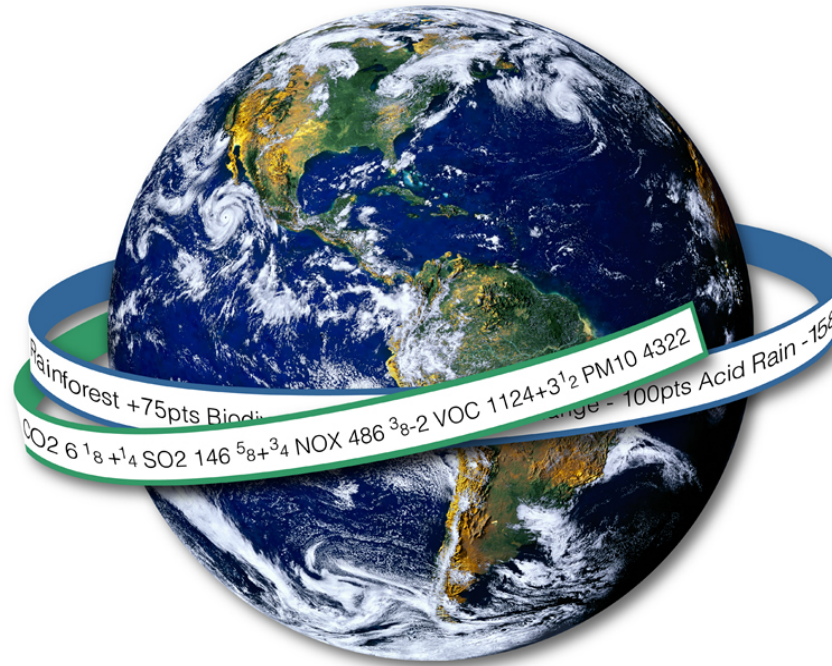


Chicago Climate Exchange

**Presentation to
The National Conference on Building Commissioning
Chicago May 3, 2007**



**Michael Walsh, Ph.D.
Executive Vice President
Chicago Climate Exchange**



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www.chicagoclimateexchange.com

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What is Chicago Climate Exchange?

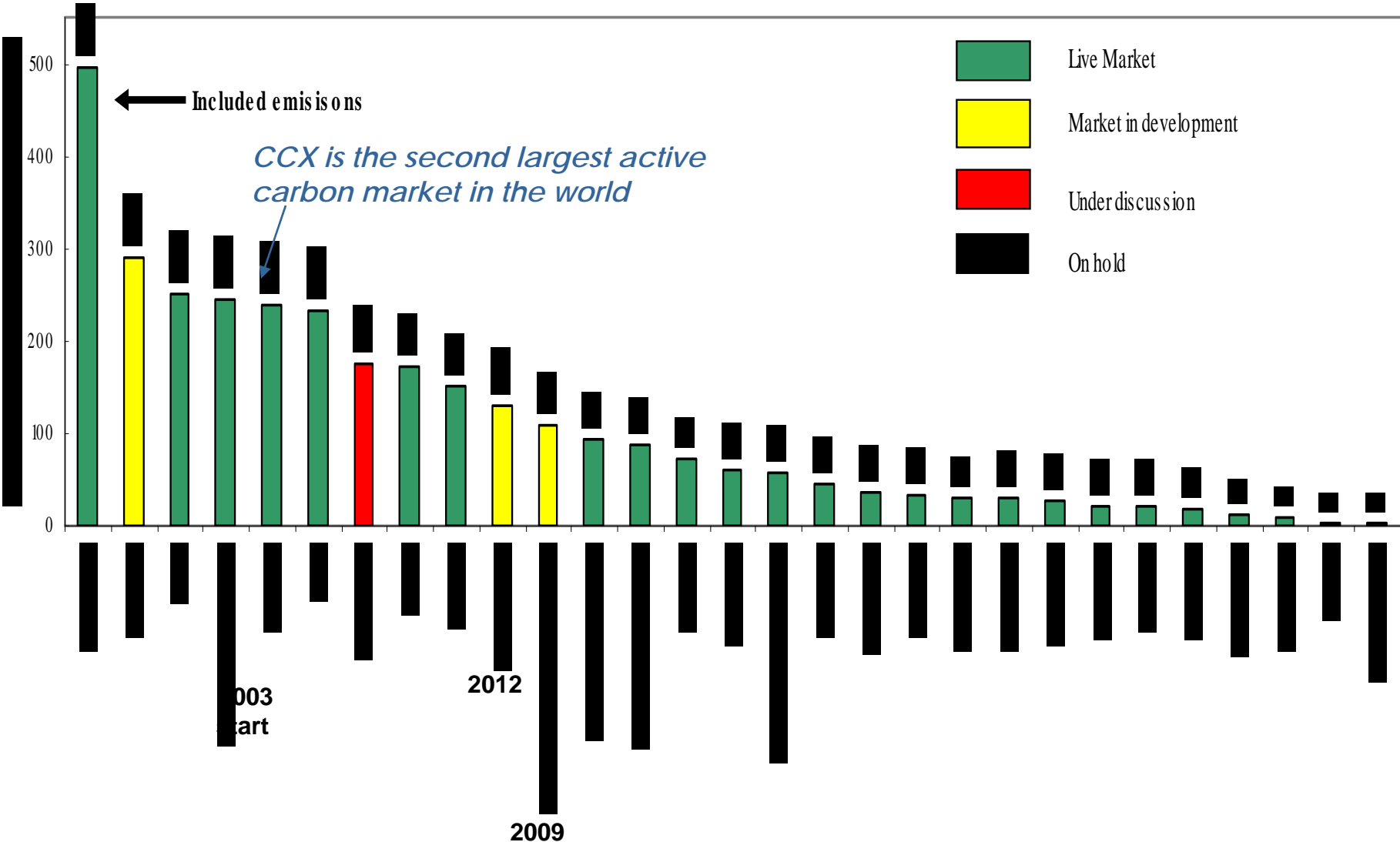
*Chicago Climate Exchange (CCX™)
is the world's first and North America's
only voluntary, legally binding
integrated greenhouse gas reduction and
trading system for all six greenhouse gases,
with offset projects in North America and
worldwide.*



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Size of Live, Emerging, Possible GHG Markets



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

Associated Electric Cooperative

Central Vermont Public Service

Duquesne Light Company

Green Mountain Power

Manitoba Hydro

TECO Energy, Inc.

Electronics

Motorola, Inc.

Sony Electronics

Square D/Schneider Electric N.A

Environmental Services

Wasatch Integrated Waste

Management District

Waste Management, Inc.



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Premium Standard Farms

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.

Information Technology

IBM

Manufacturing

Bayer Corporation

Interface, Inc.

Knoll, Inc.

Ozinga Bros., Inc.

United Technologies*

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The State of Illinois*

The State of New Mexico

King County, WA*

City of Aspen

City of Berkeley

City of Boulder

City of Chicago

City of Melbourne, Australia*

City of Oakland

City of Portland*

Pharmaceuticals

Baxter International, Inc.

Universities

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Hadlow College

Michigan State University *

The University of Minnesota

The University of Oklahoma

Tufts University

Recreation

Aspen Skiing Company

Retail

Safeway Stores

Semiconductors

Freescale Semiconductor

Intel

STMicroelectronics

Steel

Roanoke Electric Steel Corp.

Transportation

Amtrak

San Joaquin Regional Rail

*in process

CCX Associate Members

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Brokerage Services

Amerex Energy

Consulting

Domani, LLC

Global Change Associates

Natural Capitalism, Inc.

RenewSource Development,
L.P.

Rocky Mountain Institute

Documentary Production

Cloverland, Inc.

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Sieben Energy Associates

Thermal Energy International

Engineering

Rumsey Engineers, Inc.

Vanasse Hangen Brustlin, Inc.

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Ohio Air Quality Development Authority

Green Power Marketers

Green Mountain Energy Company

Information Technology

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Intercontinental Exchange

Legal Services

Foley & Lardner, LLP

Sullivan & Cromwell, LLP

Non-Governmental Organizations

American Coal Ash Association

American Council on Renewable Energy

Delta Institute

Houston Advanced Research Center

Midwest Energy Efficiency Alliance

World Resources Institute

Private Colleges

Presidio School of Management

Risk Management

The Professional Risk
Managers' International
Association

Religious Organizations

Jesuit Community of Santa
Clara University

Renewable Energy

Airtricity

Intergy

Reknewco, Ltd.

Retiring/Offsets

Carbonfund.org

Terrapass, Inc.

Social Investment

KLD Research & Analytics

Pax World

Technology

Millennium Cell

Polar Refrigerant Technology

Trade Associations

Confederation of British Industry



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CCX Participant Members

Offset Aggregators

C-Green Aggregator, LLC
Delta Institute
Environmental Carbon Credit Pool,
LLC
Environmental Credit Corp.
First Capital Risk Management, LLC
Iowa Farm Bureau
National Carbon Offset Coalition
North Dakota's Farmers Union

Offset Providers

Beijing Shenwu Thermal Energy Trading
Hubei Sanhuan
Gallo Cattle
Granger Holdings
Intrepid Technologies, Inc.
Lugar Stock Farm
Precious Woods Holdings
Sexton Energy
Sustainable Forestry Management, Ltd.

Liquidity Providers

AGS Specialists, LLC
Amerex Energy
Breakwater Trading, LLC
Calyon Financial, Inc.
Cargill Power Markets, LLC
Eagle Market Makers, LLC
Evolution Markets, LLC
EXO Investments
FCT Europe, Ltd.
First New York Securities, LLC.
Friedberg Mercantile Group,
Ltd.

Galtere International Master
Fund, LP
GFI Securities, LLC
Goldenberg, Hehmeyer & Co.
Grand Slam Trading, Inc.
Grey K Environmental Fund, LP
Haley Capital Management
ICAP Energy, LLC
Kottke Associates, LLC
The League Corp.
Marquette Partners, LP
Natsource, LLC

Peregrine Financial Group
Rand Financial Services, Inc.
Serrino Trading Co.
Shatkin Arbor, Inc.
S.R. Energy, LLC
SwissRe Financial Products
Corp.
TEP Trading 2 Ltd.
TradeLink, LLC
Tradition Financial Services,
Ltd.
TransMarket Group, LLC



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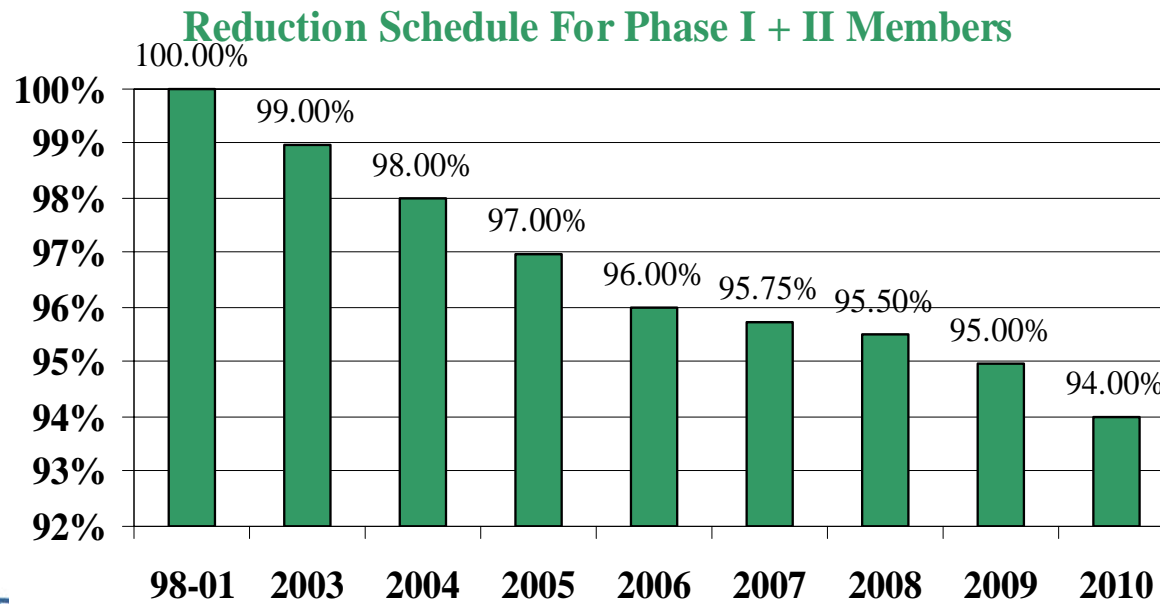
CCX Market Architecture (2003-2010)

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

Baseline = Avg. emissions from 1998-2001, emissions in 2000 (Phase II)

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

Economic Growth Provision limits recognized emission increase to 2% above baseline in 2003, 2004, 3% above baseline 2005-2010



CCX Emission Offsets Program

- Verified Offset projects sequester or eliminate GHGs, earn Carbon Financial Instruments marketable to CCX members
- **Pre-defined offset projects:**
 - Landfill, agricultural coalmine methane destruction
 - Carbon sequestration: reforestation, agricultural soils
 - Renewable energy, fuel switching, energy efficiency
 - Independent verification by authorized entities: SGS, DNV, First Environment, BvQi
 - Others: buildings

*Minnesota dairy farmer
receives first check from sales
of methane-destruction CCX
Offsets*



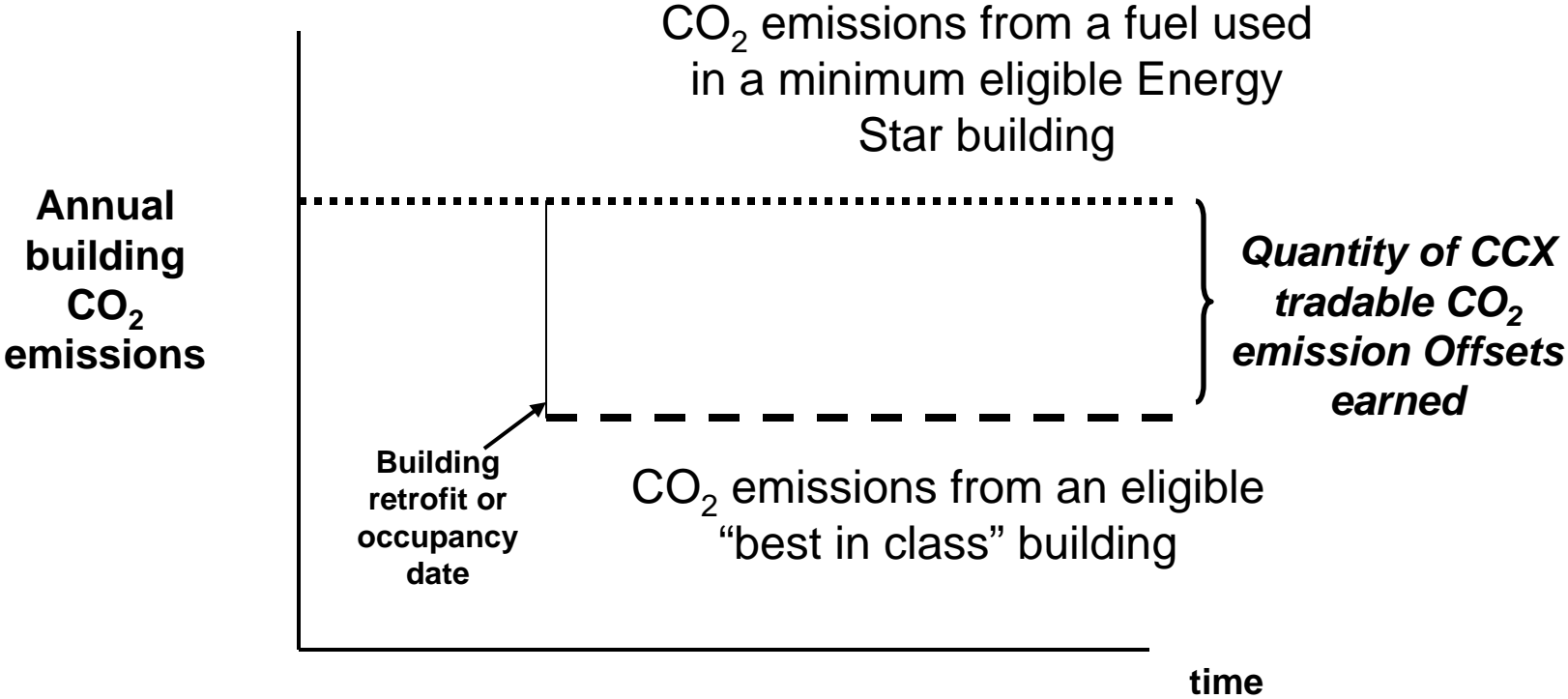
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CCX Offsets for Best-in-class Buildings: warehouses

- “best in class” energy consumption rates for warehouse space defined by location (to reflect climatic differences)
 - based on USEPA Energy Star rating system
 - assesses lighting energy (e.g. daylight harvesting), heating/cooling
- new/retrofitted buildings eligible to earn tradable CCX emission Offsets ONLY IF the building surpasses Energy Star efficiency threshold
- Offsets issued annually on the basis of:
 - (modelled) emissions from building operations
if it were only a minimum Energy Star building
 - minus*
 - Emissions from actual energy use
- Offset issuance occurs only after independent verification completed

CCX Offsets Earned by Best-in-class Buildings: new and retrofitted warehouses



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	682.00	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						-61.00				
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 @ 682.00 (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 09:48:37 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)

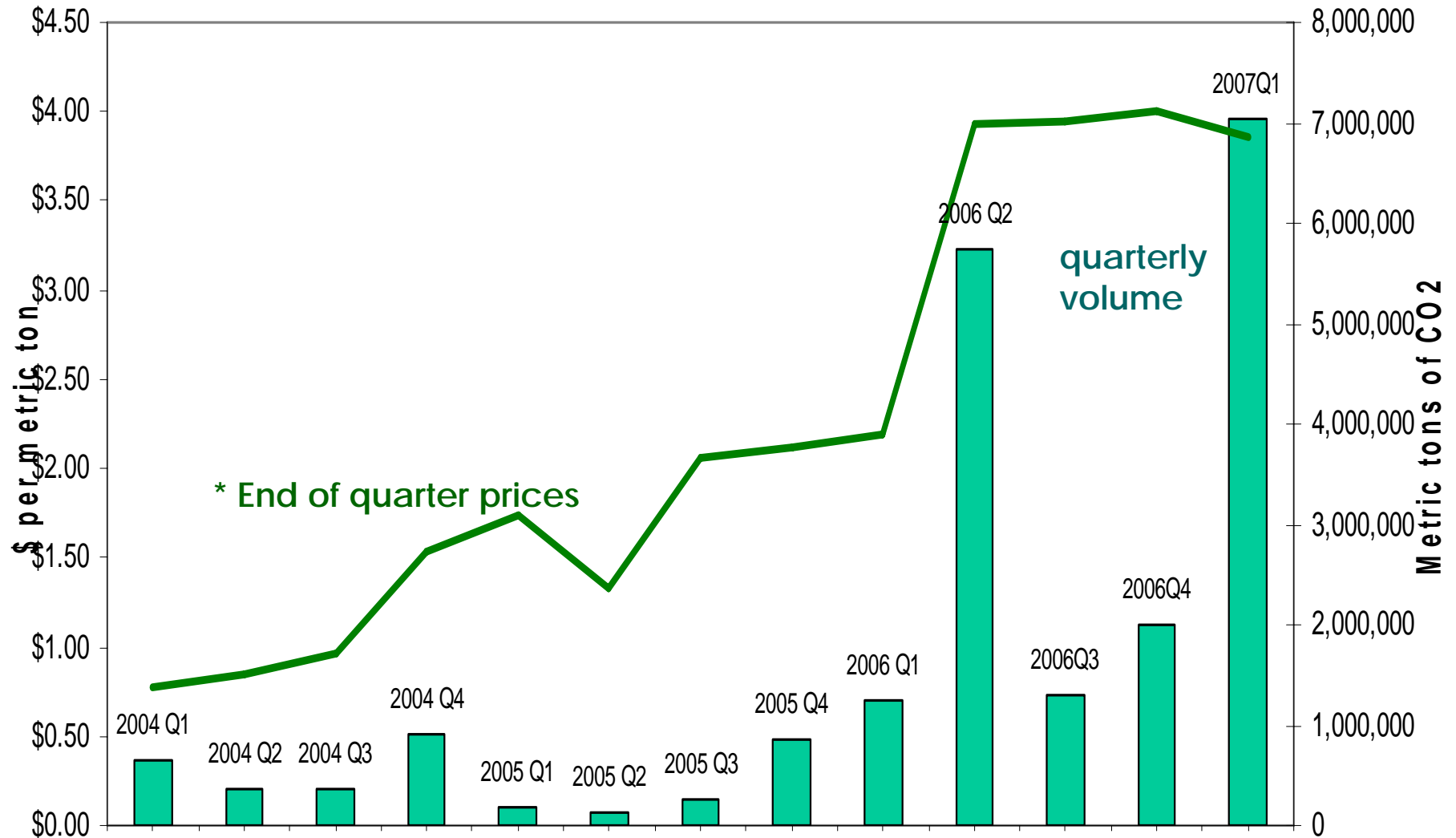
13:03:30 CDT

bids and offers

completed trades
(each contract is 100mt CO₂)



CCX Price* and Volume History 2003 - 2006



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Views on CCX

“What would be wrong, at least on a theoretical basis, with taking what you have come up with by way of requirements for your (CCX) members and essentially mandating that everybody in the country comply with those?”

Senator Jeff Bingaman (D-NM), ranking minority member, Senate Energy & Natural Resources Committee, April 4, 2006

“the Chicago Climate Exchange is providing an innovative means of involving American businesses and citizens in the effort to protect the environment...I listed my farm in Indiana on the Chicago Climate Exchange to set an example for farmers and foresters in my state and throughout America...For example, the exchange mechanism could be utilized by turning unused farmland into tree farms that sequester carbon while providing farmers with extra money... In short, American farmers could become the vanguard in using market forces to the benefit of both the environment and the pocketbook...”

Senator Richard Lugar (R-IN)

“The CCX is leading the way toward a future in which reducing greenhouse gases could bring not only environmental rewards, but financial ones too.”

Al Gore, from An Inconvenient Truth (book version), 2006

