers and sellers will be at rates negotiated between the parties to the transaction.

III. REQUEST FOR BLANKET AUTHORIZATION TO PURCHASE AND RESELL ELECTRICITY AT NEGOTIATED, MARKET-BASED RATES

Apex requests authorization to sell electricity at market-based rates pursuant to the attached Apex Rate Schedule FERC No. 1. The Commission has granted open-ended market rate authority to power marketers when it has determined that the marketer and its affiliates do not have, or have adequately mitigated, market power in generation and transmission; cannot engage in anticompetitive practices through preferential affiliate transactions or reciprocal dealing; and cannot otherwise erect barriers to market entry by competing suppliers.

Under the analysis used by the Commission in considering other power marketer applications, Apex and its affiliates lack the ability to engage in anticompetitive actions.

A. Generation Dominance

Neither Apex nor any of its affiliates owns or controls generation facilities. Accordingly, Apex cannot bar entry to the market by virtue of generation market power.

B. Transmission Market Power

Neither Apex nor any of its affiliates owns or controls transmission facilities. Accordingly, Apex cannot bar entry to the market by virtue of transmission market power.

C. Other Barriers To Entry

Neither Apex nor any of its affiliates owns or controls any sites for the construction of new generating capacity, interstate or intrastate natural gas transmission lines, or other essential resources or inputs that could be used to restrict market entry by competing power suppliers.

D. Affiliate Abuse

The Commission has indicated that its concern over affiliate abuse and reciprocal dealing arises in the context of a seller affiliated with an electric utility having a franchised service territory. Neither Apex nor any of its affiliates has a franchised service area for the sale of electricity. Accordingly, neither Apex nor any of its affiliates has the power to gain a competitive advantage by pass-through to ratepayers of excessive costs paid to affiliates for power or by ratepayer cross-subsidy or preferential pricing of services.

IV. REQUEST FOR WAIVERS AND ADDITIONAL BLANKET AUTHORITY

Apex requests waiver from the following Commission Regulations, which have been granted to other power marketers:

Subparts B and C of Part 35, regarding the filing of rate schedules, except sections 35.12(a), 35.13(b), 35.15, and 35.16;

Part 41, regarding accounts, records, and memoranda;

Part 101, regarding the uniform system of accounts; and

Part 141, regarding statements and reports.

The full requirements of Part 45, regarding interlocks. With respect to making an abbreviated filing under Part 45, Apex agrees that the person holding the interlock will file a sworn statement providing the full name and business address of the affected person, as well as a listing of all jurisdictional interlocks, identifying the affected companies and the positions held by that person.

Apex requests blanket approval under Part 34 of the Commission's Regulations of future issuances regarding securities and assumptions of liabilities, subject to objection by an interested party.

V. EFFECTIVE DATE

Apex requests that the rate schedule be effective sixty days after filing, or the date the Commission issues an order accepting the rate schedule, whichever occurs first.

VI. QUARTERLY FILINGS

Apex agrees to submit quarterly transaction reports of its purchase and sales transactions, as required by the Commission for other power marketers. Apex agrees to submit such reports even to state that no transactions occurred during the particular calendar quarter.

VII. STATUS CHANGE REPORTING REQUIREMENT

Apex agrees to promptly inform the Commission, through its quarterly transaction reports, of any departure from the facts relied upon by the Commission in its market analysis, including affiliation with generation or transmission facilities, or an electric utility with a franchised service area. In such notices, Apex will discuss whether these changed facts affect Apex's authority to charge market-based rates. See *Coastal Electric Services Company*, 71 FERC 61,374 (1995).

WHEREFORE, Apex Power Marketing, Inc. requests that the Commission issue an order accepting Apex Rate Schedule FERC No. 1 and granting the waivers and authorizations requested in this Petition.

Respectfully submitted,

Apex Power Marketing, Inc.

(insert current date) By: _____

Cynthia F. Kilowatt
Vice President
Apex Power Marketing, Inc.
Suite 9000
1111 Half Street, N.W.
Washington, D.C. 20000-1111

EXAMPLE OF RATE SCHEDULE FERC NO. 1

Note: While this example may apply to most power marketers, it may not cover all situations.

APEX POWER MARKETING, INC.

RATE SCHEDULE FERC NO. 1

Availability

Apex Power Marketing, Inc. (Apex) makes electric energy and capacity available under this Rate Schedule to any purchaser for resale.

Applicability

This Rate Schedule is applicable to all sales of energy or capacity by Apex not otherwise subject to a particular rate schedule of Apex.

Rates

All sales shall be made at rates established by agreement between the purchaser and Apex.

Other Terms and Conditions

All other terms and conditions shall be established by agreement between the purchaser and Apex.

Affiliate Sales Prohibited

No sale may be made pursuant to this Rate Schedule to any public utility with a franchised electric service territory that is controlled by, or under common control with, or controlling Apex.

Effective Date

This Rate Schedule is effective on _____ (the date set by the Federal Energy Regulatory Commission).

EXAMPLE NOTICE OF FILING

Note: A copy of the following draft Notice must accompany the application and also be submitted on a 3 1/2" floppy diskette in WordPerfect 6.1 for Windows or ASCII, format.

UNITED STATES OF AMERICA

FEDERAL ENERGY REGULATORY COMMISSION

Apex Power Marketing, Inc.) Docket No. ER03-XXXX-000

NOTICE OF FILING

(Issued (leave blank), insert current year here)

Take notice that on _____, Apex Power Marketing, Inc. ("Apex") petitioned the Commission for acceptance of Apex Rate Schedule FERC No. 1; the granting of certain blanket approvals, including the authority to sell electricity at market-based rates; and the waiver of certain Commission regulations.

Apex intends to engage in wholesale electric power and energy purchases and sales as a marketer. Apex is not in the business of generating or transmitting electric power. Apex is a wholly-owned subsidiary of Apex Buggy Whips Manufacturing Corporation, which, through its affiliates, produces farm equipment and produces and distributes building supplies.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Secretary, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 18 CFR 385.214). All such motions or protests should be filed on or before (leave blank). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding.

Any person wishing to become a party must file a motion to intervene.

Copies of this filing are on file with the Commission and are available for public inspection.

Magalie R. Salas

Secretary

NOTICE OF FILING SUPPLEMENTAL INFORMATION

Note: The following notice should accompany supplements to the initial filing which are filed with the Commission in response to questions from Commission staff.

A copy of this draft Notice must accompany the supplemental application and also be submitted on a 3 1/2" floppy diskette in WordPerfect 6.1 for Windows or ASCII format.

UNITED STATES OF AMERICA

FEDERAL ENERGY REGULATORY COMMISSION

Apex Power Marketing, Inc.) Docket No. ER03-XXXX-000

NOTICE OF FILING

(Issued (leave blank), insert current year here)

Take notice that on _____, Apex Power Marketing, Inc. ("Apex") filed a supplement to its application for market-based rates as power marketer. The supplemental information pertains to

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Secretary, Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 18 CFR 385.214). All such motions or protests should be filed on or before (leave blank). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding.

Any person wishing to become a party must file a motion to intervene.

Copies of this filing are on file with the Commission and are available for public inspection.

Magalie R. Salas
Secretary