

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512

July 19, 2007

Mr. Scott A. Galati
Galati Blek LLP
555 Capitol Avenue, Suite 600
Sacramento, CA 95814

DOCKET	
06-AFC-2	
DATE	JUL 19 2007
RECD.	JUL 20 2007

RE: **Application for Confidentiality,
Water Supplement C, Appendices 2.3A and 3.14
Highgrove Project
Docket No. 06-AFC-2**

Dear Mr. Galati:

On June 29, 2007, AES Highgrove, LLC (AES) filed an application for confidentiality in the above referenced Docket. The application seeks confidentiality for Appendices 2.3A and 3.14 to Water Supplement C. AES states, in part:

Confidential Appendix 2.3A should be kept confidential indefinitely to protect confidential and trade secret information that if disclosed would provide information to AES competitors about its actual costs of power production. In the competitive environment of a Long Term Solicitation the disclosure of such information would place AES at a competitive disadvantage. ¶...Confidential Appendix 3.14 to Water Supplement C should be kept confidential indefinitely to protect the locations of domestic water supply wells. . . . If the descriptions of the locations of the domestic water supply wells are released to the public domain, there is a risk of well and/or water supply tampering.

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."

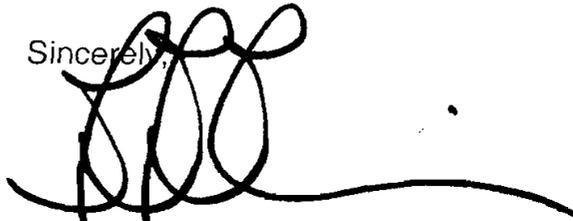
AES's June 29, 2007, confidentiality application makes a reasonable claim to grant confidentiality to Appendices 2.3A and 3.14 in their entirety. This information constitutes a trade secret, and would place AES at an economically competitive disadvantage if disclosed. The information contained on Appendix 3.14 will be kept confidential indefinitely. The information contained on Appendix 2.3A will be kept confidential until December 31, 2012. AES has failed to demonstrate how this particular information would have any negative impact on AES in the long-term.

Finally, 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. The procedures and criteria for appealing any part of this decision are set forth in the

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California Code of Regulations, title 20, section 2505. Be advised that an appeal of this decision must be filed with the Energy Commission's Executive Director within fourteen days from the date of this decision. If you have any questions concerning this matter, please contact Fernando De Leon, Senior Staff Counsel, at (916) 654-4873.

Sincerely,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

B. B. BLEVINS
Executive Director

cc: Docket Unit
Energy Commission Project Manager