UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY OFFICE OF ELECTRICITY DELIVERY AND ENERGY RELIABILITY

Endure Energy, L.L.C.)

Docket No. EA- <u>359</u>

APPLICATION OF ENDURE ENERGY, L.L.C. FOR AUTHORIZATION TO EXPORT ELECTRIC ENERGY TO CANADA

Pursuant to Section 202(e) of the Federal Power Act, 16 U.S.C. §824a(e) and the Department's Rules and Regulations 10 C.F.R. Part 35 §§ 205.300, *et.seq*. (2008), Endure Energy, L.L.C. ("Endure Energy") herby requests authorization to export electric energy from the United States to Canada for a period of five years (or for such a other period as the Department deems appropriate) effective from the date of the order granting this Application. In support hereof, Endure Energy states as follows:

II. <u>DESCRIPTION OF APPLICANT</u>

The exact legal name of applicant is Endure Energy, L.L.C. Endure Energy is a Delaware limited liability company, with its principal place of business in Overland Park, Kansas.

The Federal Energy Regulatory Commission ("FERC") has authorized Endure Energy to engage in wholesale sales of electrical power in interstate commerce at negotiated (market based) rates.¹

Endure Energy does not own any generation in any region; does not own, operate or control transmission facilities and is not affiliated with any entity that owns, operates or controls transmission facilities; and is not affiliated with any franchised public utility. None of Endure Energy's members is seeking authorization from the Department to export electricity to Canada, at this time.

¹ Endure Energy, L.L.C. Docket Nos. ER08-609-000 and ER08-609-001

III. Members

Endure Energy's Membership are as follows:

DE Shaw & Co - Synoptic Portfolios 6	85%
Treasury Units Robert Bennett, President	5% 5%
Michael Purmort, EVP	1%
Mark Blackton, EVP	1%

Endure Energy is not seeking authorization to export power on behalf of, or in conjunction with, any member.

III. COMMUNICATIONS

All service and correspondence related to this matter should be directed to the following:

Mark A. Blackton Executive Vice President Endure Energy, L.L.C. 7300 College Boulevard Suite 600 Overland Park, KS 66210 Phone: (913) 956-4500 Fax (913) 956-4600 E-mail: m.blackton@endureenergy.com William A. Mogel Attorney at Law 5812 Madaket Road Bethesda, MD 20816 Phone: (301) 642-5804

IV. ORGANIZATION OF APPLICANT, AUTHORITY TO DO BUSINESS

Endure Energy is a Delaware Limited Liability Company with its principle place of business in Overland Park, Kansas. Currently Endure Energy is authorized to do business in the States of Kansas and Texas.

V. JURISDICTION

Endure Energy does not know of any other Federal, State or local government that has jurisdiction over the actions to be taken under the authority sought in this Application.

VI. <u>Facilities</u>

Endure Energy intends to export power over existing transmission interconnections between the United States and Canada that have been deemed to be appropriate by DOE for third party transportation.

VII. TECHNICAL DISCUSSION OF PROPOSAL

As noted, above Endure Energy has no "system" of its own on which exports of power could have a reliability or stability impact. The electric power that Endure Energy will export, on either a firm or interruptible basis, will be purchased from others and will therefore be surplus to the needs of the selling entities. Moreover, because Endure Energy does not have an obligation to serve native load, the exports proposed by Endure Energy will not harm it is ability to meet current and perspective power supply obligations.

In previous orders granting export authorizations to electric power marketers, the Department has declined to rigidly apply the information filing requirements contained in its regulations and instead has used a flexible approach, which takes into consideration the unique nature of power marketers, the requirements of FERC Order No. 888 and previously authorized export limits of cross border facilities.² These same considerations demonstrate that Endure Energy's exports will not impair or tend to impede the sufficiency of electric supplies in the United States or the regional coordination of electric utility planning or operations. Applicant will make all necessary commercial arrangements and will obtain any and all other regulatory approvals required to affect any power exports. All of the electricity exported by Applicant will be transmitted pursuant to arrangements with entities that own and/or operate existing transmission facilities and will be consistent with the export limitations, if any, contained in the existing Presidential Permits and electricity export authorizations associated with those facilities.

Endure Energy's application also is consistent with United States energy policy established in the Energy Policy Act of 1992, the North American Free Trade Agreement of 1993 and FERC Order No. 888, which foster more efficient and competitive North American energy markets.

² See, e.g., NorAm Energy Services, Inc., No. EA-105-CN (Aug. 16 1996); MidCon Power Services Corp., No. EA-114 (July 15, 1996); USGen Power Services, No. EA-112 (June 27, 1996); CNG Power Services Corp., (No. EA-

^{110 (}June 20, 1996); Destec Power Services, Inc., No. EA-113 (May 31, 1996); North American Energy

Conservation, Inc., No. EA-103 (May 30, 1996); NorAm Energy Services, Inc., No. EA-105-MX (May 30, 1996); Enron Power Marketing, Inc., No. EA-102 (Feb. 6, 1996); Morgan Stanley Capital Group, Inc., No. EA-185-A-CN

VIII. <u>PROCEDURAL MATTERS</u>

Endure Energy is seeking authorization, as a power marketer, to export electricity through existing border facilities although specific transactions have not yet been finalized. The Department has granted export authority to similarly situated electric power marketers. If required by the Department, Endure Energy is willing to accept general conditions consistent with the Department's previous power market export authorizations. In particular, if required by the Department, exports made by Endure Energy will not exceed export limits for the transmission facilities utilized by Endure Energy, or otherwise cause a violation of the terms and conditions set forth in the export authorizations applicable to each. Endure Energy also commits to providing the Department, if required, prior to commencing export, written evidence that Endure Energy has secured sufficient transmission service for the delivery of power to the border. In addition, if required, when scheduling the delivery of power, Endure Energy, will comply with applicable North American Electric Reliability Corporation ("NERC") reliability criteria, standards and guidelines. Finally, if required and consistent with the Department's rules, regulations and policies, generally applicable to power marketers with electricity export authorization, for each calendar quarter Endure Energy will provide the Department with reports indicating the amount of electricity delivered to Canada, consideration received during each month and the maximum hourly rate of transmission.

Endure Energy is making filings contemporaneous with this filing with appropriate Governmental and Regulatory agencies in Canada. In order to have in place all necessary authorizations to commence trading activities at the earliest possible time, Endure Energy respectfully requests that the Department act expeditiously on this Application and issue an order granting the requested Authorization by not later than July 14, 2009, the date that is 60 days after the date of this filing. To the extent necessary, Endure Energy requests waiver of the requirements to file this Application six months in advance of the authorization required herein.

Endure Energy does not anticipate any opposition to the grant of this application.

IX. <u>EXHIBITS</u>

The following exhibits identified in the Department's Regulation are attached hereto as follows:

Exhibit A – (Not Applicable) Exhibit B – Legal Opinion of Endure Energy's Legal Counsel Exhibit C – (Not Applicable) Exhibit D – (Not Applicable) Exhibit E – (Not Applicable) Exhibit F – (Not Applicable) Exhibit G – Verification Exhibit H – Discussion of Affiliate (Supplemental Data)

To the extent necessary, Endure Energy requests a waiver of the requirement to provide the exhibits that are not applicable to its application, as noted.

IX. CONCLUSION

Wherefore, Endure Energy, L.L.C. respectfully requests that the Department review and grant this application in an expeditious manner.

Pursuant to 10 C.F.R. Sec. 205.309 a copy of this Application has been served on:

Federal Energy Regulatory Commission Office of the Secretary 888 First Street N.E. Washington, DC 20426

Respectfully submitted,

William t. Mogel

May 15, 2009

William A. Mogel Counsel for Endure Energy, L.L.C.

William A. Mogel Attorney at Law 5812 Madaket Road Bethesda, MD 20816 Phone: (301) 642-5804

EXHIBIT B Opinion of Legal Counsel

Opinion of Legal Counsel

The following opinion is given in support of the Application of Endure Energy, L.L.C. for Authorization to Export Electric Energy to Canada, dated May 15, 2009.

- I am an attorney at law, authorized to practice law in the State of Kansas and the State of Missouri.
- 2. Endure Energy, L.L.C. is duly established, validly existing and in good standing under the laws of the State of Delaware and is authorized to do business in Kansas and Texas; and
- 3. Endure Energy, L.L.C. has full corporate power and authority to buy, sell or act as a marketer / broker in the sale and exportation of electric energy as required in this Application.

RL FF

Ricardo Fontg Vincent Fontg & Hansen LLC Attorney at Law 330 W. 47th Street Suite 250 Kansas City, MO 64112 (816) 421-5490

EXHIBIT G Verification

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VERIFICATION

State of Kansas)) County of Johnson)

I, Robert Bennett, the President of Endure Energy, L.L.C. am authorized to provide this verification on behalf of Endure Energy, L.L.C., have knowledge of the matters set forth in the foregoing Application of Endure Energy, L.L.C. for Authorization to Export Electrical Energy to Canada, and herby verify that the contents thereof are true and correct to the best of my knowledge, information and belief.

Robert Bennett

President

SIGNED AND SWORN TO before me on this 14 day of May 2009

Votary Public 10<u>/</u> NOTARY SHBLIC ale of Naris is ADEE L. MILLER My commission expires: 8-22-12 My Appl. Expires 🗟 County of gohnoon State of Karbas

EXHIBIT H Discussion of Affiliate (Supplemental)

Discussion of Affiliate (Supplemental)

DE Shaw & Co - Synoptic Portfolios 6

Endure Energy's largest owner, DE Shaw & Co - Synoptic Portfolios 6 is part of D.E. Shaw Companies ("Shaw Companies"). This supplemental discussion is to provide the Department additional disclosure related to the Shaw Companies.

Endure Energy is managed independent of the Shaw Companies. Further, Endure Energy does not own any generation in any region; does not own operate or control transmission facilities and is not affiliated with any franchise public utilities.

The Shaw Companies do not export electric energy from the United States to Canada.

The Shaw Companies do hold their own Market Based Rate Authority with the Federal Energy Regulatory Commission ("FERC").

On July 23, 2003, in Docket Nos. ER03-879 et al the Federal Energy Regulatory Commission ("FERC") accepted their application for market based rate authority. In a letter order, the FERC observed regarding the Shaw Companies:

Applicants own nor control, nor are affiliated with any entity that owns or controls, any physical electric generation or transmission assets (p.2)