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DOCKET
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DATE MAY 09 2012
RECD. MAY 09 2012

GRAVITY ENERGY

Wednesday, May 9, 2012

RE: "Non Marine Water"

Dear Commissioners and Staff of the CEC

After a few years and today we still have this issue of an existing regulatory framework that does not have the future built in.

We all know that California is the most innovative geography on the planet! We thrive not only on pristine nature but on creativity and innovation more than most countries on our planet.

We lead the world in renewable energy promotion as well.

When this process began for me a few years ago I was told that there are a lot of regulations that "Do not apply" and therefore our innovative technology does not qualify.

Since I know that there is no logical reason to disqualify a project or technology when rules do not apply and there is also an inherent resistance to approve a project or technology that does "not fit" I would like to ask the Staff to explain; "What future process could be put into place that will eliminate this dilemma?"

Is there some internal penalty or threat that motivates the Staff to impose strict conformity to every particular detail in a regulation even if certain items do not apply?

If legislative process is the only way the Staff considers appropriate to deal with issues that have no specific code then why would they add regulatory verbiage to constrict the law without appealing to the Legislature?

Is there discretion under the Commission's authority to add new technology to the RPS?

CEC has a PIER Grant program administered in part by UCSD. Does the Commission review new technology that participates in the grant process? Can a regulation be drafted that would have new technology participate in the EISG grant review process to be added to the RPS eligible list of renewable energy technology?

Wouldn't a system to encourage new technology development combined with Peer Review scientific evaluation alleviate any concerns of Staff and also facilitate meaningful change ahead of instead of behind the Commercial Sector?

We have applied for an EISG Grant with the University of Southern California, Viterbi School of Engineering, Western Regional Application Center (WESRAC) in order to gain outside scientific validation from a neutral (and very credible) source.

We would like to suggest that the results be the basis for amending the legislation to create a new category for Marine Hydropower (as opposed to Small Hydropower) and eliminate the 40 Megawatt limit.

Would that be possible?

Would the Staff support that?

Former Commissioner Boyd asked the question in the Hearing back in March 2011;
"If you did not have the 30 MW limit imposed by the regulations how large could you build your technology?"

My answer was "The graphic we presented is scaled to the same size as a nuclear facility." We are working on designs for a gigawatt facility.

We provided the California Ocean Energy Protection Council working group with a presentation since there are 12 State of California agencies and federal agencies that must all be satisfied before we could ever go online.

Now that we have Pre-Certification we would like to start the process of adding Submerged Hydropower as a totally different technology for RPS.

Rather than "fitting into" regulations that were NOT intended for our technology (although we do qualify) we would like to address the Staff's concern and move forward to make Genergy technology the first of its kind identified by the State of California.

The Department of Energy, (http://www1.eere.energy.gov/water/hydrokinetic/default.aspx) officially turned us down as "Hydrokinetic." "Because you do not rely on waves, tides, or thermal currents…we cannot add your project to our database," is what they said.

If the Staff and Commission insist on keeping "NON Marine" water in the Guidebook will you consider adding it as a separate technology?

Thank you.

Sincerely,

Kurt Grossman

PRESENTATION TO THE CALIFORNIA OCEAN PROTECTION COUNCIL



Presented By:

Kurt Grossman, CEO Genergy, LLC

March 13, 2012

Prepared for….

- California State Lands Commission
- California Coastal Commission
- California Department of Fish and Game
- California Ocean Protection Council
- California Energy Commission
- California Public Utilities Commission
- Bureau of Ocean Energy Management
- NOAA Fisheries
- U.S. Fish and Wildlife
- Federal Energy Regulatory Commission

About Genergy

- **Genergy, LLC is a Nevada Limited Liability Company formed in September 2009**
  - ***Headquartered in Newport Beach, California***
- **Genergy LLC is in the business of producing and selling electricity and clean drinking water**
  - ***Patent pending hydropower and desalination devices***
  - ***Sells long term contracts on a wholesale basis to utilities and on a direct basis using the electric commodity exchanges***

Who Are We?

Vision Statement

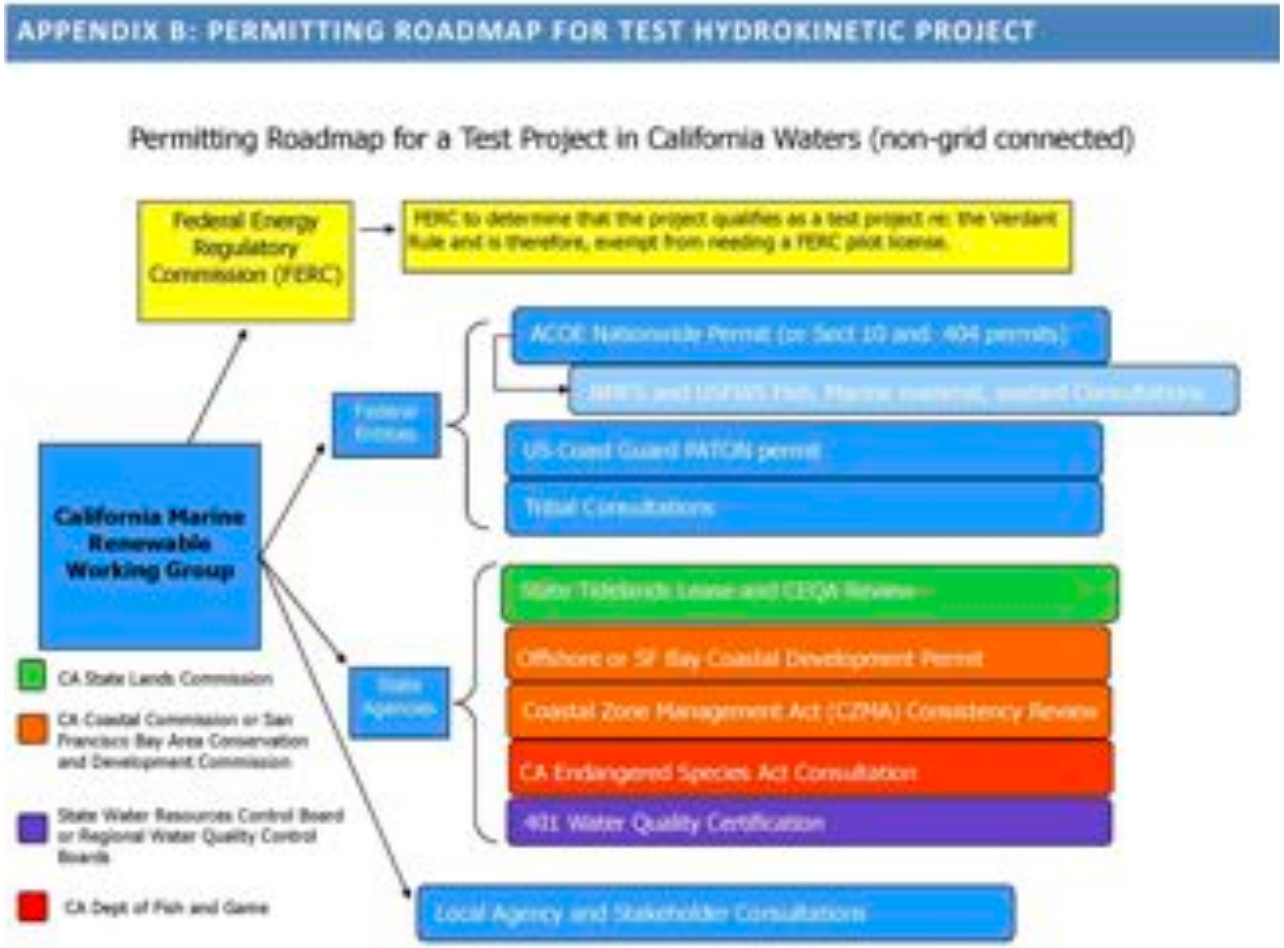
"1 out of every 5 homes and businesses in the world will be powered by Genergy and 20% of all drinking water around the world will come from Genergy".

Mission Statement

Use the natural powers of gravity to provide clean inexpensive drinking water and electricity at such a large scale and low cost that people all over the world will demand it.

Develop products that will protect and restore the beauty of nature; minimize or eliminate harm to living creatures; and reduce the public's desire to consume polluting fossil fuels.

What We Need to Do….



What Do We Produce?

GIGAWATTS OF ENERGY

AND

ACRE-FEET OF DRINKING WATER

INEXPENSIVELY!!!

LOW COST GREEN SOLUTIONS

California's Energy & Water Issues

- No longer Money vs. Green
- Protect the Environment
- Be fiscally responsible
- Give the State what it needs!!!
  - An endless supply of Drinking Water and Energy

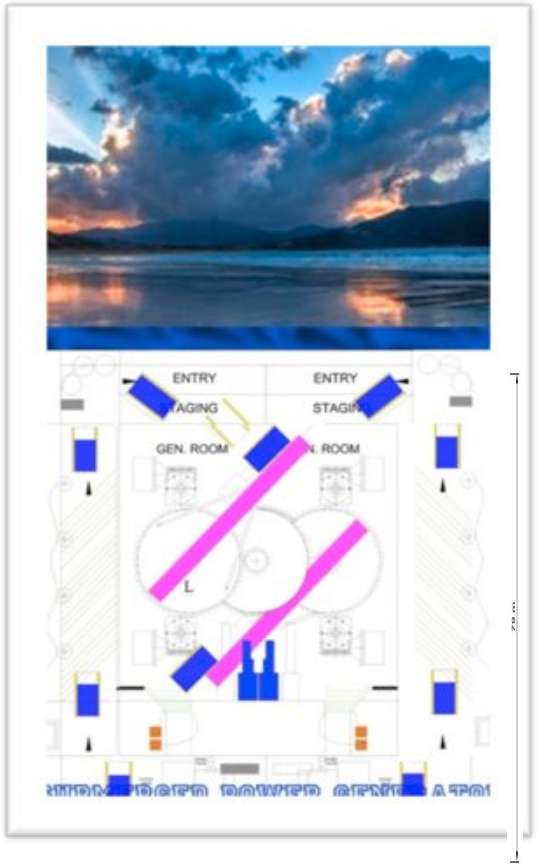


What if Genergy…

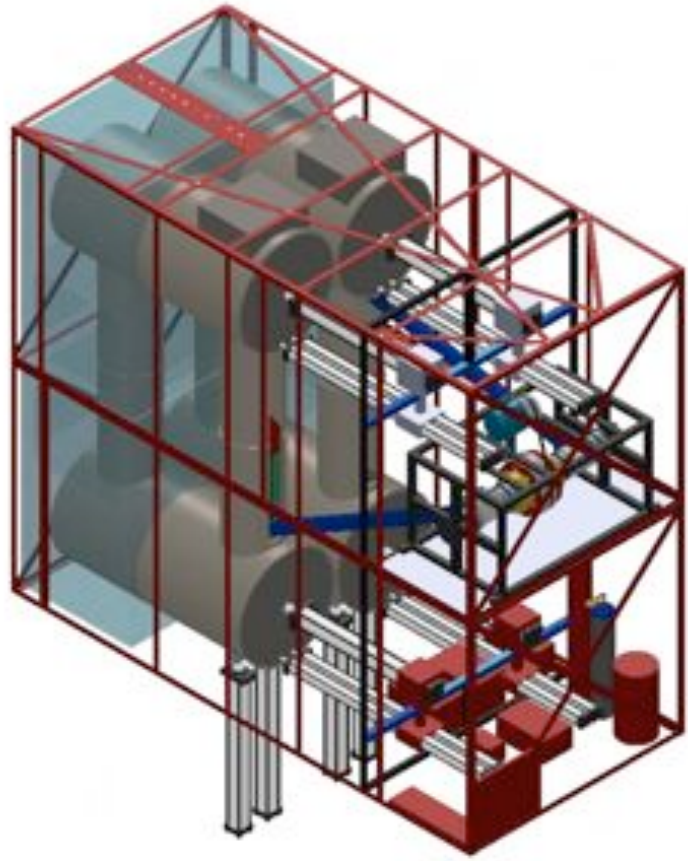


- Generated Gigawatts of clean electricity?
- Desalinated ocean water without killing fish?
- Produced inexpensive drinking water?
- Put their facilities underwater out-of-sight?
- Significantly reduced air pollution?
- Protected the environment from brine discharge?
- Can build and install an operational facility in less than 5 years?
- Can provide all of the energy and drinking water California needs?

Our Energy Solution



For Utilities
400 MW+

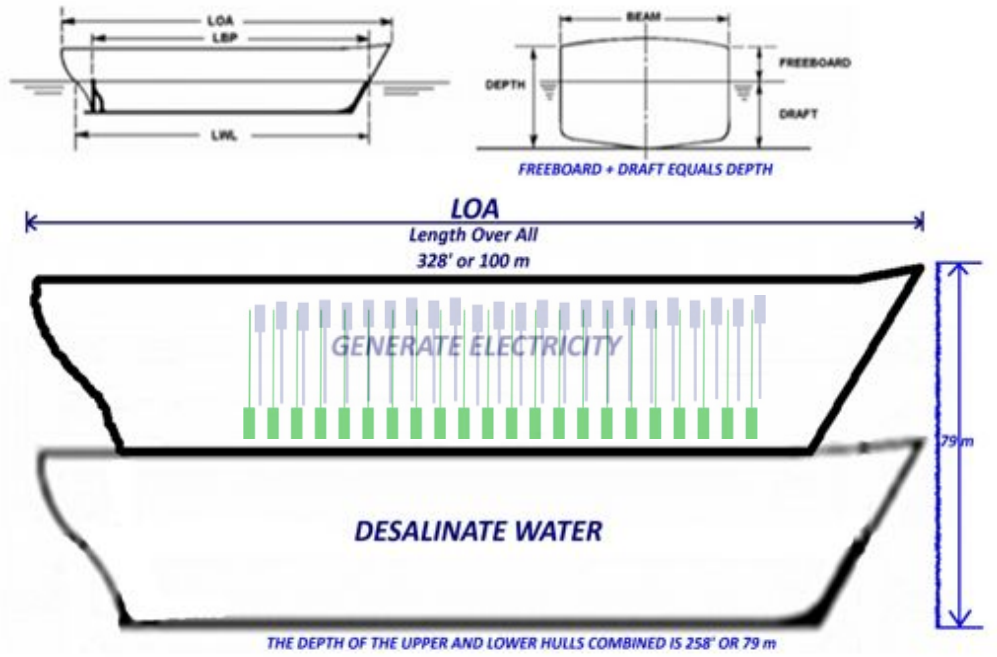


Small
2 MW

Our "*Submerged Power Generator*" (SPG)

Our Drinking Water Solution

By combining a desalination facility with a power generation facility, Genergy will be the only solution that can deliver low cost electricity and drinking water to any location in the world



We Leave Nature the Same…



BEFORE



AFTER

WE JUST ADD USABLE ELECTRICITY AND DRINKING WATER

Electricity and Drinking Water for 700,000 people annually invisibly from a single SPG!

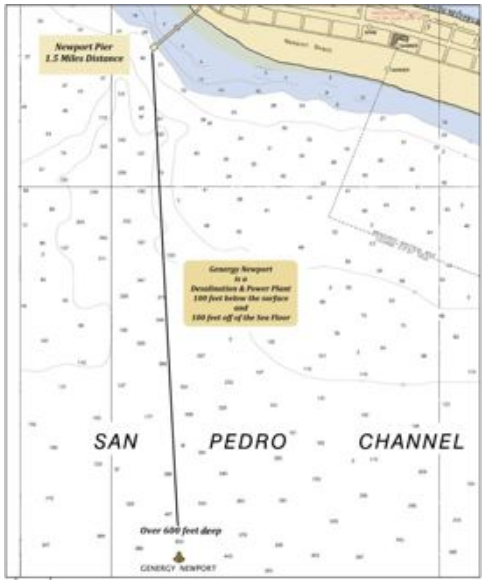
We Blend Into Nature

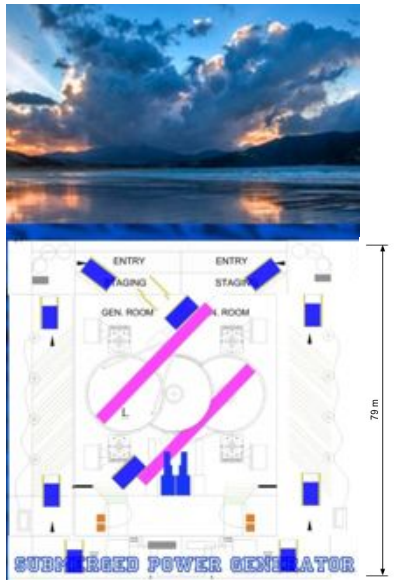
We design our products and locations to make our power and desalination plants as benign as a school of grey whales.

These plants float harmlessly beneath the surface in deep water so that all the discharge can be dissipated back into the ocean in a safe manner.



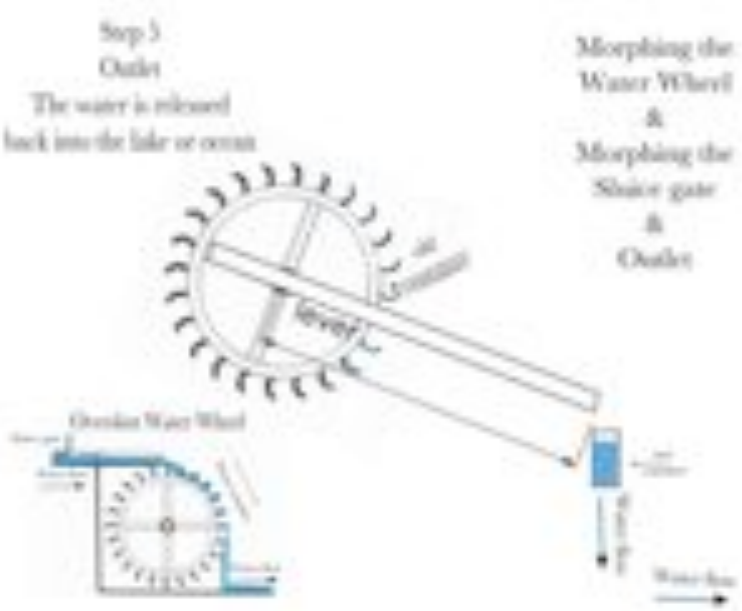
Newport Canyon
-100' to -500'
600' depth





The Journey – Development Process

How Did We Get Here”



- Concept, Design, to Patent
- Provisional to Full Patent App.
- Sketches, Drawings, to CAD
- Figures, Physics, to Engineers
- 2D, 3D, Simulation, to ”USC”
- Garage, Pool, to Prototype



Our Team

Kurt Grossman, CEO/Founder

Norman Weisinger, COO

- ***Former KPMG Partner***

University of Southern California ("USC") – WESRAC

West Coast Shipyard *(name withheld)*

WESRAC => USC Viterbi School of Engineering
Western Research Application Center

DELIVERING LARGE AMOUNTS OF CLEAN ENERGY and WATER INEXPENSIVELY WITHOUT HARMING THE OCEAN….

GRAVITY ENERGY

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Environmental Technical Appendix

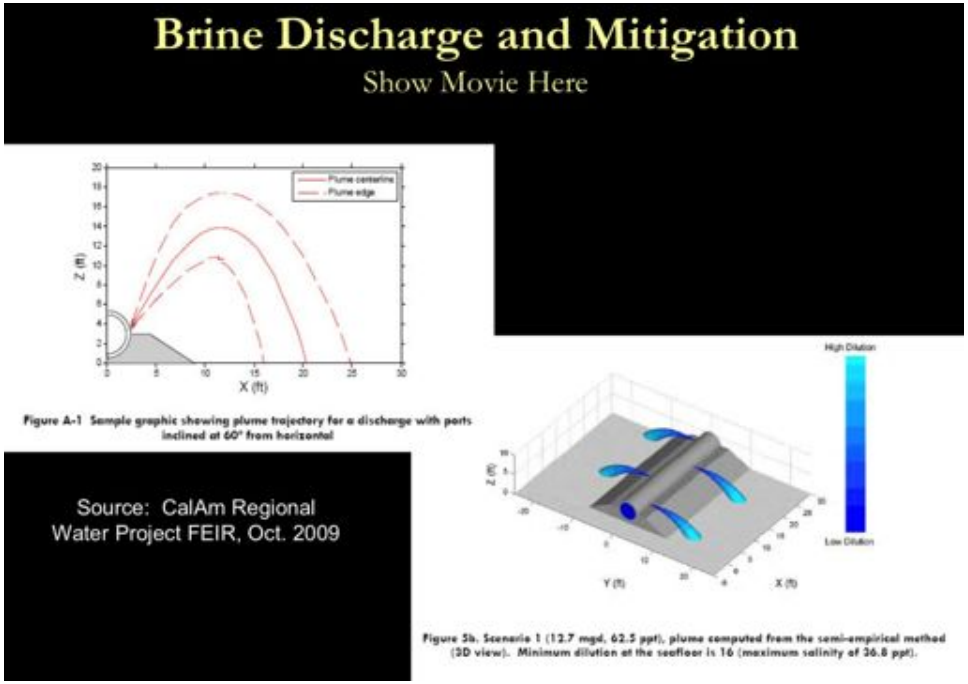


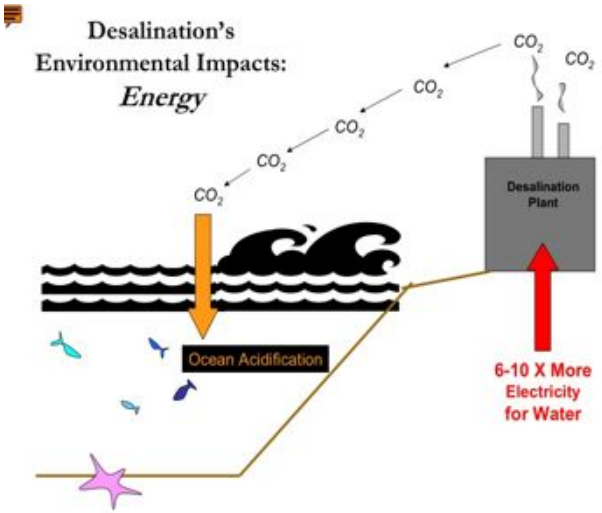
Figure A-1 Sample graphic showing plume trajectory for a discharge with ports inclined at 60° from horizontal

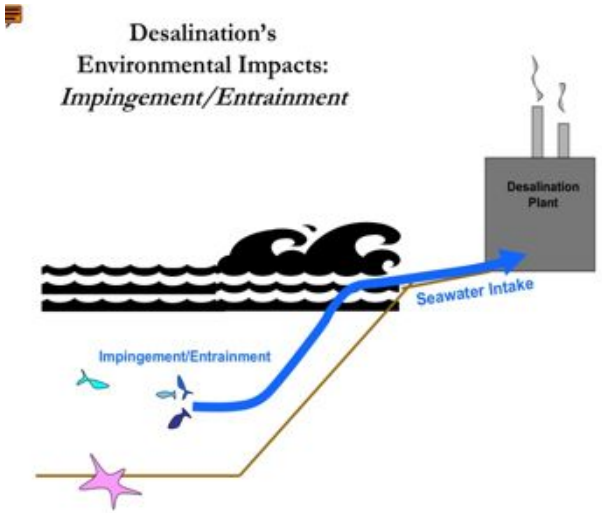
Figure 5b. Scenario 1 (12.7 mgd, 62.5 ppt), plume computed from the semi-empirical method (3D view). Minimum dilution at the seafloor is 16 (maximum salinity of 36.8 ppt).

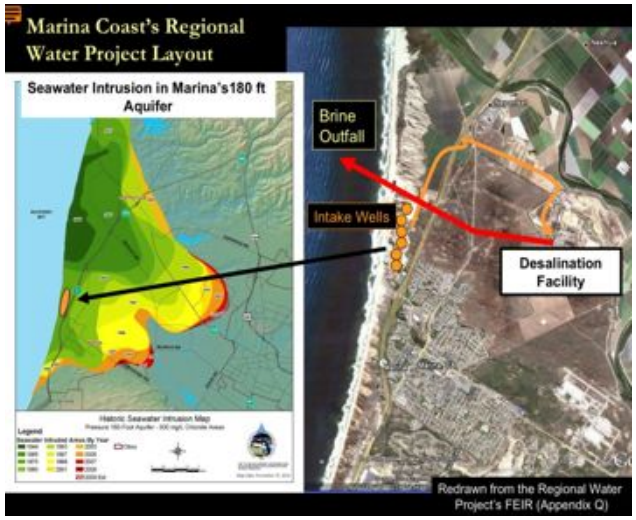
Discharge will be miles offshore over 100 feet above the ocean floor.
Site selection includes avoiding fisheries.
Brine will be diluted 50% before discharge.
The Brine Plume will diffuse over 5x the depth of land based desalination.
Multiple discharge paths in 4 different directions.

"Desalination of The Sea Around Us"
Carol Reeb, Ph.D. Hopkins Marine Station, Stanford University

Environmental Technical Appendix







Genergy LLC plants primarily generate renewable energy.
Zero CO^2 emissions!
Zero Marine Life "Entrainment/Intake" Issues
Intake is diffused over a very large area to reduce suction.
Micro filter barriers form a marine life barricade.

"Desalination of The Sea Around Us"
Carol Reeb, Ph.D. Hopkins Marine Station, Stanford University