



Control Number: 14406



Item Number: 330

Addendum StartPage: 15

GULF STATES WHOLESALE EQUITY PARTNERS II, LP

April 5, 2005

Central Records Filing Clerk
Public Utility Commission of Texas
1701 North Congress Avenue
P.O. Box 13326
Austin, Texas 78711-3326

RECEIVED
05 APR - 7 PM 4:42
PUBLIC UTILITY COMMISSION
FILING CLERK

RE: Power Marketer Registration

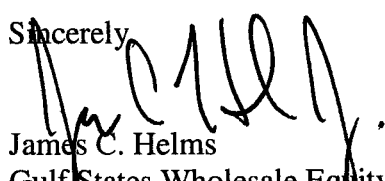
#14406

To Whom It May Concern:

With the enclosed documents, Gulf States Wholesale Equity Partners II, LP would like to open a new power marketer registration. We are enclosing a schedule of required information and an affidavit. We have enclosed one original and 6 copies along with a return envelope so that you can send us a stamped copy of the processed documents.

If there are any questions please refer to the contact information provided.

Sincerely,


James C. Helms
Gulf States Wholesale Equity Partners II, LP
5420 LBJ Freeway Suite 1355
Dallas, Texas 75240

**PUBLIC UTILITY COMMISSION OF TEXAS
APPLICATION FOR REGISTRATION AS A POWER MARKETER
Pursuant to PUC Substantive Rule 25.105**

**APPLICATION FOR REGISTRATION AS A POWER MARKETER
DOCKET No. 14406**

To THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

COMES NOW Gulf States Wholesale Equity Partners II, LP, and hereby registers with the Commission as a Power Marketer pursuant to Section 35.032 of the Texas Utilities Code and PUC Substantive Rule 25.105. In support of this registration Gulf States Wholesale Equity Partners, LP shows the following:

1. The Name/Address of applicant:

Gulf States Wholesale Equity Partners II, LP
5420 LBJ Freeway, Suite 1355
Dallas, Texas 75240

2. Name, Title, Telephone Number, Facsimile Transmission number, and email address of the person to whom communications relating to power marketing should be addressed:

James C. Helms, President of Gulf States Wholesale Equity Partners II GP, LLC
Gulf States Wholesale Equity Partners II, LP
Office: 469-533-7400
Cell: 214-704-7001
Facsimile: 469-533-7404
Email: jasonh@gulfstatesenergy.com

3. Names of the Owners with – percentages of ownership:

Gulf States Wholesale Equity Partners II, LP is NOT associated with any utilities, investor owned, or otherwise. Gulf States Wholesale Equity Partners II, LP is privately owned by Gulf States Wholesale Equity Partners II GP, LLC, which is the General Partner, Gulf States Power, Ltd., Glenwood Energy Partners, Ltd. and other individual residents of Texas, who are Limited Partners. Gulf States Wholesale Equity Partners II GP, LLC is Gulf States Wholesale Equity Partners II, LP's General Partner, and Gulf States Energy, Inc. and Glenwood Energy Partners, Ltd., are the only members of Gulf States Wholesale Equity Partners II GP, LLC. Jason Helms, Justin Helms, Jeremiah Collins and Byron Biggs through the General Partner will be responsible for daily contact with suppliers and customers regarding Gulf States Wholesale Equity Partners II, LP products and services, the daily administrative and financial policies and procedures, weekly, and/or monthly meetings with banks and other institutions.

PUBLIC UTILITY COMMISSION OF TEXAS
APPLICATION FOR REGISTRATION AS A POWER MARKETER
Pursuant to PUC Substantive Rule 25.105

Gulf States Wholesale Equity Partners II, LP proposes to act as a power marketer, purchasing electricity and reselling it to wholesale customers. Gulf States Wholesale Equity Partners II, LP 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 Gulf States Wholesale Equity Partners II, LP and its purchasers and sellers will be at rates negotiated between the parties to the transaction.

- 4. Identify each affiliate that buys or sells electricity at wholesale in Texas: sells electricity at retail in Texas: or is an electric or municipality owned utility in Texas:**

Gulf States Wholesale Equity Partners II, LP currently has no affiliates that sell electricity at the retail level in Texas. Gulf States Wholesale Equity Partners II, LP has no affiliates that are an electric or municipality owned utility in Texas.

- 5. Describe the location of any facility in Texas used to provide service:**

Gulf States Wholesale Equity Partners II, LP is located at 5420 LBJ Freeway Suite 1355, Dallas, Texas 75240.

- 6. Provide a description of the type of service provided.**

Gulf States Wholesale Equity Partners II, LP will be providing power marketing services.

- 7. Submit copies of all of its FERC registration information.**

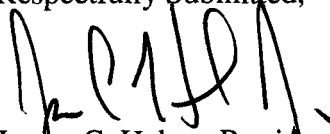
See Attachment B

- 8. Submit an affidavit by an authorized person that the registrant is a Power Marketer.**

See Attachment A

PUBLIC UTILITY COMMISSION OF TEXAS
APPLICATION FOR REGISTRATION AS A POWER MARKETER
Pursuant to PUC Substantive Rule 25.105

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'J. Helms', is written over the printed name and title.

James C. Helms, President
Gulf States Wholesale Equity Partners II, LP,
By its General Partner,
Gulf States Wholesale Equity Partners II GP, LLC

**PUBLIC UTILITY COMMISSION OF TEXAS
APPLICATION FOR REGISTRATION AS A POWER MARKETER
Pursuant to PUC Substantive Rule 25.105**

ATTACHMENT A

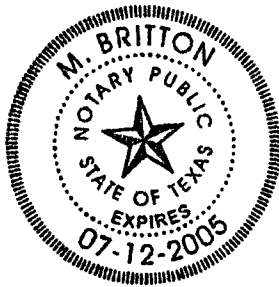
**PUBLIC UTILITY COMMISSION OF TEXAS
APPLICATION FOR REGISTRATION AS A POWER MARKETER
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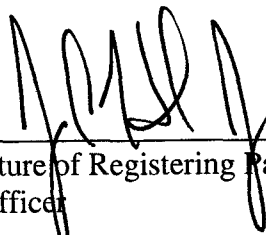
AFFIDAVIT

BEFORE ME, the undersigned authority, on this day personally appeared the undersigned, who, after duly sworn, stated on their oath that they are entitled to make this Affidavit, and that the statements contained below and in the foregoing are true and correct.

I am the President of the General Partner of the registering party, which is registering as a Power Marketer.

I swear or affirm that I have personal knowledge of the facts stated in the attached registration, that I am competent to testify to them, and that I have the authority to submit this application form on behalf of the registering party. I further swear or affirm that all statements made in this Registration Form are true, correct, and complete and that any substantial changes in such information will be provided to the Public Utility Commission of Texas in a timely manner. I swear or affirm that the registering party understands and will comply with all requirements of the applicable law and rules, including any required submission of additional information by sworn affidavit prior to the provision of electric service.





Signature of Registering Party's Owner, Partner,
or Officer

James C. Helms

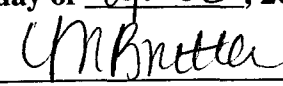
Printed Name

Gulf States Wholesale Equity Partners II,

Name of Registering Party

LP

Sworn and subscribed before me this 5th day of April, 2005.



Notary Public, in and for the State of Texas

**PUBLIC UTILITY COMMISSION OF TEXAS
APPLICATION FOR REGISTRATION AS A POWER MARKETER
Pursuant to PUC Substantive Rule 25.105**

ATTACHMENT B

GULF STATES WHOLESALE EQUITY PARTNERS II, LP

April 5, 2005

Magalie R. Salas, Secretary
Federal Energy Regulatory Commission
Information Services Division
ED 12.3
888 First St. NE
Washington, D.C. 20426
Re: Gulf States Wholesale Equity Partners II, LP
Docket No. ER05- -000

Dear Ms. Salas:

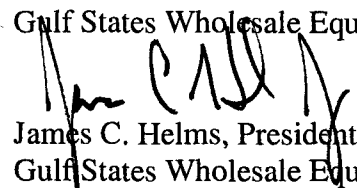
Enclosed for filing are an original and six copies of the Petition for Acceptance of Initial Rate Schedule, Waivers and Blanket Authority, submitted by Gulf States Wholesale Equity Partners II, LP (Gulf States Wholesale Equity Partners II, LP). The Petition requests acceptance of Gulf States Wholesale Equity Partners II, LP Rate Schedule FERC No. 1, under which Gulf States Wholesale Equity Partners II, LP 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.

Gulf States Wholesale Equity Partners II, LP 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,

Gulf States Wholesale Equity Partners II, LP



James C. Helms, President
Gulf States Wholesale Equity Partners II GP, LLC
its General Partner
5420 LBJ Freeway Suite 1355
Dallas, Texas 75240
Phone: 469-533-7400
Fax: 469-533-7404

Enclosure

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Gulf States Wholesale Equity Partners II, LP Docket No. ER 05--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, Gulf States Wholesale Equity Partners II, LP ("Gulf States Wholesale Equity Partners II, LP") hereby submits for filing Gulf States Wholesale Equity Partners II, LP Rate Schedule FERC No. 1, under which Gulf States Wholesale Equity Partners II, LP will engage in wholesale electric power and energy transactions as a power marketer.

I. COMMUNICATIONS

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

Gulf States Wholesale Equity Partners II, LP

James C. Helms, President
Gulf States Wholesale Equity Partners II GP, LLC
its General Partner
5420 LBJ Freeway Suite 1355
Dallas, Texas 75240
Phone: 469-533-7400
Fax: 469-533-7404

II. DESCRIPTION OF APPLICANT

Gulf States Wholesale Equity Partners II, LP is a Texas limited partnership with its principal place of business and office in Dallas, Texas. Gulf States Wholesale Equity Partners II, LP is involved in the consulting of electricity and marketing of wholesale power.

Gulf States Wholesale Equity Partners II, LP is NOT associated with any utilities, investor owned, or otherwise. Gulf States Wholesale Equity Partners II, LP is privately owned by Gulf States Wholesale Equity Partners II GP, LLC, which is its General Partner. Gulf States Power, Ltd., Glenwood Energy Partners, Ltd. and other individual residents of Texas are also Limited Partners. Gulf States Wholesale Equity Partners II

GP, LLC is Gulf States Wholesale Equity Partners II, LP's General Partner, and Gulf States Energy, Inc. and Glenwood Energy Partners, Ltd., are the only members of Gulf States Wholesale Equity Partners GP II, LLC. Jason Helms, Justin Helms, Jeremiah Collins and Byron Biggs through the General Partner will be responsible for daily contact with suppliers and customers regarding Gulf States Wholesale Equity Partners II, LP products and services, the daily administrative and financial policies and procedures, weekly, and/or monthly meetings with banks and other institutions.

Gulf States Wholesale Equity Partners II, LP proposes to act as a power marketer, purchasing electricity and reselling it to wholesale customers. Gulf States Wholesale Equity Partners II, LP 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 Gulf States Wholesale Equity Partners II, LP 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

Gulf States Wholesale Equity Partners II, LP requests authorization to sell electricity at market-based rates pursuant to the attached Gulf States Wholesale Equity Partners II, LP 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, Gulf States Wholesale Equity Partners II, LP and its affiliates lack the ability to engage in anticompetitive actions.

A. Generation Dominance

Neither Gulf States Wholesale Equity Partners II, LP nor any of its affiliates owns or controls generation facilities. Accordingly, Gulf States Wholesale Equity Partners II, LP cannot bar entry to the market by virtue of generation market power.

B. Transmission Market Power

Neither Gulf States Wholesale Equity Partners II, LP nor any of its affiliates owns or controls transmission facilities. Accordingly, Gulf States Wholesale Equity Partners II, LP cannot bar entry to the market by virtue of transmission market power.

C. Other Barriers To Entry

Neither Gulf States Wholesale Equity Partners II, LP 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 Gulf States Wholesale Equity Partners II, LP nor any of its affiliates has a franchised service area for the sale of electricity. Accordingly, neither Gulf States Wholesale Equity Partners II, LP 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

Gulf States Wholesale Equity Partners II, LP 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, Gulf States Wholesale Equity Partners II, LP 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.

Gulf States Wholesale Equity Partners II, LP 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

Gulf States Wholesale Equity Partners II, LP requests that the rate schedule be effective, if possible, immediately one day after filing date.

VI. QUARTERLY FILINGS

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

VII. STATUS CHANGE REPORTING REQUIREMENT

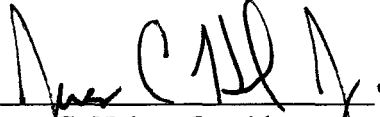
Gulf States Wholesale Equity Partners II, LP agrees to promptly inform the Commission, through its quarterly transaction reports, of any departure from the facts relied upon by the Commission in its market analysis, including affiliation with generation or transmission facilities, or an electric utility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

WHEREFORE, Gulf States Wholesale Equity Partners II, LP requests that the Commission issue an order accepting Gulf States Wholesale Equity Partners II, LP Rate Schedule FERC No. 1 and granting the waivers and authorizations requested in this Petition.

Respectfully submitted,

Gulf States Wholesale Equity Partners II, LP by its
General Partner

April 5, 2005

By: 
James C. Helms, President
Gulf States Wholesale Equity Partners II GP, LLC
5420 LBJ Freeway, Suite 1355
Dallas, Texas 75240
Phone: 469-533-7400
Fax: 469-533-7404

GULF STATES WHOLESAL E EQUITY PARTNERS II, LP

RATE SCHEDULE FERC NO. 1

Availability

Gulf States Wholesale Equity Partners II, LP (Gulf States Wholesale Equity Partners II, LP) 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 Gulf States Wholesale Equity Partners II, LP not otherwise subject to a particular rate schedule of Gulf States Wholesale Equity Partners II, LP

Rates

All sales shall be made at rates established by agreement between the purchaser and Gulf States Wholesale Equity Partners II, LP

Other Terms and Conditions

All other terms and conditions shall be established by agreement between the purchaser and Gulf States Wholesale Equity Partners II, LP

Affiliate Sales Prohibited

No sale may be made pursuant to this Tariff [or Rate Schedule] between Gulf States Wholesale Equity Partners II, LP and any affiliate with a franchised service territory without first receiving Commission acceptance of the proposal, pursuant to a separate filing under Section 205 of the Federal Power Act.

Effective Date

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

Market Behavior Rules

Based on these objectives, we proposed six specific Market Behavior Rules to govern sellers' conduct in the wholesale market:

Unit Operation: We proposed that sellers be required to operate and schedule generating facilities, undertake maintenance, declare outages, and commit or otherwise bid supply in a manner that complies with the rules and regulations of the applicable power market;

Market Manipulation: We proposed to prohibit all forms of market manipulation ;

Communications: We proposed to require that sellers provide complete, accurate and factual information and not submit false or misleading information, or omit material information, in any communication with the Commission, market monitors, regional transmission organizations (RTOs), independent system operators (ISOs), or similar entities;

Reporting: We proposed to apply this same standard with respect to reports made by sellers to publishers of electricity or natural gas price indices;

Record Retention: We proposed to require sellers to retain for a period of three years all data and information necessary for the reconstruction of the prices they charge, and the prices they report for use in published price indices;

Related Tariffs: Finally, we proposed to clarify that sellers would not be permitted to violate or collude with another party in actions that violate seller's code of conduct or Order No. 889 standards of conduct.

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

Gulf States Wholesale Equity Partners II, LP Docket No. ER 05--000

NOTICE OF FILING

Issued _____, 2005

Take notice that on April 5, 2005, Gulf States Wholesale Equity Partners II, LP ("Gulf States Wholesale Equity Partners II, LP") petitioned the Commission for acceptance of Gulf States Wholesale Equity Partners II, LP 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.

Gulf States Wholesale Equity Partners II, LP intends to engage in wholesale electric power and energy purchases and sales as a marketer. Gulf States Wholesale Equity Partners II, LP is not in the business of generating or transmitting electric power. Gulf States Wholesale Equity Partners II, LP is a Texas Limited Partnership with its principal place of business and office in Dallas, Texas. Gulf States Wholesale Equity Partners II, LP is involved in consulting of electricity and marketing of wholesale power. Gulf States Wholesale Equity Partners II, LP is NOT associated with any utilities, investor owned or otherwise. Gulf States Wholesale Equity Partners II, LP is privately owned by Gulf States Wholesale Equity Partners II GP, LLC, which is the General Partner, and other corporate and individual residents of Texas, which act as the Limited Partners.

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