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Document Title:	Application for Confidential Designation
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Filer:	Erin Phillips
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Submitter Role:	Applicant Consultant
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April 5, 2024

VIA DOCKET UNIT E-FILING SYSTEM

California Energy Commission
715 P Street
Sacramento, CA 95814

RE: Compass Energy Storage Project Application for Confidential Designation

To whom it may concern:

Compass Energy Storage LLC, as applicant for the Compass Battery Energy Storage Project (“Project”), requests that the attached information be designated as confidential pursuant to 20 California Code of Regulations (“CCR”) Section 2505. This information is being supplied to the California Energy Commission (“CEC”) in the Appendices listed below in support of the Applicant’s opt-in application for the Project, which was docketed on March 29, 2024.

To support the Application for Confidential Designation, the following information has been provided and is consistent with the information requested in the Application for Confidential Designation (20 CCR § 2505 et seq.)

Applicant: Compass Energy Storage LLC

Address: 1360 Post Oak Blvd., Ste. 400, Houston, TX 77056

1(a). Title, date and description (including number of pages) of the record for which you request confidential designation.

Compass Energy Storage LLC Opt-In Application:

- Appendix 1B, Property Owner Information, March 2024, all pages
- Appendix 3A, California Independent System Operator (“CAISO”) Phase II Interconnection Study Report, November 22, 2021, all pages
- Appendix 3B, Interconnection Agreement, May 18, 2022, all pages
- Appendix 4.3B, SCCIC Search, December 2023, all pages
- Appendix 4.3C, Cultural Resources Overview, December 2023, all pages

1(b). Specify the part(s) of the record for which you request confidential designation.

The documents referenced in 1(a) in their entirety.

2. State and justify the length of time the Commission should keep the record confidential.

Appendix 1B:

All documents associated with Appendix 1B should be kept confidential indefinitely. This length of time is needed to ensure the perpetual protection of personal information under various provisions of the California Public Records Act ("PRA") (Gov. Code, § 7920.000 et seq.).¹ If such names and addresses are released to the public domain, there is the potential for fraudulent use or abuse of such personal information.

Appendices 3A and 3B:

All documents associated with Appendices 3A and 3B should be kept confidential indefinitely unless approved for public release by CAISO. This length of time is needed to ensure that Compass Energy Storage LLC is not in violation of any of its nondisclosure agreements with its commercial partners and to ensure Compass Energy Storage LLC's detailed construction cost information remains secure from market participants who could otherwise make competitive use of this information to the detriment of Compass Energy Storage LLC and its current or future negotiations with counterparties.

Appendices 4.3B and 4.3C:

All documents associated with Appendices 4.3B and 4.3C should be kept confidential indefinitely. If locations of protected cultural resources and sites are released to the public domain, there is the potential for looting and/or destruction of these state and federally protected resources and sites.

3(a). State the provisions of the Public Records Act or other law that allows the Commission to keep the record confidential, and explain why the provision(s) apply to the record.

Appendix 1B:

¹ Unless otherwise specified, all future uncited references are to the Government Code.

Names and addresses are considered “personal information” under the PRA. Personal information is protected from disclosure by various provisions of the PRA, including, but not limited to, Sections 7927.105(a)(1), 7927.400, 7927.405, 7927.410, 7927.425(b).

Appendices 3A and 3B:

Under 20 CCR § 2505(a)(1)(D), “[i]f the applicant believes that the record should not be disclosed because it contains trade secrets or its disclosure would otherwise cause loss of a competitive advantage, the application shall also state the specific nature of that advantage and how it would be lost, including the value of the information to the applicant, and the ease or difficulty with which the information could be legitimately acquired or duplicated by others.” Such trade secrets may include “any formula, plan, . . . process, tool, mechanism, . . . procedure, production data, or compilation of information . . . , which is known only to certain individuals within a commercial concern who are using it to fabricate, produce, or compound an article of trade or a service having commercial value and which gives its user an opportunity to obtain a business advantage over competitors who do not know or use it.” (Gov. Code, § 6254.7(d); see *id.* at §§ 6254(k), 6254.15.)

Disclosure of Appendices 3A and 3B identified above would create a significant market disadvantage for Compass Energy Storage LLC, compromise Compass Energy Storage LLC’s bargaining position during contract negotiations, provide competitors an advantage, and compromise Compass Energy Storage LLC’s competitive position in the CAISO power market through the disclosure of trade secrets. These Appendices contain commercially sensitive information on the estimated and forecasted capital costs for the Project and its many components, including cost information for: BESS, step-up substation, gen-tie, utility switchyard, and other related costs. Additionally, such disclosure and corresponding market disadvantage may result in higher energy prices for consumers.

Appendices 4.3B and 4.3C:

Appendices 4.3B and 4.3C identified above specifically identify areas of potential cultural and historical significance. They are thus protected under Sections 7927.300 and 7927.705. Protection provided is analogous to that given to Native American sacred places under Section 7927.000 of the Government Code.

3(b). Discuss the public interest in nondisclosure of the record. If the record contains trade secrets or its disclosure would otherwise cause loss of a competitive advantage, please also state how it would be lost, the value of the information to the applicant, and the ease or difficulty with which the information could be legitimately acquired or duplicated by others.

It is in the public interest to have nondisclosure of the documents referenced in 1(a) to ensure that 20 CCR § 2505 is lawfully upheld.

Appendix 1B:

It is in the public interest to protect the information in Appendix 1B from public disclosure to ensure the protection of personal information, preventing the potential abuse of such information. Disclosure would also violate the privacy rights of those not otherwise involved in the Project.

Appendices 3A and 3B:

It is in the public interest to protect the information in Appendices 3A and 3B from public disclosure to ensure industry competitiveness and trade secrets are maintained, therefore maintaining the competitiveness of the CAISO power market and keeping consumer energy prices at competitive levels. CAISO's estimates for the Network Upgrades and Interconnection Facilities completion timing and costs associated with upgrades applicable to the Project are confidential between CAISO and the Interconnection Customer, constituting a trade secret due to the private and confidential nature of agreement(s) between the two parties. These estimated costs and completion timing directly impact Compass Energy Storage LLC's forecasted economic standing and could be detrimental to the Project if external competitors were able to gain this information. Public disclosure of this information would negatively impact Compass Energy Storage LLC's competitive ability to negotiate with third parties on an ongoing basis given the confidential pricing and timing that has been secured and reflected in our estimates and forecasts. Industry competitors would be able to utilize this information to further their own negotiations with third parties with our data as leverage, enhancing their competitiveness and therefore negatively impacting Compass Energy Storage LLC.

Additionally, disclosure of the information contained in Appendices 3A and 3B would enable counterparties to reverse-engineer expected returns, capital cost components, and other key details of the Project that would lessen Compass Energy Storage LLC's negotiating power. If counterparties were internally estimating a materially different amount than what is disclosed, this information would impact and inform their negotiation strategy going forward. Competitors could also leverage this information to secure more favorable agreements for themselves by leveraging the results that Compass Energy Storage LLC has achieved, further harming Compass Energy Storage LLC's competitive advantage in the renewable energy development industry given the commercial terms already achieved privately. Disclosing these trade secrets and commercially sensitive data would lead to Compass Energy Storage LLC's loss of a competitive advantage.

The information set forth in Appendices 3A and 3B could not be legitimately acquired or duplicated by others. Compass Energy Storage LLC's Project cost figures have been carefully assembled, leveraging myriad internal resources, including commercial partnerships, existing agreements, proprietary in-house knowledge, and prior project experience. This information is not publicly available and has not been disclosed to anyone other than employees, attorneys or consultants working with Compass Energy Storage LLC, and only once such parties have executed confidentiality agreements, because Compass Energy Storage LLC considers such information to be commercially sensitive, proprietary information, and trade secrets. Compass Energy Storage LLC has taken reasonable steps to preserve the confidentiality of this information.

Appendices 4.3B and 4.3C:

The public interest will be served by protecting the information in Appendices 4.3B and 4.3C from disclosure to prevent potential harm to, or destruction or looting of, the cultural resources and sites described in these confidential Appendices. Such harm or destruction/looting would preclude scientific study of the sites to gain data about the cultural resources of the area.

4. State whether the record may be disclosed if it is aggregated with other information or masked to conceal certain portions (including but not limited to the identity of the applicant). State the degree of aggregation or masking required. If the data cannot be disclosed even if aggregated or masked, explain why.

Appendix 1B:

The information disclosed in the confidential Appendix 1B cannot be disclosed even if aggregated or masked due to its personal nature. The location of the Project has been disclosed in the Opt-In Application and thus the surrounding area will be reasonably ascertainable to the extent such information will assist CEC staff when performing their review and analysis. But the specific information contained in Appendix 1B regarding owner names and addresses must remain confidential to protect the privacy rights of those owners.

Appendices 3A and 3B:

The information disclosed in the confidential Appendices 3A and 3B cannot be disclosed even if aggregated or masked due to the nature of capital costs. Any and all details pertaining to capital cost are considered a trade secret and a significant component of Compass Energy Storage LLC's competitive advantage in the industry. Additionally, the information contained in

these Appendices cannot be disclosed even if aggregated or masked due to the existence of the confidentiality agreements under which this information was collected.

Appendices 4.3B and 4.3C:

The information disclosed in the confidential Appendices 4.3B and 4.3C have been aggregated and summarized in the Cultural Resources and Paleontological Resources sections of the Opt-In Application for the Project. However, aggregation of the confidential Appendices themselves would potentially hinder CEC staff when performing their review and analysis.

5. State how the record is kept confidential by the applicant and whether it has ever been disclosed to a person other than an employee of the applicant. If it has, explain the circumstances under which disclosure occurred.

Appendix 1B:

The information contained within the confidential Appendix 1B has not been disclosed to a person other than an employee, attorney, or consultant working on behalf of Compass Energy Storage LLC and under confidentiality agreements.

Appendices 3A and 3B:

The information contained within the confidential Appendices 3A and 3B has not been disclosed to a person other than an employee, attorney, or consultant working on behalf of Compass Energy Storage LLC and under confidentiality agreements.

Appendices 4.3B and 4.3C:

The information contained within the confidential Appendices 4.3B and 4.3C has not been disclosed in a Project-specific context to any parties beyond Compass Energy Storage LLC's employees, attorneys, or consultants working on behalf of Compass Energy Storage LLC and who are directly associated with the proposed Project and under confidentiality agreements.

If you have any questions about the Compass Energy Storage Project's Application for Confidential Designation, please do not hesitate to contact Renée Robin, J.D., Director of Planning & Permitting, renee.robin@engie.com.

Pursuant to 20 CCR § 2505, as an officer authorized to make this application on behalf of Compass Energy Storage LLC, I certify under penalty of perjury that the information contained in this application for confidential designation is true, correct, and complete to the best of my knowledge.

Sincerely,



Renée L. Robin, J.D.
Director, Permitting and Planning
Engie North America LLC for
Compass Energy Storage LLC
Renee.Robin@engie.com