Mark:

I read with interest the report entitled, “Carbon Dioxide Footprint of the Northwest Power System.” Unfortunately your analysis does not take into consideration renewable power production using a Solena Group gasification process based on a feedstock of biomass, green wastes, and agricultural wastes, which would be carbon neutral. Furthermore, when utilizing our sequestration technology, it would be possible to capture all the GHG emissions from our gas turbine (the only source of emissions from our plants) in our patented algae production process. This enables us to grow the algae based on the GHG emissions and then to harvest the algae as feedstock to our renewable energy gasification plant, so it can produce renewable power. One of our smaller units would process 500 tons per day of biomass wastes and produce 40mwh without any GHG emissions, no pollution, and no ash. Since water is recirculated, the amount of water used is minimal without pollution. I have attached a copy of our new brochure and a news release.

In addition, I would like to bring to your attention a recent news article. This is a new development in the U.S. that appears to be the first step in preparation for strong regulatory control of GHG emissions. This will have an impact on most incineration, coal, and natural gas fired utilities in the U.S. Because of this, Solena has decided to offer a new service to these large incineration companies.

In light of this pending regulatory action, which by the way is somewhat similar to actions already taken in California, we are offering a new service. We would be happy to work with a large waste-to-energy incinerator or coal fired plant on a site they would lease to us, on which we would build a gasification plant that would sequester all the GHGs emitted from their stacks. These emissions would be sent to our algae tanks. In these tanks, we will sequester the carbon by growing algae that we would harvest and use as a biomass feedstock for the renewable power plant. This service would cost $50 per ton of carbon sequestered.

Do you have any recommendations on coal fired plant owners for me to contact?

With best regards,

Dennis F. Miller
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## SEC Pressed to Require Climate-Risk Disclosures

By Steven Mufson
Washington Post Staff Writer
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One of the industries considered most vulnerable to climate change is the insurance industry, with shifting weather patterns threatening property in the nation's most hurricane-prone areas. Yet in its 345-page annual financial report filed with the Securities and Exchange Commission this year, Allstate, which insures one out of every eight homes in the United States, did not mention climate change, global warming, greenhouse gases or carbon dioxide.

Exxon Mobil made only scant mention of the issue in its SEC filings. "The operations and earnings of the Corporation and its affiliates throughout the world have been, and may in the future be, affected from time to time in varying degree by political and legal factors," it said. It listed climate regulation as one factor. Now a group of state officials, state pension fund managers and environmental organizations are pressing the SEC to force all public companies to come up with something more useful to investors. Among those who signed the formal petition were Bill Lockyer, California treasurer; Alex Sink, Florida's chief financial officer; and Richard Moore, North Carolina treasurer. In the petition, to be filed today, the group is asking the commission to require companies to assess and disclose their financial risks from climate change and legislation.

"The SEC exists to make sure that investors have the information that they need to make smart decisions," said Mindy Lubber, president of Ceres, a group that promotes environmental standards among private companies. Ceres and the Calvert Group, an asset management firm, said in a January report that more than half of the companies in the Standard & Poor's 500-stock index "is doing a poor job of disclosing climate change risk."

Environmental groups have written to the SEC twice before without receiving a response. They said that by filing a formal petition, they hoped to prod the SEC to act.The SEC wouldn't comment yesterday. "The SEC is committed to robust disclosure by companies of material environmental issues," said John Nester, an SEC spokesman. "The key requirement for triggering disclosure is that the impact or potential impact will be material to a company and is therefore material to investors." The petition to be filed today asserts that financial risks -- and opportunities -- from climate change meet the test of being material. Although the SEC hasn't insisted on disclosure of climate-related matters, some companies are complying on their own. American Electric Power, the largest greenhouse gas emitter in the United States, did a lengthy study in 2004 of how climate regulation might affect its earnings. For its investors, a law that would regulate those emissions is a billion-dollar question. At least, AEP has said that it produced 145.4 million tons of carbon dioxide in 2006. In Europe, where legislation already limits carbon dioxide emissions, allowances for a ton of carbon dioxide sell or 20.5 euros, or about $28.50.

Other companies have voluntarily disclosed their greenhouse gas emissions, many as part of the Carbon Disclosure Project, a nonprofit group that seeks climate-related information from companies to help institutional investors. A new report will be published Monday, with former president Bill Clinton giving a keynote address at the offices of Merrill Lynch.

"There's a growing recognition that climate change poses significant business risks, and for some companies, this may so change the landscape that it is of significance to investors," said Gary Guzy, former general counsel at the Environmental Protection Agency and now leading climate risk initiatives at Marsh, a unit of Marsh & McLennan.

Not all companies are forthcoming. AES said in its SEC report this year that while various regulations were in the works, "at present, the company cannot predict whether compliance with potential future U.S. national, regional and state greenhouse gas emission reduction programs will have a material impact on our operations or results."

AES, based in Arlington, has been active in renewable energy and plans to generate carbon offsets, but it also has 33 power generation facilities in the United States and others abroad. It did not disclose the size of its greenhouse gas emissions.

Last Friday, it became one of five energy firms subpoenaed by New York State Attorney General Andrew Cuomo, who is seeking internal documents as part of an investigation into whether the companies properly disclosed the financial risks of carbon dioxide emissions from new coal-fired power plants. The other companies, all based in Richmond, were Dominion Resources, Dynegy and Xcel Energy and coal producer Peabody Energy. The firms declined to comment. Even firms willing to disclose financial impacts of climate rules face hurdles because the outcome of legislative efforts remains so uncertain.

"It's very tricky to quantify," said Kyle Danish, an attorney with Van Ness Feldman who advises utilities and energy firms. "If I'm a company looking at greenhouse gas regulation . . . the impact on my company is wildly different depending on design factors." He added: "For some of our electric power clients, depending on how allowances are distributed, they lose or gain hundreds of millions of dollars. Some are winners under some schemes and vast losers under other schemes."

Lubber said that looking at financial risks under various scenarios is a worthwhile exercise for companies as well as investors. "To disclose the risk, you've got to assess it," she said. "And the mere analyzing of risk often puts companies on track to mitigating that risk."

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