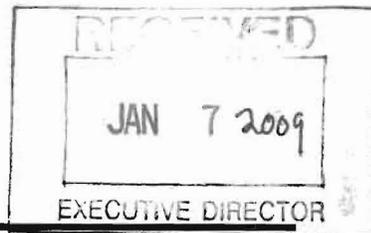


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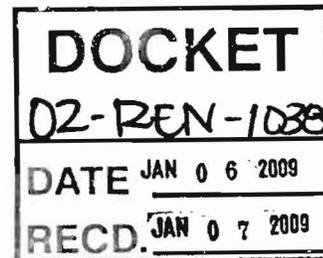
WADHAM ENERGY LP



MEMORANDUM

January 6, 2009

To: California Energy Commission - Renewable Energy Program
From: Alex Sugaoka
Re: Applications for Existing Renewable Facilities Program
cc: Tim St. Cyr



Please find the attached forms for the Existing Renewable Facilities Program:

- Application for Confidential Designation
- Confidentiality Statement in Wadham Energy Limited Partnership and Pacific Gas and Electric Power Purchase Agreement
- CEC-1250E-1
- CEC 1250E-1 Attachment
- The Value of Benefits of US Biomass Power Document
- CEC-1250E-2 Supplement
- CEC-1250E-2 June – November with summary sheet
- PGE Invoices June – November
- CEC-1250E-3

If you have any questions about the enclosed materials please contact Diana Tharp or myself at (925) 244-1100.

**Application for
Confidential Designation**

APPLICATION FOR CONFIDENTIAL DESIGNATION

(Title 20 Cal. Code. Regs., § 2505 et seq.)

TO: ENERGY COMMISSION EXECUTIVE DIRECTOR, MS - 39 ENERGY COMMISSION
CONTRACT/DOCKET NO. (IF APPLICABLE):

APPLICANT: Wadham Energy Limited Partnership
ADDRESS: 6247 Myers Road, Williams, CA 95987

1(a). Title, date, and description (including number of pages) of the information or data for which you request confidential designation. **Information or data for which you are seeking a designation of confidentiality must be included with this application.**

Wadham Energy Limited Partnerships application is contingent on confidentiality being recognized, otherwise we understand that our application will be returned and not disclosed to the public.

Wadham Energy Limited Partnership invoices and supporting materials.

| | | |
|----------------|---------|-----------------|
| | Invoice | 1250E-2 Support |
| June 2008 | 4 Pages | 1 Page |
| July 2008 | 4 Pages | 1 Page |
| August 2008 | 4 Pages | 1 Page |
| September 2008 | 4 Pages | 1 Page |
| October 2008 | 4 Pages | 1 Page |
| November 2008 | 4 Pages | 1 Page |

1250E-2 Supplemental Information

All Supplier information to be provided in January 2009 on Form CEC-1250E-4. Wadham’s supply agreements also contain confidentiality provisions to be provided with submission of the CEC-1250E-4 form.

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

All energy pricing and fuel receipt information.

2. State and justify the length of time the Energy Commission should keep the information or data confidential.

Term of the agreement plus 3 years as per industry standard for records retention.

3(a). State the provision(s) of the Public Records Act (Gov. Code, § 6250 et seq.) or other law that allows the Energy Commission to keep the information or data confidential, and explain why the provision(s) apply to that material.

Under Section 10.7 of our PPA (attached) with PG&E, we are bound to keep the non-public terms (e.g. energy pricing) of our PPA confidential. Our supplier agreements also contain similar confidentiality provisions.

3(b). Discuss the public interest in nondisclosure of the material submitted for a confidential designation. If the material contains trade secrets or its disclosure would otherwise cause loss of a competitive advantage, please 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.

PG&E, in the interest of keeping pricing of power they purchase lower (for the benefit of their public ratepayers) could arguably lose access to more competitive bids if Wadham's pricing and terms were made public.

Wadham acquires rice hulls in a relatively illiquid market. It is understood that the rice hull market is around 400,000 tons on a year-to-year basis. It is not public knowledge as to from whom Wadham generally purchases about 33 to 50% of all the rice hulls produced on given year. If that information were to become public, competitors could strategize and raise or lower pricing to Wadham's economic disadvantage. If Wadham's cost of power increases, Wadham would need to curtail production thus reducing the availability of cleaner renewable power and marginal power production generally priced lower for PG&E's ratepayers' benefit.

4. State whether the information or data can 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.

If the data is aggregated with all other biomass fuels (e.g. wood), then that would be most likely be acceptable.

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

Fuel data is distributed and aggregated on need to know basis. All fuel agreements have confidentiality provisions. Disclosure is provided to investors and counsel as requested to understand Wadham's economic situation. Recipients of the information have agreed to keep such terms confidential.

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 and that I am authorized to make the application and certification on behalf of the applicant.

Dated: January 6, 2009

Signed: 
Name: Alex Sugaoka

Title: Vice President of the General Partnership
Representing: Wadham Energy Limited Partnership