

## CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET  
SACRAMENTO, CA 95814-5512

May 28, 2009

Jeff Spray  
Geothermal Expandables, LLC  
12755 Ashford Hills Drive  
Houston, TX 77077**DOCKET****08-GEO-1**

DATE MAY 28 2009

RECD. MAY 28 2009

RE: **Geothermal Expandables**  
**Application for Confidentiality**  
**Geothermal Research and Development Account**  
**Docket No. 09-GEO-1**

Dear Mr. Spray:

On April 21, 2009, Geothermal Expandables filed an Application for Confidentiality with California Energy Commission (Commission) for information related to the CFEX Self Expanding Tubular Technology Geothermal Research and Development Account (GRDA) grant (Docket No.09-HERS-1). The application seeks confidentiality for the following information related to the Quarterly Progress Report for the first quarter of 2009<sup>1</sup>:

1. Page 6, items c.8, 9, 11
2. Page 7, paragraphs 2 & 4, lines 1 & 3 under "c"
3. Page 8
4. Page 9, Figure 3
5. Page 10, Figure 4, paragraph 2 lines 1 & 2
6. Page 11
7. Page 12
8. Page 12, Figure 8, lines in italics
9. Page 14, paragraph 2, last paragraph
10. Page 15, lines 5, 26, 27
11. Page 16, line 11
12. Page 17
13. Page 23, line 24
14. Page 24, lines 32, 35, 36
15. Page 25, second bullet
16. Page 28, last four bullets
17. Page 29, lines 6, 12, 16
18. Page 31, Items B & C, last two bullets
19. Page 35, second bullet, fourth bullet lines 2 & 3

<sup>1</sup> Although the Application states that the Quarterly Progress Report is for the first quarter of 2008, the Report itself states it covers the first quarter of 2009.

Geothermal Expandables claims that the Report contains:

. . . highly proprietary information and trade secrets that have been developed by Applicant at great expense over a number of years. The public disclosure of such information would destroy Applicant's competitive advantage over other potential developers of the "expandable tubulars" technology that Applicant has invented and/or refined in its business for purpose of exploitation in oil, gas, water, steam and other extraction efforts.

Geothermal Expandables claims that the information is exempt from public disclosure as proprietary information and trade secrets pursuant to the California Public Records Act.

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, § 1060.) 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. . . .

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

Geothermal Expandables has made a reasonable claim that the law allows the Commission to keep the above listed information confidential on the grounds that it is trade secret and proprietary information. The information has been developed exclusively by Geothermal Expandables, contains information that is not public, and has the potential for economic advantage. As such, your request for confidential determination is granted. The information listed above will remain confidential until December 31, 2015.

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.

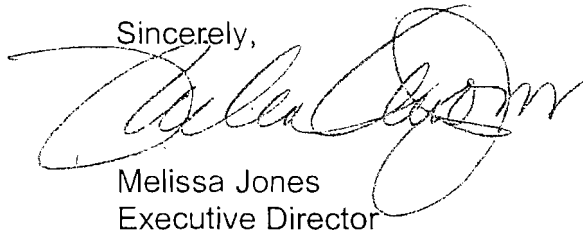
**Please note that subsequently submitted information can be deemed confidential as specified in this letter without the need for a new application if you file a**

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**certification under penalty of perjury that the new information is substantially similar to the information granted confidentiality by this determination.** California Code of Regulations, title 20, sections 2505(a)(1)(G) and 2505(a)(4).

If you have any questions concerning this matter, please contact Deborah Dyer, Senior Staff Counsel, at (916) 654-3870.

Sincerely,

A handwritten signature in black ink, appearing to read "Melissa Jones", is written over the word "Sincerely,". The signature is fluid and cursive, with a large loop at the end.

Melissa Jones  
Executive Director

cc: Docket Unit  
Pablo Gutierrez, GRDA Project Manager