

**DOCKETED**

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August 18, 2021

**Via Email**

Gregory Klatt  
3 Phases Renewables Inc.  
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**Application for Confidential Designation for Data in Power Source Disclosure Program Annual Report, Docket 21-PSDP-01**

Dear Gregory Klatt,

The California Energy Commission (CEC) received the confidentiality application(s) submitted by 3 Phases Renewables Inc. (3PR or applicant) on June 1, 2021, for specified data contained in the 2020 Annual Reports for 35 percent, 50 percent, and 100 percent Renewable Products under the Power Source Disclosure (PSD) program. Specifically, confidentiality is sought for:

PSD Schedule 1 –

Retail Sales data in Megawatt Hours (MWh) (Cell L7), Procurement data (in MWh, Columns H, J, I & K), GHG Emissions in Metric Tons of Carbon Dioxide Equivalent (MT CO<sub>2</sub>e) (Column M) and derivative totals (in MWh, Cells N8:N14)

PSD Schedule 2 –

Retired Unbundled Renewable Energy Credits (RECs) (in MWh, Column E)

PSD Schedule 3 –

Adjusted Net Procured MWh (Column B) and Total Retail Sales in MWh (Cell C27)

Confidential designation of this data is requested pursuant to Title 20, California Code of Regulations, section 2505, on the grounds that the information constitutes trade secrets and proprietary information not available to the general public or is otherwise commercially sensitive data, the disclosure of which would cause loss of a competitive advantage. The application also states that confidentiality is appropriate under

Government Code section 6255(a) because the public interest in nondisclosure clearly outweighs the public interest in disclosure.

A properly filed Application for Confidentiality shall be granted under Title 20, California Code of Regulations, section 2505(a)(3)(A), “if the applicant makes a reasonable claim that the Public Records Act or other provision of law authorizes the [CEC] to keep the record confidential.” The California Public Records Act allows for the non-disclosure of corporate proprietary information including trade secrets. (Gov. Code, sections 6254(k), 6276.44; see also Evid. Code, section 1060; Civ. Code, section 3426.1.) Government Code section 6255 also permits the CEC to withhold a public record where “the public interest served by not disclosing the record clearly outweighs the public interest served by disclosure of the record.”

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, 207-208, from the Restatement of Torts, vol. 4, section 757, comment b, p. 5.)

Title 20, California Code of Regulations, 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.

Here, the application states that the data should be kept confidential because the applicant has taken reasonable steps to keep the information confidential; it is not otherwise publicly available or readily discoverable; a summary of applicant’s very recent wholesale and retail activities is market sensitive and constitutes trade secrets; and that releasing applicant’s confidential commercial information would result in loss of competitive advantage in the wholesale and retail marketplaces relative to applicant’s ability to negotiate future contracts for the purchase or resale of energy and/or capacity at wholesale, or negotiation of contracts with retail customers. Release of the data could be used to directly or indirectly to determine the applicant’s market position and procurement strategy to the detriment of the applicant and its customers. Competitors could ascertain the Applicant’s Renewables Portfolio Standards obligations and make its power procurement and compliance obligations more expensive.

The application requests the total retail sales be kept confidential and not publicly disclosed through December 31, 2021. The CEC has historically granted confidentiality for this type of data through December 31 of the current year at which time the data will be one year old. A term ending one year from the end of the reporting period also represents the amount of time this type of data is considered confidential by the California Public Utilities Commission (CPUC). (Decisions R05-06-040 [Appendix B, Electric Service Provider (ESP) Matrix, section V], and D06-06-066 [Appendix 2, ESP Matrix, *Market Purchases of Energy and Capacity: public after one year*].)

The application also requests that information regarding GHG emissions (Schedule 1, column M) be kept confidential. This request is denied, as the reporting of these emissions is mandatory pursuant to the California Global Warming Solutions Act of 2006, as set forth in the California Health & Safety Code, section 38500 et seq. (Health & Safety Code sections 38510, 38530; Cal. Code Regs. tit. 17, sections 95101, 95102, and 95106), and, also pursuant to California Government Code section 6254.7.

Based on the remaining information, the confidentiality application is hereby approved with respect to all other data requested to be kept confidential other than GHG emissions data. The data will remain confidential through December 31, 2021, or until it is publicly released, whichever is earlier.

The information may be released before December 31, 2021, or publication of the power content label if applicant-specific information is aggregated with information from all other statewide energy service providers. Load serving entities provide quarterly annual retail sales under Title 20, California Code of Regulations, section 1306. As set forth in Title 20, California Code of Regulations, section 2507(e)(1)(A)(1), the quarterly data can be publicly disclosed for an individual load serving entity if aggregated at the statewide level by year. Therefore, data submitted consistent with this aggregation will not be confidential.

Be advised that persons may petition to inspect or copy records that the CEC has 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 Title 20, California Code of Regulations, sections 2506-2508.

Mr. Galati  
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You may request confidentiality for similar data in a future annual report without submitting an application by following the procedures set forth in Title 20, California Code of Regulations, section 2505(a)(4).

If you have any questions, please contact Raj K. Dixit, attorney, at [raj.dixit@energy.ca.gov](mailto:raj.dixit@energy.ca.gov) or (916) 776-3055.

Sincerely,

A handwritten signature in black ink, appearing to read 'Drew Bohan', with a long horizontal stroke extending to the right.

Drew Bohan  
Executive Director