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CALIFORNIA ENERGY COMMISSION

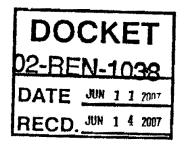


June 11, 2007

Mr. W. Phillip Reese Colmac Energy, Inc. 62-300 Gene Welmas Drive, P. O. Box 758 Mecca, CA 92254-0758

## RE: Application for Confidentiality, Existing Renewable Facilities Program, Docket No. 02-REN-1038

Dear Mr. Reese:



On May 18, 2007, Colmac Energy, Inc., (Colmac) filed an application for confidentiality in the above-captioned Docket. The application seeks confidentiality for some of the information contained in Colmac's application for funding in the Existing Renewables Facilities program (CEC-1250E-1). Colmac seeks confidentiality for the following information:

All the documents and supporting information provided in response to question 1) b I, ii, and iii, under "Justification for Target Prices Requested" . . . because it contains trade secrets or its disclosure would otherwise cause loss of competitive advantage. . . . Colmac believes that all of these documents and supporting information should remain confidential for a period of a least three years, until the information is sufficiently out of date so as not to be of value to a competitor. . . . The two estimates requested under 2) in "Justification for Target Prices Requested" should not be disclosed because they form the basis for a direct back-calculation of the facility's marginal cost of operation, . . . These estimates may be disclosed only if aggregated with other information. . . . The detailed plan under "Becoming Competitive and Self-Sustaining by December 31, 2011" is confidential since it relates to company business strategy for increasing revenues or decreasing costs.

A properly filed application for confidentiality shall be granted under the 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 [Energy] Commission to keep the record confidential." The California Public Records Act allows for the non-disclosure of trade secrets. (Gov. Code, § 6254(k); Evid. Code, § 1040.) The 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. . . . Mr. W. Phillip Reese June 11, 2007 Page 2

(*Uribe v. Howe* (1971) 19 Cal.App.3d 194, 207-208, from the Restatement of Torts, vol. 4, § 757, comments b, p.5.)

Colmac's May 18, 2007, confidentiality application makes a reasonable claim to grant confidentiality to the forecasted and estimated information as itemized above. This information is exempt from public disclosure since it constitutes a trade secret, and could harm Colmac's proprietary business interests. (Gov. Code, § 6254 (k).) This information may be aggregated and released to the public, but only if its confidentiality is protected. Accordingly, the data identified above is granted confidentiality until December 31, 2010.

However, information such as actual generating capacity will not be granted confidentiality since this information will be provided to the California Legislature and form the basis for awarding possible energy incentive payments to Colmac. Likewise, energy price information and actual historical information will not be granted confidentiality.

Persons may petition to inspect or copy the records that I have designated as confidential. The procedures and criteria for filing, reviewing, and acting upon such petitions are set forth in the California Code of Regulations, title 20, section 2506. An appeal of my decision to grant confidentiality must be filed within fourteen days from the date of this decision. The procedures and criteria for appealing any part of this decision are set forth in the California Code of Regulations, title 20, section 2505. If you have any questions concerning this matter, please contact Fernando De Leon, Senior Staff Counsel, at (916) 654-4873.

Sincerel B. B. BLEVINS **Executive Director** 

cc: Docket Unit Energy Commission Project Manager