



Strategic Energy LLC

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Regulatory Compliance & Licensing Analyst
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June 2, 2004

Public Utilities Commission of Ohio
Docketing Division
180 East Broad Street
Columbus, OH 43215-3793

RE: Application Information Update for Docket No. 00-1758-EL-CRS

To Whom It May Concern:

Strategic Energy, LLC hereby submits the following updates to information in its Certification Application for Power Marketers, Docket No. 00-1758-EL-CRS:

- Section A-2 - Contact person for regulatory matters or matters concerning this application:

Carl W. Boyd
Regulatory Compliance & Licensing Analyst
Strategic Energy, LLC
Two Gateway Center, 9th Floor
Pittsburgh, PA 15222
(412) 644-3120 (voice)
(412) 394-6681 (fax)
cboyd@sel.com

- Section A-5 - Customer Service contact information:

Kerry Hughes
Director of Customer Relations
Strategic Energy, LLC
Two Gateway Center, 9th Floor
Pittsburgh, PA 15222
(888) 925-9115 (toll-free)

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(412) 394-3388 (fax)
customerrelations@sel.com

- Section A-6 - Address and Toll-Free Number for customer service and complaints:

Customer Relations
Strategic Energy, LLC
Two Gateway Center, 9th Floor
Pittsburgh, PA 15222
(888) 925-9115 (toll-free)
(412) 394-3388 (fax)
customerrelations@sel.com

- Exhibit A-11 - "Principal Officers, Directors & Partners":

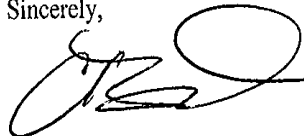
Rick Zomnir, Chief Executive Officer
Andrew Washburn, Chief Financial Officer
Patrick Purdy, Chief Operating Officer
Jan Fox, Secretary and General Counsel

- Exhibit C-9 - "Merger Information" and Exhibit A-12 - "Corporate Structure":

Pursuant to a May 3, 2004 FERC Order Authorizing Disposition of Jurisdictional Facilities, the ownership structure of Strategic Energy, LLC has undergone a minor change. A copy of the order is attached, along with an updated organizational chart reflecting the change.

If there are any questions or comments regarding this submission, please contact me.

Sincerely,



Carl W. Boyd
Regulatory Compliance & Licensing Analyst

cc: Tamara Turkenton, PUCO Consumer Services Division

enclosures

UNITED STATES OF AMERICA 107 FERC ¶ 62,094
FEDERAL ENERGY REGULATORY COMMISSION

Innovative Energy Consultants Inc.
SE Holdings, L.L.C.
Strategic Energy L.L.C.

Docket No. EC04-87-000

ORDER AUTHORIZING DISPOSITION
OF JURISDICTIONAL FACILITIES

(Issued May 3, 2004)

On March 31, 2004, Innovative Energy Consultants Inc. (IEC), SE Holdings, L.L.C. (SE Holdings), and Strategic Energy L.L.C. (Strategic Energy) (collectively, Applicants) filed an application pursuant to section 203 of the Federal Power Act (FPA)¹ requesting Commission authorization to dispose of jurisdictional facilities consisting of market-based rate schedules, wholesale power contracts, and associated books and records held by Strategic Energy in connection with SE Holdings selling to IEC a portion of its indirect ownership interests in Strategic Energy.

IEC is a Missouri corporation and a wholly-owned subsidiary of Great Plains Energy, Incorporated (Great Plains) with a 5.8 percent indirect ownership interest in Strategic Energy. IEC does not own any electric generation, transmission or distribution facilities and does not make any sales of electric energy. IEC's sole activity is holding ownership interests in Custom Energy and Strategic Energy. Great Plains is a registered holding company under the Public Utility Holding Company Act of 1935 and the parent company of Kansas City Power & Light Company (KCP&L) and Great Plains Power Incorporated (Great Plains Power). KCP&L is an integrated regulated electric utility engaged in the generation, transmission, distribution and sale of electricity. KCP&L has over 4,000 MW of generating capacity, and serves approximately 490,000 retail customers in portions of Kansas and Missouri. The Commission has authorized Great Plains Power to sell power at market-based rates.

SE Holdings, a Delaware limited liability company, has an 11.45 percent indirect ownership interest in Strategic Energy. SE Holdings is owned in part by certain employees of Strategic Energy. It does not own any electric generation, transmission, or distribution facilities and does not make any sales of electric energy. SE Holdings' sole assets are its interests in Custom Energy Holdings (Custom Energy) and Strategic Energy.

¹ 16 U.S.C. § 824b (2000).

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Strategic Energy, a Delaware limited liability company and wholly-owned subsidiary of Custom Energy. Custom Energy is a Delaware limited liability company whose only asset is its ownership interest in Strategic Energy. Strategic Energy conducts retail operations in certain electricity markets where retail choice exists, such as Pennsylvania, California, Ohio, New York, Massachusetts, Texas, Michigan and New Jersey. It provides power supply coordination services to retail customers under contracts to supply power and manage customers' electricity needs. Strategic Energy does not own or control any physical assets used for generation, transmission or distribution of power. The economic and voting interests in Strategic Energy are represented by two series of membership interests issued by Custom Energy. These are referred to as Series SEL Voting Interests and Series SEL Economic Interests. The business and affairs of Strategic Energy are controlled and managed by a management committee, the representatives are appointed by the members of Custom Energy. The Commission has authorized Strategic Energy to sell power at market-based rates.

According to the application, SE Holdings will transfer all but one Unit of each Series it holds in Custom Energy, including all but one Unit of each of its Series SEL Economic Interests and its Series SEL Voting Interests, to IEC for cash. As a result of the proposed transaction, IEC will have 17.25 percent economic and voting interest in Strategic Energy. Upon completion of the proposed transaction, SE Holdings will continue as a member of Custom Energy, holding one Unit of each Series and entitled to appoint one representative to the management committees of Custom Energy and Strategic Energy.

Applicants state that the proposed transactions are consistent with the public interest and will not adversely affect competition, rates or regulation. With respect to competition, Applicants state that the proposed transaction will have no adverse effect on competition in any relevant geographic or product market. Applicants state that Strategic Energy does not own or control any physical assets used for the generation, transmission or distribution of power nor does it control any uncommitted capacity under long term contract. Applicants note that KCP&L's transmission assets are governed by an open access transmission tariff. In addition, Applicants state that Great Plains cannot raise any barriers to market entry by competing suppliers. Therefore, Applicants assert that the proposed transaction will have no adverse effect on competition.

With respect to rates, Applicants state they have no rates for sale of transmission services. Applicants indicate its affiliate (KCP&L) supplies transmission services under an open access transmission tariff. Therefore, Applicants note that the proposed transaction will not affect transmission rates. Applicants state that Strategic Energy has no wholesale requirements customers whose rates could be affected by the proposed transaction. Applicants state that all wholesale sales of power by Strategic Energy will be made at negotiated rates under its market-based rate tariff.

With respect to regulation, Applicants state that Strategic Energy will continue to sell power at market-based rates. Applicants state that the sales will continue to be subject to regulation by the Commission. Applicants indicate that Great Plains, as a registered holding company, previously has committed to abide by the Commission's policy regarding the treatment of cost and revenues related to intra-company transactions. Applicants state that the proposed transaction has no effect on state regulation.

This filing was noticed on April 2, 2004, with comments, protests or interventions due on or before April 21, 2004. None were received. Notices of intervention and unopposed timely filed motions to intervene are granted pursuant to the operation of Rule 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.214). Any opposed or untimely filed motion to intervene is governed by the provision of Rule 214.

After consideration, it is concluded that the proposed transaction is consistent with the public interest and is hereby authorized, subject to the following conditions:

- (1) The proposed transaction is authorized upon the terms and conditions and for the purposes set forth in the application;
- (2) The foregoing authorization is without prejudice to the authority of the Commission or any other regulatory body with respect to rates, service, accounts, valuation, estimates or determinations of cost or any other matter whatsoever now pending or which may come before the Commission;
- (3) Nothing in this order shall be construed to imply acquiescence in any estimate or determination of cost or any valuation of property claimed or asserted;
- (4) The Commission retains authority under sections 203(b) and 309 of the FPA, to issue supplemental orders as appropriate;
- (5) Applicants shall make appropriate filings under section 205 of the FPA, as necessary, to implement the transaction; and
- (6) Applicants shall notify the Commission within 10 days of the date that the disposition of the jurisdictional facilities has been consummated.

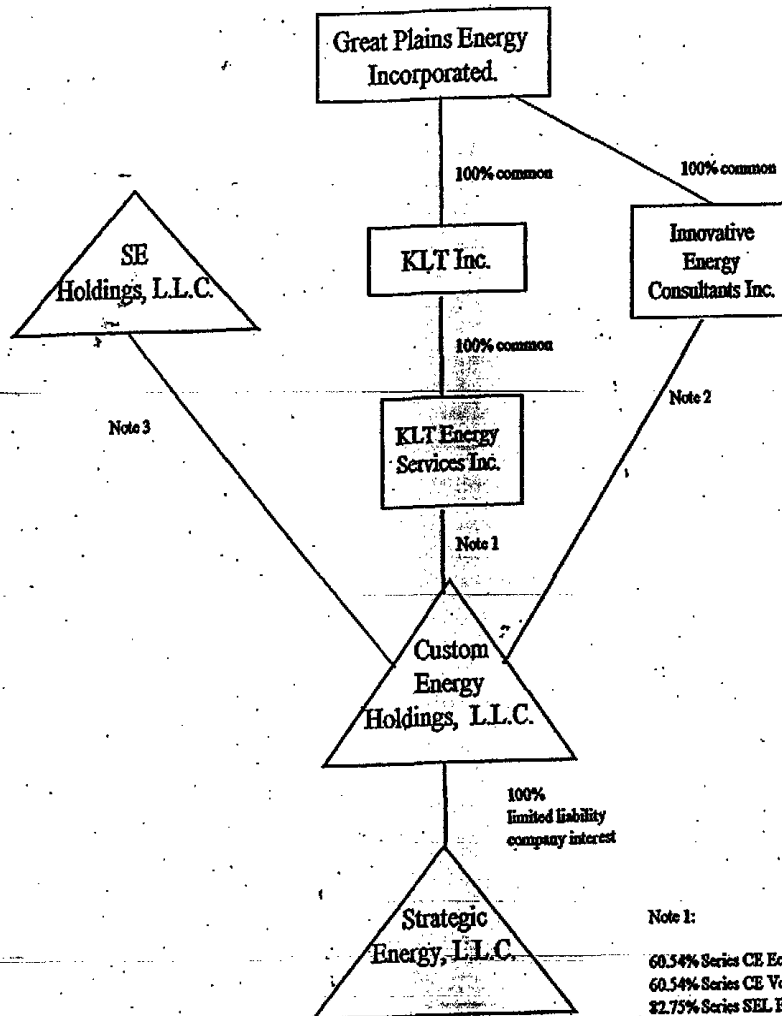
Docket No. EC04-87-000

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This action is taken pursuant to the authority delegated to the Director, Division of Tariffs and Market Development – West under 18 C.F.R. § 375.307. This order constitutes final agency action. Requests for rehearing by the Commission may be filed within 30 days of the date of issuance of this order pursuant to 18 C.F.R. § 385.713.

Jamie L. Simler
Director
Division of Tariffs and Market Development – West

Post-Transaction Organizational Structure



Note 3

Note 2

Note 1

Note 1:

60.54% Series CE Economic Interest
 60.54% Series CE Voting Interest
 32.75% Series SEL Economic Interest
 32.75% Series SEL Voting Interest

Note 2:

39.46% Series CE Economic Interest
 39.46% Series CE Voting Interest
 17.25% Series SEL Economic Interest
 17.25% Series SEL Voting Interest

Note 3:

0.0000075% Series CE Economic Interest
 0.0000075% Series CE Voting Interest
 0.00001% Series SEL Economic Interest
 0.00001% Series SEL Voting Interest