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OF COUNSEL:

April 26, 2013

Robert Oglesby Executive Director California Energy Commission 1516 Ninth Street, MS-39 Sacramento, CA 95814-5504 California Energy Commission
DOCKETED
13-1EP-18
TN # 70514
APR 2 6 2013

RE: <u>Application for Confidential Designation – Constellation NewEnergy, Inc.</u> 2013 IEPR Resource Plan Submission, Docket No. 13-IEP-1B.

Dear Mr. Oglesby:

Constellation NewEnergy, Inc., ("CNE"), by this Application for Confidential Designation, respectfully requests protection of certain information provided to the Commission in the attached Resource Plan submission consistent with Title 20 California Code of Regulations ("CCR") Sections 2501 et seq.

Please feel free to contact me at (916) 447-2166 should you or Staff have any questions or require additional information regarding this Application. Thank you for your consideration of our request.

Sincerely,

Andrew B. Brown Ellison, Schneider & Harris, LLP Attorneys for Constellation NewEnergy, Inc.

Confidential Materials in Sealed Enclosure.

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will result in loss of competitive advantage in the wholesale and retail marketplaces relative to CNE's ability to negotiate future contracts for the purchase or resale of energy and/or capacity at wholesale, or negotiation of contracts with retail customers, CNE asks that the identified data be held in confidence for a period of at least three (3) years from the time of production to the Commission. This requested period of time is appropriate as the detailed data is expected to retain validity and market value over that period insofar as it can be used with other data to discern CNE's internal operations, market strategies, including risk management efforts or expectations of future market activities, and because any lesser period would undermine existing protection of the same or substantially similar data by other entities, including the California Public Utilities Commission ("CPUC") and the California Independent System Operator ("CAISO"). This period of time is also consistent with the confidentiality previously provided by the Commission for Constellation's 2011 IEPR data submission of similar information. As such, CNE continues to assert confidentiality for those years that remain within CNE's requested three year confidentiality window.

CNE requests that all the data indicated by yellow shading provided in this 2013 IEPR submission be kept confidential until December 31, 2016.

CNE has also fashioned this request to reflect the scope of protection provided to energy service provider ("ESP") data in CPUC Rulemaking 05-06-040, and, in particular, Decision ("D.") 06-06-066, Appendix B ("ESP Matrix") and related modifications made in 08-04-023, in an effort to have consistency across California energy agencies.² The public release of the specified information, particularly to competitors and potential customers, would result in a loss of competitive advantage for CNE in the wholesale and retail markets, and may result in a loss in the ability to secure a favorable margin or return or result in disclosure of information about internal operating practices.

3. Cite and discuss (i) the provisions of the Public Records Act or other law which allow the commission to keep the record confidential and (ii) the public interest in nondisclosure of the record.

CNE is submitting the information and data sets described above in accordance with the Forms and Instructions adopted by the Commission in December 2012 (Forms and Instructions for Submitting Electricity Resource Plans Prepared in Support of the 2013 Integrated Energy Policy Report, CEC-200-2012-007-SF).

¹ See Letter from Robert P. Oglesby to Andrew B. Brown (June 24, 2011) "Application for Confidentiality, Constellation NewEnergy, Inc. IEPR Electricity Resource Plan Submission", Docket No. 11-IEP-1B.

² While CNE understands and acknowledges that the confidentiality rules granted by the California Public Utilities Commission and the California Energy Commission are different in some respects, CNE seeks to maintain consistency in the data it makes publically available. Consistency also prevents CNE from inadvertent disclosures of confidential information.

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and the other ESPs collectively aggregated on a state-wide basis. Any greater granularity in the data released, including disclosure of any CNE-specific data that is not aggregated with other ESPs, could expose CNE's market position to its competitors, including other ESPs and the investor-owned utilities ("IOUs"). In addition, CNE's information for a customer class should be aggregated with the information of one or more other classes where only a small number of customers in the class are served by ESPs.

CNE requests that the identified information also be deemed confidential for the following additional reasons: The information is commercially sensitive and constitutes a trade secret and is therefore exempt from disclosure. Evidence Code §1060, Civil Code §3426.1(d). Moreover, the public interest in nondisclosure clearly outweighs the public interest in disclosure insofar as release of this economic information may directly harm CNE's existing and future commercial opportunities and its ability to secure a return in the marketplace, and disclosure may also harm CNE's electric customers by foreclosing favorable commercial opportunities. Gov't Code § 6255.

4. State whether the information may be disclosed if it is aggregated with other information or masked to conceal certain portions, and if so the degree of aggregation or masking required.

CNE has considered whether it would be possible to aggregate or mask the identified information. CNE can support the aggregation of CNE-specific information with similar information from all other ESPs and solely disclosed on a *statewide aggregated basis*. CNE believes that disclosure of CNE-specific data of the types collected here, even if aggregated on a statewide basis but specific to CNE, could lead to the disclosure of CNE's wholesale and retail market positions and thereby result in harm to CNE. Given the degree of competition between ESPs, and between ESPs and the IOUs, CNE asserts that any ESP-specific listing of data by utility territory would result in disclosure of confidential data.

5. State whether and how the information is kept confidential by the applicant and whether it has ever been disclosed to a person other than an employee of the applicant, and if so under what circumstances.

CNE has not disclosed any of the subject information to anyone other than their employees, attorneys and consultants working with the Company, or government agency employees or employees of the CAISO subject to confidentiality protection. CNE routinely keeps information of commercial value, like the subject information identified herein, confidential. In fact, all CNE "employees, officers and directors should maintain the confidentiality of information entrusted to them by the company or its customers, suppliers, business partners or others in the course of conducting business with the company, except when disclosure is authorized or legally mandated."