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September 29, 2021

Via Email

Rina Putnam
Valero Refining Company – California
DBA Valero Benicia Refinery
3400 East 2nd Street
Benicia, California 94510
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Application for Confidential Designation for Second Quarter 2021 Quarterly Fuel Gas Sulfur Report, Docket No. 01-AFC-05

Dear Rina Putnam:

The California Energy Commission (CEC) received an application for confidentiality on August 12, 2021, from Valero Benicia Refinery (applicant or VBR) covering specified data contained in the Second Quarter (2Q) 2021 Quarterly Fuel Gas Sulfur Report under CEC Condition of Certification AQ-36. Specifically, VBR seeks confidentiality for the following data in the report:

- 1) Hours firing natural gas
- 2) Hours firing process gas
- 3) Maximum daily average fuel consumption
- 4) Fuel consumption

The application notes that this information contains proprietary business information and trade secrets and that disclosure to the public would be harmful to VBR. The application further states that information contained in the report cannot be aggregated in a manner allowing release.

A properly filed Application for Confidentiality shall be granted under California Code of Regulations, Title 20, section 2505(a)(3)(A), “. . . if the applicant makes a reasonable claim that the Public Records Act or other provision of law authorizes the Commission to keep the record confidential.” The California Public Records Act allows for the non-disclosure of trade secrets. (Gov. Code section 6254(k); Evid. Code section 1060.)

California courts have traditionally used the following definition of trade secret:

A trade secret may consist of any formula, pattern, device, or compilation of information which is used in one's business, and which gives him an opportunity to obtain an advantage over competitors who do not know or use it...

(*Uribe v. Howe* (1971) 19 Cal. App. 3d 194, 207, citing the Restatement of Torts, vol. 4, section 757, comment b, p.5.)

California Code of Regulations, Title 20, section 2505(a)(1)(D) states that if an applicant for confidential designation believes that the record should not be disclosed because it contains trade secrets or its disclosure would otherwise cause loss of a competitive advantage, an application shall state: 1) the specific nature of the advantage; 2) how the advantage would be lost; 3) the value of the information to an applicant; and 4) the ease or difficulty with which the information could be legitimately acquired or duplicated by others.

Regarding the data in all four items, the applicant in prior quarterly report applications and in this application addresses these elements as disclosure of the applicant's cogeneration operational fuel use data that could be used by competitors and vendors to disadvantage the applicant, including the ability to determine the applicant's process rate. The applicant states that the data is kept on secure servers and has not been publicly disclosed and that the information should be kept confidential for three years. For these reasons, the request for confidential designation for the data contained in the 2Q 2021 Quarterly Fuel Gas Sulfur Report, as described in items 1 through 4, is granted until August 12, 2024.

Be advised that persons may petition to inspect or copy records that have been designated as confidential, the executive director may disclose or release records previously designated as confidential in certain circumstances, and the CEC may hold a hearing to determine the confidentiality of its records on its own motion or on a motion by CEC staff. The procedures and criteria for disclosing or releasing, filing, reviewing, and acting upon such petitions or motions are set forth in the California Code of Regulations, Title 20, sections 2506-2508.

If you have any questions concerning this matter, please contact Raj K. Dixit, senior attorney, at Raj.Dixit@energy.ca.gov or (916) 776-3055.

Sincerely,



Drew Bohan
Executive Director