

Chicago Climate Exchange[®]

*Presentation to
LMOP Annual Conference
January 23, 2007*



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Chicago Climate Exchange[®]
www.chicagoclimateexchange.com

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What a difference a year makes

LMOP 9

\$1.60

1,446,800 (mt)

122,200 (mt)

1

LMOP 10

\$4.00

10,316,400 (mt)

782,000 (mt)

12



CCX Members

Waste Management, Inc.

Lancaster County Solid Waste Authority

Wasatch Integrated Waste Management
District

Atlantic County Utilities Authority



CCX Offset Providers & Aggregators

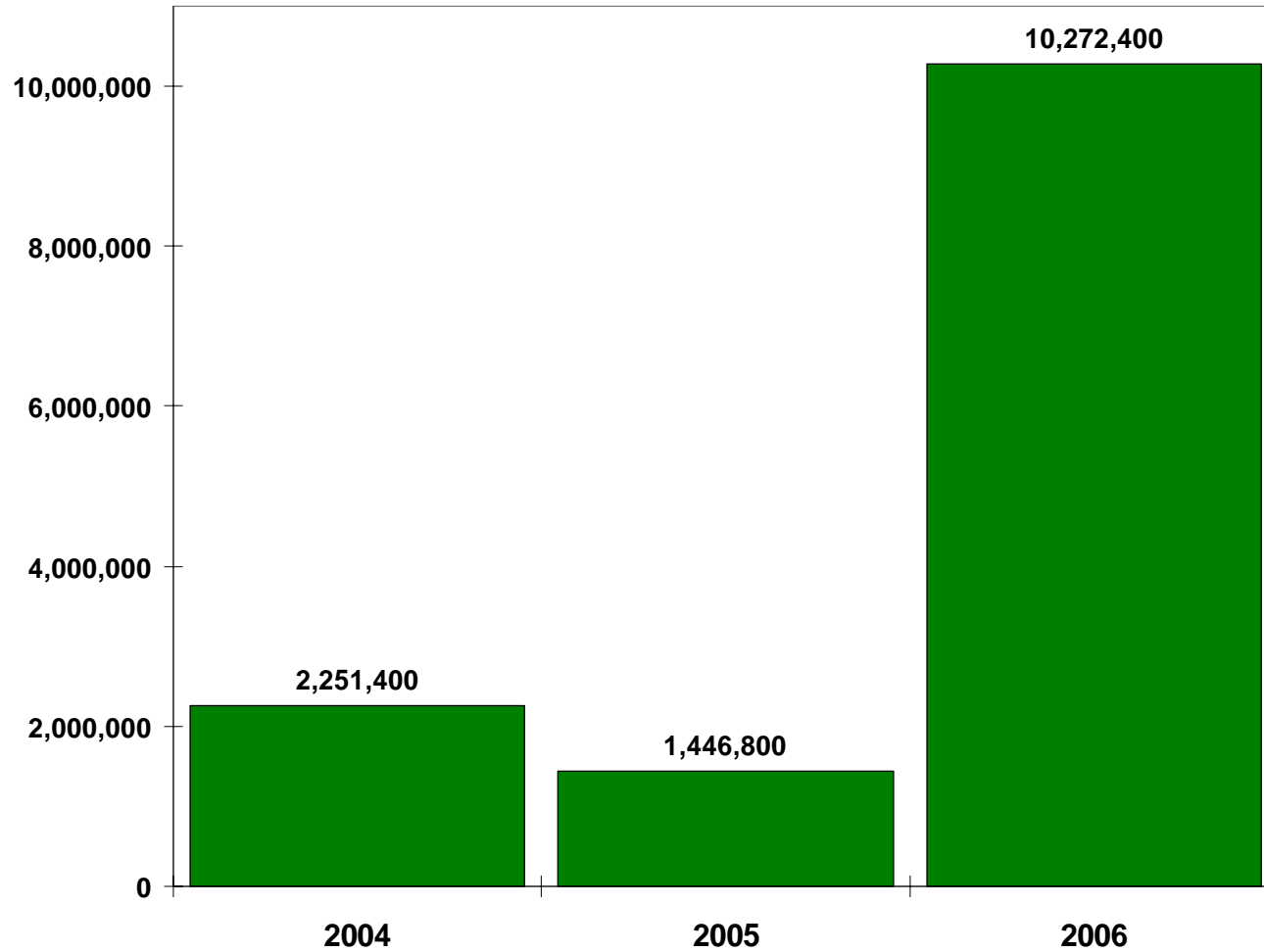
Carbon Markets Solutions Ltd
CommonWealth Resource Management
Corporation
East Central Solid Waste Commission
Geosyntec Consultants, Inc
Granger Holdings LLC
Greater Lebanon Refuse Authority
Heath & Associates
Sexton Energy, LLC



CCX CFI PRICES (2006)



CCX HISTORIC VOLUMES (mt)



What is Chicago Climate Exchange?

Chicago Climate Exchange (CCX[®]) is the world's first and North America's only voluntary, legally binding greenhouse gas reduction and trading program.



Chicago Climate Exchange Members

Aerospace and Equipment

Rolls-Royce

Automotive

Ford Motor Company

Beverage Manufacturing

New Belgium Brewing Company

Chemicals

Dow Corning

DuPont

Rhodia energy Brasil Ltda

Electric Power Generation

American Electric Power

Central Vermont Public Service

Duquesne Light Company

Green Mountain Power

Manitoba Hydro

TECO Energy, Inc.

Electronics

Motorola, Inc.

Square D/Schneider Electric N.A

Food Processing

Premium Standard Farms

Environmental Services

Lancaster County Solid Waste
Management Authority

Wasatch Integrated Waste
Management District
Waste Management, Inc.

Forest Products Companies

Abitibi-Consolidated

Aracruz Celulose, S.A.

Cenibra Nipo Brasilliera, S.A.

International Paper

Klabin, S.A.

MeadWestvaco Corp.

Stora Enso North America

Temple-Inland, Inc.

Furniture and Design

Knoll

Information Technology

IBM

Manufacturing

Bayer Corporation

Interface, Inc.

Ozinga Bros., Inc.

Pharmaceuticals

Baxter International, Inc.

State & Local Governments

The State of New Mexico

King County, WA*

City of Aspen

City of Berkeley

City of Boulder

City of Chicago

City of Oakland

City of Portland

Universities

Hadlow College

University of Iowa

University of Minnesota

University of Oklahoma

Tufts University

Recreation

Aspen Skiing Company

Retail

Safeway

Semiconductors

Freescale Semiconductor

STMicroelectronics

Steel

Roanoke Electric Steel Corp.

Transportation

Amtrak

San Joaquin Regional Rail Commission

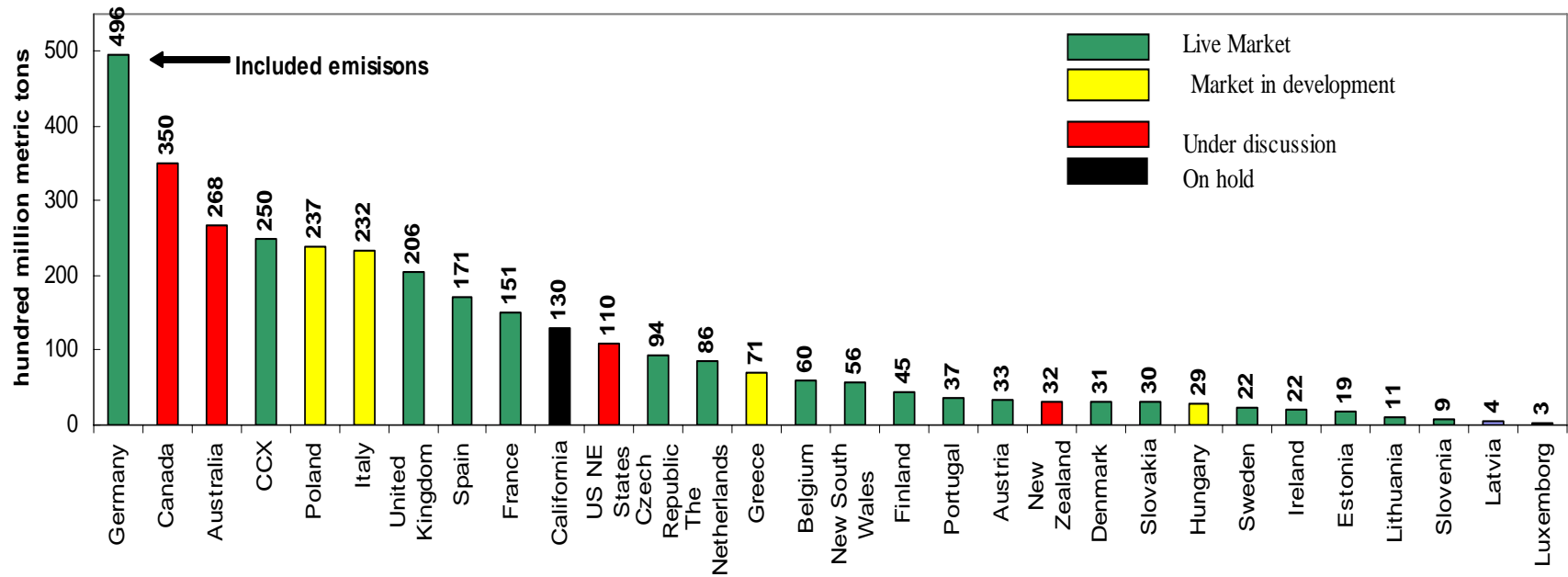


Chicago Climate Exchange®

www.chicagoclimateexchange.com

*in process

Size of Live, Emerging, Possible GHG Markets



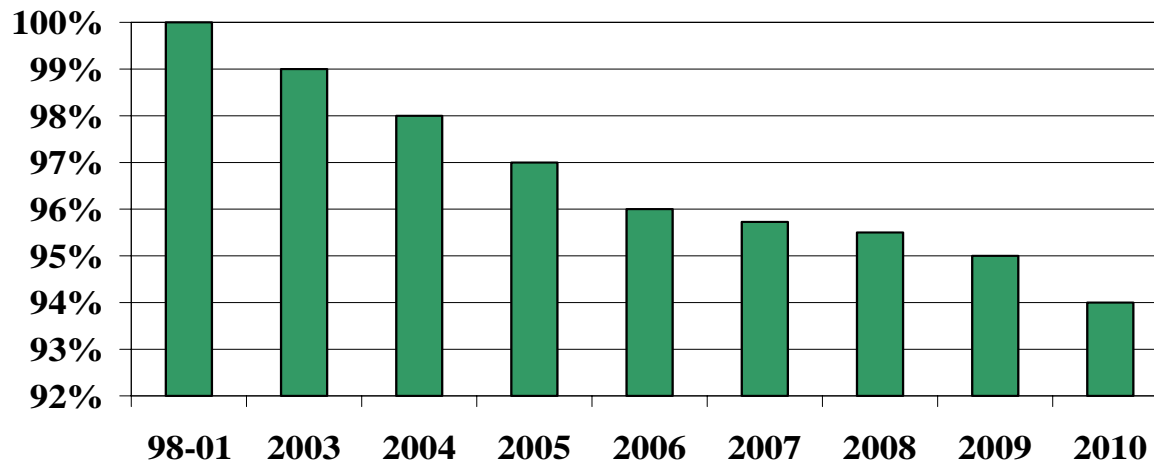
CCX Market Architecture (2003 -2010)

Phase I: Members made legally binding commitments to reduce or trade 1% per year from 2003-2006, for a total of 4% below baseline.

Phase II: Members make a legally binding commitments to reduce to 6% below baseline by 2010.

Baseline = Avg. emissions from 1998-2001, or emissions in 2000.

CCX Emission Reduction Schedule

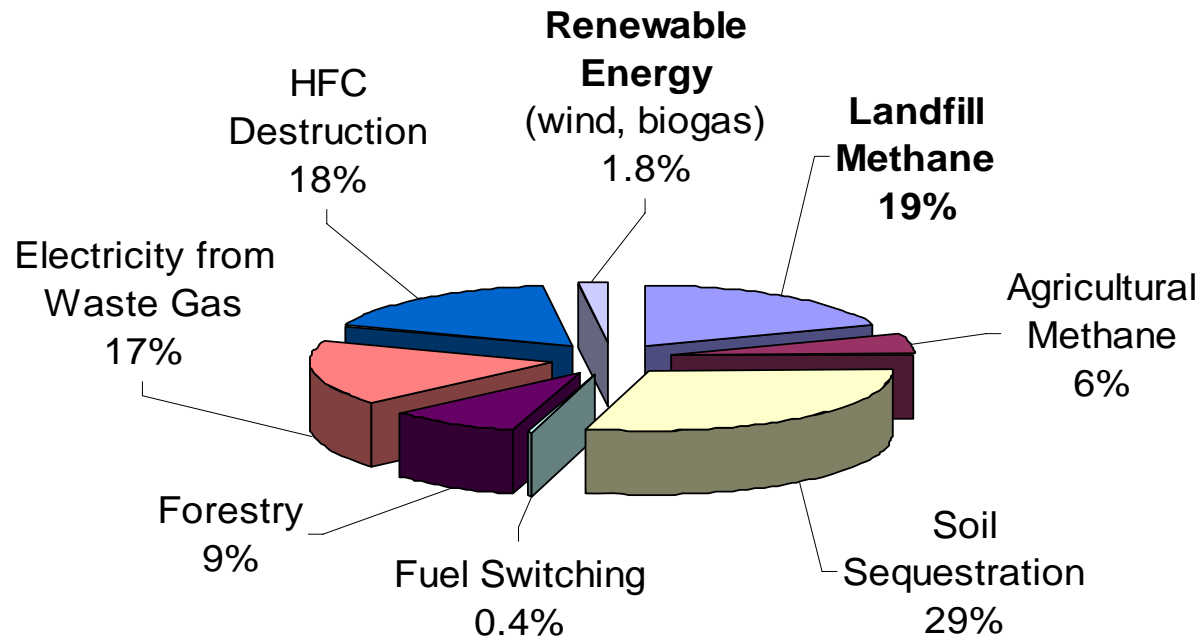


CCX Offset Program

- Verified Offset projects sequester or eliminate GHGs and earn Carbon Financial Instruments that can be sold to other CCX members.
- Eligible Project types include:
 - Landfill methane destruction
 - Agricultural (livestock) methane destruction
 - No-till agriculture
 - Forestry
 - Renewable Energy
 - New project types



CCX Offsets Portfolio



Total Issued to Date (2003-2006): 4,103,000 metric tons



Landfill Methane Eligibility Criteria

- January 1, 1999
- Not required by NSPS or similar statute
- **Crediting Rate: 18.25 mt CO₂/1 mt CH₄ destroyed**
- Project owners must demonstrate clear ownership rights to the emission reductions realized from the destruction of methane.
- All projects must be verified by a CCX-approved Verifier.
- Qualifying, verifiable projects may earn offsets for the years 2003 – 2010.



Renewable Electricity Eligibility Criteria

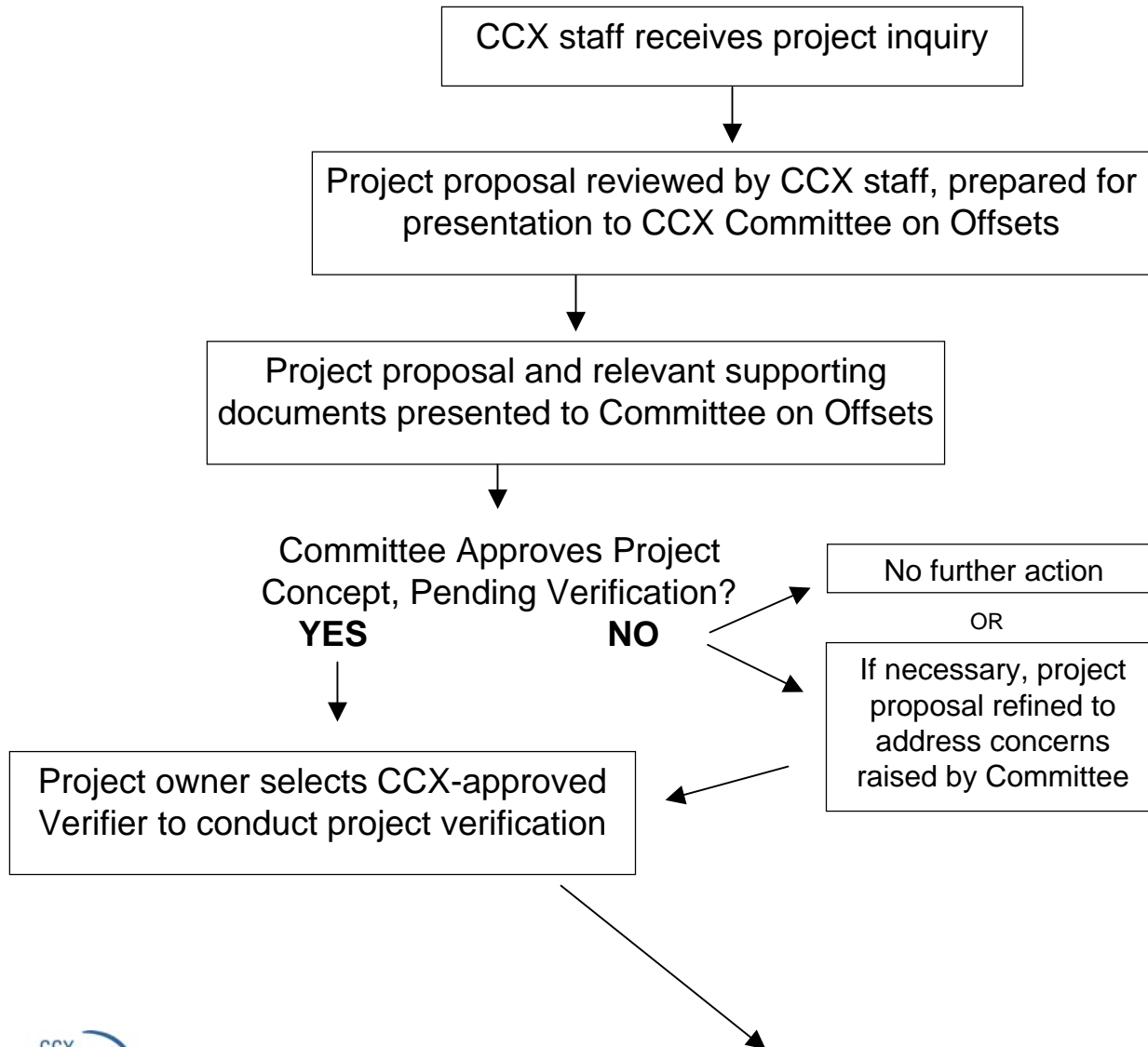
- January 1, 2005
- Power not sold as “green” power or used to meet obligations established by state and local mandates (e.g., renewable portfolio standards)
- **Crediting Rate: 0.4 mt CO₂/1 MWh power produced**
 - Project owners must demonstrate clear ownership rights to the emission reductions realized from the destruction of methane.
 - All projects must be verified by a CCX-approved Verifier.
 - Qualifying, verifiable projects may earn offsets for the years 2005 – 2010.

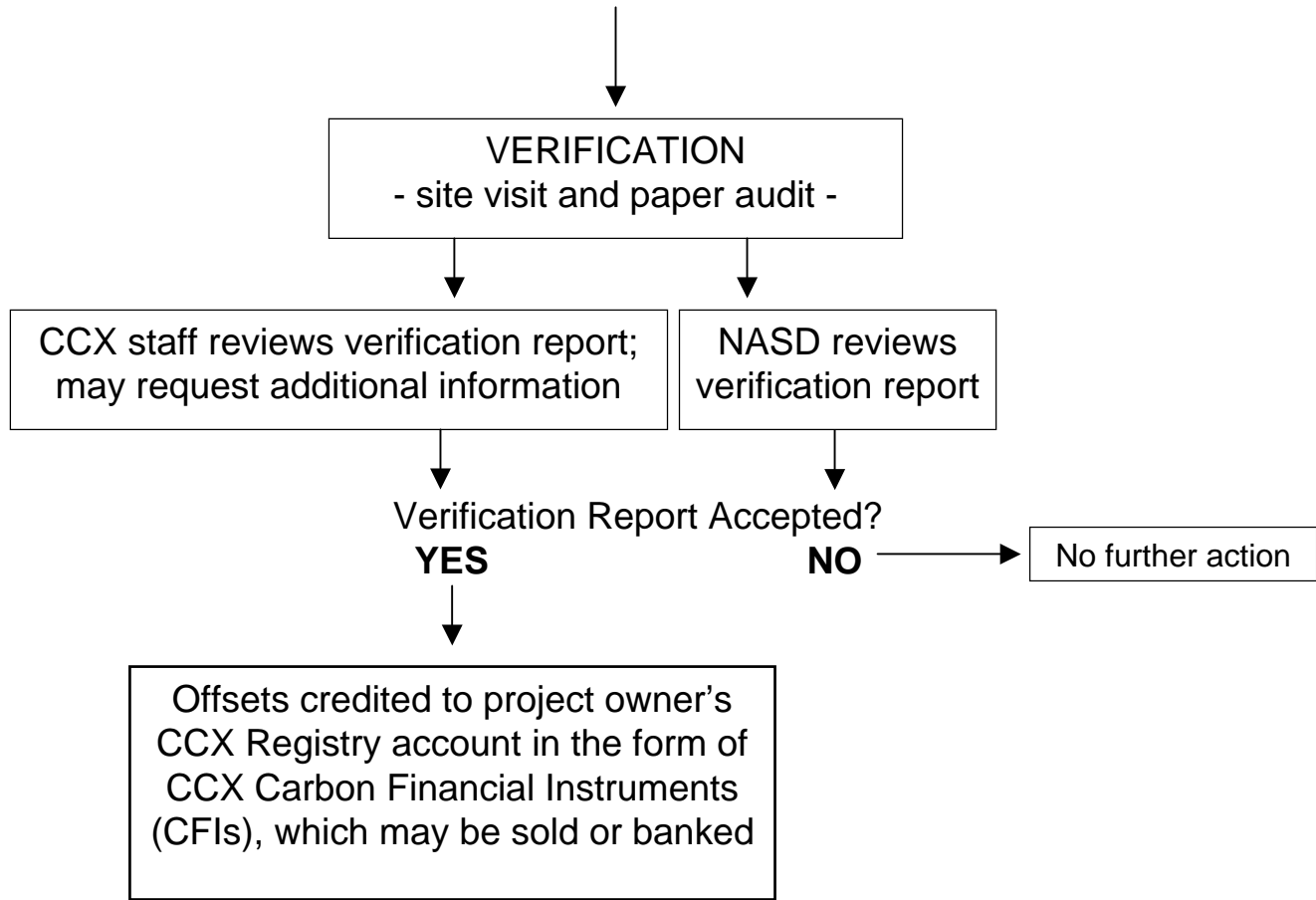


A qualifying landfill gas-to-energy project may earn both methane destruction and renewable electricity generation offsets.



CCX Offset Project Review Process





CCX-Approved Landfill Methane Verifiers:

- ✓ **ARM Group Inc.**
- ✓ **Det Norske Veritas (DNV)**
- ✓ **First Environment Inc.**
- ✓ **G.N. Richardson & Associates**
- ✓ **Kleinfelder**



CCX Registry

You are logged in as nclarkccx
Logout

Select Organization: CCX View Only Company

CHICAGO CLIMATE EXCHANGE
Registry Position Summary Page v1.0.6

CCX View Only Company

Organization Summary

Positions Summary

Transaction History

Emissions Summary

Admin



Chicago Climate Exchange

Chicago Climate Exchange Position Statement

Organization: CCX View Only Company

as of Sun, Feb 15, 2004

Direct Emission Baseline: 0
metric tons CO2 equivalent (unaudited)

1. Total holdings of CCX Carbon Financial Instruments

(Exchange Allowances plus Offsets plus Early Action Credits, in hundred metric tons CO2)

Vintage:	2003	2004	2005	2006
Total CFI Holdings:	0	0	0	0

2. Exchange Allowance holdings

		Vintage:	2003	2004	2005	2006
Original Allocation of Exchange Allowances:			0	0	0	0
Item	Action					
1% auction pool withholding	debit		0	0	0	0
bought in sept 2003 auction	credit		0	0	0	0
current holdings			0	0	0	0

3. Exchange Offset holdings

	Vintage:	2003	2004	2005	2006
Holdings of exchange offsets		0	0	0	0

4. Exchange Early Action Credit holdings

	Vintage:	2003	2004	2005	2006
Holdings of Exchange Early Action Credits:		0	0	0	0

All Carbon Financial Instrument quantities are rounded to the nearest hundred metric tons CO2



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CCX Trading Screen

ChicagoClimateExchange - quotes-ccx5 @ CCX View Only Company

View Admin Help Logout

Kill All Activate All **Live Only** Hold Bids Hold All Hold Offers

Orders Deals **CCX Carbon Financial Instruments (CFI) and CCFE Sulfur Financial Instrument Futures (SFI)** CCX Carbon CCFE Sulfur Dioxide Futures

Product	Hub	Strip	+	-	Sell	Qty	Bid	Offer	Qty	Buy	High	Low	Last	Volume	Settlement	Change	Pin	+	-
CCX CFI	Carbon Financial Instrument	Vintage 2003	+			10	3.95	4.10	10		4.10	4.10	4.10	45	4.10	0.00			
CCX CFI	Carbon Financial Instrument	Vintage 2004	+			25	3.90	4.05	5		4.00	4.00	4.00	25	4.05	-0.05			
CCX CFI	Carbon Financial Instrument	Vintage 2005	+			50	3.95	4.05	25		4.05	4.00	4.00	72	4.05	-0.05			
CCX CFI	Carbon Financial Instrument	Vintage 2006	+			10	4.00	4.05	25		4.00	4.00	4.00	30	4.05	-0.05			
CCX CFI	Carbon Financial Instrument	Vintage 2007	+			25	3.95	4.10	25		4.00	4.00	4.00	400	4.05	-0.05			
CCX CFI	Carbon Financial Instrument	Vintage 2008	+			25	3.95	4.10	25		4.00	4.00	4.00	300	4.10	-0.10			
CCX CFI	Carbon Financial Instrument	Vintage 2009	+			100	3.75	4.25	10		4.00	4.00	4.00	300	4.10	-0.10			
CCX CFI	Carbon Financial Instrument	Vintage 2010	+			5	3.75	4.25	10		4.00	4.00	4.00	400	4.00	0.00			
CCFE SFI Futures	Sulfur Financial Instrument Futures	Aug06	+			5	672.00	681.00	5		678.00	671.00	676.00	36	674.00	2.00			
CCFE SFI Futures	Sulfur Financial Instrument Futures	Sep06	+			5	672.00	700.00	40		675.00	675.00	675.00	2	675.00	0.00			
CCFE SFI Futures	Sulfur Financial Instrument Futures	Oct06				10	665.00	715.00	10						676.00				
CCFE SFI Futures	Sulfur Financial Instrument Futures	Dec06	+			5	681.00	690.00	5		692.00	692.00	686.00	111	677.00	9.00			
CCFE SFI Futures	Sulfur Financial Instrument Futures	Mar07				10	675.00	725.00	10						686.00				
CCFE SFI Futures	Sulfur Financial Instrument Futures	Dec07						780.00	10						711.00				
CCFE SFI Futures	Sulfur Financial Instrument Futures	Dec08				10	680.00	790.00	10						738.00				
CCFE SFI Futures	Sulfur Financial Instrument Futures	Dec10				1	360.00								420.00				
CCFE SFI Futures Spd	Sulfur Financial Instrument Futures	Aug06/Sep06				100	-5.00	0.00	100		-4.00	-4.00	-4.00	1	-1.00	-3.00			
CCFE SFI Futures Spd	Sulfur Financial Instrument Futures	Aug06/Dec06	+			81	-12.00	-9.00	90		-10.00	-10.00	-10.00	10	-3.00	-7.00			
CCFE SFI Futures Spd	Sulfur Financial Instrument Futures	Aug06/Mar07				5	-53.00								-12.00				
CCFE SFI Futures Spd	Sulfur Financial Instrument Futures	Aug06/Dec07				5	-88.00								-37.00				
CCFE SFI Futures Spd	Sulfur Financial Instrument Futures	Aug06/Dec08				5	-118.00								-64.00				
CCFE SFI Futures Spd	Sulfur Financial Instrument Futures	Dec06/Dec08						10.00	5						-81.00				
CCFE SFI Futures Spd	Sulfur Financial Instrument Futures	Mar07/Dec08						45.00	10						-52.00				
CCFE SFI Futures Spd	Sulfur Financial Instrument Futures	Dec07/Dec08						80.00	10						-27.00				
CCFE SFI Futures Spd	Sulfur Financial Instrument Futures	Oct06/Dec06				5	-25.00								-1.00				
CCFE SFI Futures Spd	Sulfur Financial Instrument Futures	Oct06/Dec07				10	-95.00								-35.00				
CCFE SFI Futures Spd	Sulfur Financial Instrument Futures	Oct06/Dec08				10	-125.00								-62.00				
CCFE SFI Futures Spd	Sulfur Financial Instrument Futures	Oct06/Mar07	+			100	-16.00	-10.00	100						-10.00				

CCFE SFI Futures - Sulfur Financial Instrument Futures - Dec06, 10 @ 686.00 (Aug 22, 2006 13:01:12 CDT)

CCFE SFI Futures - Sulfur Financial Instrument Futures - Aug06, 10 @ 676.00 (Aug 22, 2006 13:01:12 CDT)

CCFE SFI Futures Spd - Sulfur Financial Instrument Futures - Aug06/Dec06, 10 @ -10.00 (Aug 22, 2006 13:01:12 CDT)

CCFE SFI Futures - Sulfur Financial Instrument Futures - Aug06, 5 @ 678.00 (Aug 22, 2006 12:47:20 CDT)

CCX CFI - Carbon Financial Instrument - Vintage 2003, 10 @ 4.10 (Aug 22, 2006 12:08:23 CDT)

CCX CFI - Carbon Financial Instrument - Vintage 2004, 25 @ 4.00 (Aug 22, 2006 12:06:31 CDT)

CCX CFI - Carbon Financial Instrument - Vintage 2006, 15 @ 4.00 (Aug 22, 2006 12:06:21 CDT)

CCX CFI - Carbon Financial Instrument - Vintage 2007, 100 @ 4.00 (Aug 22, 2006 11:22:27 CDT)

CCX CFI - Carbon Financial Instrument - Vintage 2005, 31 @ 4.00 (Aug 22, 2006 10:53:39 CDT)

CCFE SFI Futures - Sulfur Financial Instrument Futures - Aug06, 10 @ 675.00 (Aug 22, 2006 10:04:32 CDT)

CCFE SFI Futures - Sulfur Financial Instrument Futures - Dec06, 60 @ 692.00 (Aug 22, 2006 10:04:14 CDT)

CCFE SFI Futures - Sulfur Financial Instrument Futures - Dec06, 40 @ 682.00 (Aug 22, 2006 10:04:06 CDT)

CCFE SFI Futures - Sulfur Financial Instrument Futures - Dec06, 1 @ 692.00 (Aug 22, 2006 10:03:43 CDT)

CCX CFI - Carbon Financial Instrument - Vintage 2003, 10 @ 4.10 (Aug 22, 2006 09:53:51 CDT)

CCX CFI - Carbon Financial Instrument - Vintage 2005, 4 @ 4.05 (Aug 22, 2006 09:52:25 CDT)

CCX CFI - Carbon Financial Instrument - Vintage 2003, 25 @ 4.10 (Aug 22, 2006 09:49:00 CDT)

CCX CFI - Carbon Financial Instrument - Vintage 2007, 300 @ 4.00 (Aug 22, 2006 09:46:37 CDT)

CCX CFI - Carbon Financial Instrument - Vintage 2008, 300 @ 4.00 (Aug 22, 2006 09:46:35 CDT)

CCX CFI - Carbon Financial Instrument - Vintage 2009, 300 @ 4.00 (Aug 22, 2006 09:46:32 CDT)

13:03:30 CDT

Bids and Offers

Ticker

(each CFI = 100 mt CO₂)



For more information, please contact

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