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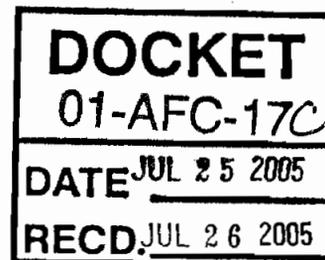
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July 25, 2005



B.B. Blevins
Executive Director
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814

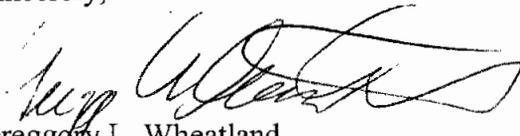
RE: The Inland Empire Energy Center Application for Certification: Application for Confidential Designation – 01-AFC-17C

Dear Mr. Blevins:

Pursuant to Title 20 California Code of Regulations (CCR) Sections 2501 *et seq.*, the Inland Empire Energy Center, LLC ("IEEC, LLC") hereby submits this "Application for Confidential Designation," for IEEC, LLC's Inland Empire Energy Center ("IEEC"), providing additional information regarding ERC/RTC credits.

We are filing five copies of this request and the information it concerns with the Commission's Docket Office. Please feel free to contact me at (916) 447-2166 should you have any questions or require additional information. Thank you for your consideration of our request.

Sincerely,


Greggory L. Wheatland
Attorneys for Inland Empire Energy Center, LLC

enc.

cc (w/o enclosures): CEC Project Manager

APPLICATION FOR CONFIDENTIAL DESIGNATION

Inland Empire Energy Center, LLC

(Inland Empire Energy Center)

Air Quality Emission Reduction Credits (“ERC”) and RECLAIM Trading Credits (“RTC”)

1. *Specifically indicate those parts of the record which should be kept confidential.*

Enclosed is a copy of the RECLAIM Trading Credit Call Option Agreement between Calpine and Sempra Energy, together with a copy of Sempra’s e-mail written approval (pursuant to Section 5, Confidentiality, of the Agreement) authorizing Calpine to provide a copy of this agreement to the CEC.

2. *State the length of time the record should be kept confidential, and provide justification for the length of time.*

We are requesting that this agreement be kept confidential until December 15, 2005, after the Agreement Closing Date.

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.*

The RECLAIM Trading Credit information is exempt from disclosure pursuant to Government Code §§ 6254.7. That law generally exempts information of this type from disclosure. In particular, subsection (f) of that statute states that “[d]ata used to calculate the costs of obtaining emissions offsets are not public records.” The sources and prices of IEEC, LLC’s offsets are information the Commission will use to calculate the costs and therefore the feasibility of obtaining offsets

The public interest in nondisclosure of this emissions information is that disclosure would inhibit fair, arms-length negotiation of offset purchases. The market for offsets in the South Coast Area is highly competitive, as the supply of offsets available for purchase in the area in which the Inland Empire Energy Center is to be constructed is limited and there are other applicants competing for these offsets. In addition, by allowing this potential “gaming” of offset negotiations, disclosure would potentially raise the cost of the offsets which in turn may raise the price of electricity from the project to the public.

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.*

IEEC, LLC considered whether it would be possible to aggregate or mask the

information. However, no feasible method of aggregating or masking the information could be identified that would not either disclose the information or render the information provided useless.

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.*

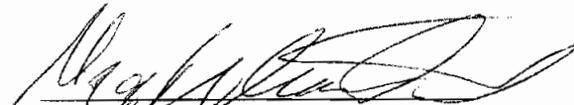
Except as discussed below, IEEC, LLC has not disclosed any of the subject information to anyone other than their employees, attorneys and consultants working on the Inland Empire Energy Center. Moreover, this information has not been disclosed to persons employed by or working for IEEC, LLC except on a "need-to-know" basis. IEEC, LLC is marking this information as "confidential" and is instituting a policy that it be segregated from other the Inland Empire Energy Center files and that access to it be restricted to a designated confidential information manager within IEEC, LLC or their attorneys/consultants.

The sole exception to disclosure is that IEEC, LLC provided a copy on July 21, 2005 electronically to Keith Golden, Brewster Birdsall and Connie Bruins (CEC Staff) with a notation that we would be requesting confidential treatment.

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 belief. I am authorized to make the Application and Certification on behalf of Inland Empire Energy Center, LLC.

Dated:

7.25.05


Gregory L. Wheatland

Ellison, Schneider and Harris L.L.P.
Attorneys for Inland Empire Energy
Center, LLC