



Issue 59

November 25, 2009



Dear Colleagues,

Carbon Credit Capital is pleased to send you its *Marketracker*, which provides an edited, bi-weekly snapshot of global climate change news.

Kind regards,

Olivia Fussell

President, Carbon Credit Capital

**Market Price as of
November 24, 2009**

EUA DEC 2009
€12.58

EUA DEC 2009
Two Weeks Prior
€13.78

EUA DEC 2009
Month Prior
€14.32

Secondary CER DEC 2009
€11.88

**Source: Point Carbon - The prices above are equivalent to one metric tonne of carbon dioxide emissions*

Carbon Markets Tracker

Carbon price insufficient for Green Revolution, Group warns

November 23rd, 2009

UNITED STATES - Putting a price on carbon dioxide emissions will not be enough to drive the innovation needed to clean up dirty energy systems, according to Bruegel, a think tank based in Brussels, and Harvard economists. Reinhilde Veugelers, a senior research fellow at Bruegel, warned on Monday that a "private green innovation machine has not yet taken off" and that private companies still were not making environmental innovations their core goal. Ms. Veugelers cited figures from the World Intellectual Property Organization showing that just 2.2% of all patent applications between 2000 and 2006 were for environmental applications. She said the global electricity sector "was almost absent" in terms of green innovation. In a report prepared with Philippe Aghion and David Hemous of Harvard University, Bruegel said the evidence showed the need for far greater government intervention in the market in the form of subsidies for research and development.

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Conferences

[New York Times](#)

Poland says to sell CO2 Permits to Ireland soon

November 21st, 2009

WARSAW, POLAND - Poland will shortly sign an accord under the global Kyoto Protocol to sell surplus carbon emission permits worth 15 million euros to Ireland, Environment Minister Maciej Nowicki said on Saturday. The Protocol allows signatory nations that are comfortably below their emissions targets to sell surpluses in the form of credits, called Assigned Amount Units (AAUs), to governments and companies that are short of their goals. It would be the second such government-to-government deal for Poland, the European Union's biggest ex-communist member, after it sold 25 million euros in AAUs to Spain earlier this month. "In one or two weeks at most we will sign such a contract with Ireland. Together with the one already signed with Spain, they will be worth 40 million euros," Nowicki told a panel marking the second anniversary of Prime Minister Donald Tusk's centre-right government. Poland has some 500 million tons of CO2 to sell as AAUs, since much of its highly polluting industry shut down after the end of communism in 1989. Poland is also hoping to sell permits to Japan. Nowicki has said Warsaw will spend money raised from the AAUs only on programs to cut greenhouse gas emissions and invest in renewable energy sources, energy efficiency and clean-coal technology.

[Reuters](#)

Climate Policy Tracker

Climate aid for Poor World comes to focus as EU Ministers meet

November 23rd, 2009

BRUSSELS -European Union environment ministers may underline the need for climate aid for developing countries as they meet today for final preparations before the December United Nations summit in Copenhagen. The UN will host almost 200 countries in Denmark's capital from December 7th to 18th, seeking an accord on greenhouse gas emission reductions that would succeed the Kyoto Protocol after it expires at the end of 2012. EU leaders failed to sign off on a pledge to contribute as much as 15 billion euros (\$22 billion) a year when they met in Brussels last month, with Poland and other eastern European countries demanding a breakdown of contributions by each EU nation and financial relief. "I guess that one of the results will be that we'll further stress need for fast-start finance," Swedish Environment Minister Andreas Carlgren told reporters before the ministerial meeting in Brussels today. "It's not that the EU will have a track for fast-start bids today. It'll come later." Developing countries may need "fast-start" international public aid of 5 billion to 7 billion euros a year in 2010-2012 to counter climate change, according to estimates by the European Commission, the EU regulatory arm. The poor world's annual international-aid needs may rise to between 9 billion and 13 billion euros of 2013 before reaching 22 billion to 50 billion euros by 2020, the commission says.

[Bloomberg](#)

Investment Tracker

Chinese Longyuan I.P.O. attracts billionaire Investor

November 23rd, 2009

HONG KONG - American billionaire and investor Wilbur L. Ross plans to buy shares of China Longyuan Power Group, the largest wind power generator in Asia

[Advanced Battery Value Chain](#)

Washington, DC

December 2-4, 2009

[North American Hydropower Finance & Investment Summit](#)

Washington DC

December 2-4, 2009

[International CleanTech Suppliers Conference & Trade Show](#)

Shanghai, China

December 7- 8, 2009

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conferences you would like us to share with
our readers.



aiming to raise up to \$2.2 billion from its Hong Kong initial public offering, according to a preliminary prospectus. Longyuan has landed four cornerstone investors, whose shares are subject to a lockup period, for a combined \$330 million worth of shares, according to the prospectus, obtained Monday. WLR IV CLPG, a company controlled by Mr. Ross, has agreed to subscribe to about \$100 million worth of Longyuan shares. Mr. Ross, the founder of the New York private equity firm W.L. Ross & Co., holds investments in companies in a wide range of sectors, from a low-cost Indian airline, SpiceJet, to Assured Guaranty, a bond insurer. Mr. Ross is known for restructuring failed companies, particularly in the steel industry, where he negotiated a deal with labor unions that many said saved International Steel Group. Last year, he acquired H&R Block's subprime mortgage servicing operations for \$1.3 billion. W.L. Ross, formed by Mr. Ross in 2000, has been a part of the fund manager Invesco since 2006. Longyuan is one of the largest wind power generators in the world. It held a 24% share of the Chinese wind power market in terms of total installed capacity at the end of 2008, according to a UBS report that cited BTM Consult, a wind power research company. .

[New York Times](#)

BMO, TD Bank spur launch of emissions fund

November 23rd, 2009

CANADA - A first-of-its-kind voluntary emissions reduction fund for large Canadian corporations is getting off the ground after securing Bank of Montreal and Toronto-Dominion Bank as initial investors. The fund, which is being launched by Greening Greater Toronto, will buy carbon offset credits from green projects around the country and pass those credits on to the companies that invest in it. Its managers and backers say they think the project will contribute to the development of an environmental finance sector in Canada, as lawyers, accountants, fund managers and bankers wrap their heads around the dollar side of carbon credits. The fund is for voluntary investors and is aimed at companies that are not required by regulations to reduce their carbon emissions.

[The Globe and Mail News](#)

Solar Tracker

Chinese solar panel firm to open plant in Arizona

November 16th, 2009

Suntech Power, China's largest solar panel manufacturer, plans to open its first American plant near Phoenix, the company announced on Monday. It would be the first time a Chinese solar company has built a manufacturing plant in the United States, experts said. The plant will begin production in the third quarter of 2010 and will build panels from solar cells shipped from China. Those cells, in turn, contain substantial amounts of a substance called polysilicon manufactured at a factory in Texas. Roger Efird, a managing director of Suntech, said in a telephone interview that shipping costs were an important factor in the decision to put a factory in the growing American market. Solar panels, with substantial amounts of glass and aluminum, are heavy, he said. "As the price of solar panels has reduced dramatically in the last 12 months, the shipping costs have become a larger and larger portion of the overall cost of getting these projects to market," Mr. Efird added. Suntech estimates that it already has about 12 to 13 percent of the market in the United States, according to Mr. Efird, with a goal of reaching 20 percent by the end of 2010.

[New York Times](#)

India to spend \$900 million on solar

November 20th, 2009

INDIA - Ending months of speculation about exactly what it was planning to do to boost the use of renewable sources of energy, India said this week that it will spend about \$900 million on solar energy. The Indian cabinet approved a plan on Thursday that sets out to increase energy production from solar technology to 20 GW by 2022, up from six megawatts today. The government will spend about 43 billion rupees (\$922 million) in the first of three phases of the program. The total cost for all three phases could approach \$20 billion. The government had signaled its intention to invest more heavily in solar technology earlier this year, but had been reluctant to share details. Its latest announcement comes less than three weeks before world leaders are set to meet at Copenhagen to discuss climate change. Though Indian policy makers have softened their tone on the meeting, they are adamant that they will not agree to any mandated reductions in emissions and have said any targets should be calculated on a per capita basis, something that the United States and other Western powers have resisted. While India's stated target for solar power appears ambitious - the United States had nine gigawatts of solar energy capacity at the end of last year - there is significant skepticism about whether the country can meet that target.

[New York Times](#)

Forestry Tracker

US pledges \$275 million for Tropical Forests in 2010

November 19th, 2009

LONDON - The United States pledged \$275 million to rainforest protection on Thursday, at an event hosted by Britain's heir to the throne, Prince Charles, in London. The money will come from the \$1.2 billion set aside for assistance for international programs as part of a 2010 budget currently pending U.S. Congress approval. Prince Charles has championed the protection of tropical forests as a way to curb climate change and preserve wildlife, and wants funds to fill a policy vacuum before a new U.N. climate deal comes into force in 2013. A climate summit in Copenhagen next month is expected to approve a new scheme allowing rich nations to pay the developing world to protect tropical forests as a successor treaty to the existing Kyoto Protocol. Funding has been a major stumbling block in faltering U.N. climate talks. At a ceremony in London, U.S. Ambassador Louis Susman read out a letter from senior Democrat Senator Patrick Leahy to Prince Charles pledging \$275 million. The funds will aim "to protect biodiversity and support sustainable landscapes in fiscal year 2010 ... with a focus on protection of tropical forests," a U.S. Embassy London spokesman confirmed. A lot of the money will go to the Amazon and Congo basins in South America and Africa, he added.

[Reuters](#)

Wind Tracker

Siemens turns sights on Latin America for wind turbines

November 20th, 2009

MEXICO CITY - Siemens AG (SI) is moving into the Latin American market for wind-energy turbines as it seeks a place among the world's top suppliers for wind-driven renewable energy. "We have a defined target of becoming one of the top-three wind turbine producers," said Jan Kjaersgaard, vice president and general

manager for Siemens Wind Power Americas, part of U.S. subsidiary Siemens Energy Inc. "It's important to be in the markets where we see growth," he said in a telephone interview. Latin America has little installed wind-energy capacity even as global growth in the sector hit 30% a year at the start of the decade before slowing to 24% from 2004 to 2007, according to the International Finance Corporation. It has slowed further in recent years due to the debt crisis. The IFC and top wind turbine manufacturers see a recovery around the corner and an eventual boom, as governments provide incentives to meet international commitments for clean, renewable energy. Currently, Siemens wind turbines have a global installed capacity of 9,600 megawatts, with about two-thirds of that in Europe and the rest in the U.S., Canada and elsewhere.

[Wall Street Journal](#)

Seeing wind energy, some consider the sea

November 18th, 2009

UNITED STATES - Last June in a fjord in southwestern Norway, a 213-foot-tall wind turbine did something large wind turbines normally don't do: it headed out to sea. Towed by tugboats, the newly built turbine, with three 139-foot rotor blades and a 2.3-megawatt generator atop the tower, which itself was bolted to a ballasted steel cylinder extending more than 300 feet below the waterline, made its way to a spot six miles off the coast. Once in position it was moored with cables to the seafloor, about 700 feet below. The project, called Hywind and owned by Statoil, the giant oil and gas company based in Stavanger, Norway, is the world's first full-scale floating wind turbine. After being hooked up to a transmission cable, it began supplying electricity to the Norwegian power grid on Sept. 21. "We've been baby-sitting the turbine so far," said Sjur Bratland, asset manager for the project. "The main point for us is not to produce as much power as possible." Rather, Mr. Bratland said, over the next two years Hywind will test the feasibility of what some people think may be the next big idea in alternative energy: generating power from the winds over the open ocean, far from land.

[New York Times](#)

The answer is blowing in the (small) wind

November 20th, 2009

CALIFORNIA, US - Peter Grubstein, a managing director at NGEN Partners who has avoided the wind-power sector so far, said he sees huge opportunities to develop technology for wind-power generators that could be deployed by homeowners and other small users as opposed to the giant wind farms that have sprouted across the country. Speaking at the Dow Jones Alternative Energy Innovations conference in Redwood City, California on Wednesday, Grubstein said he's seeing very interesting small-wind concepts about once a week. "There's a huge push, and I think it will be a successful push, for decentralized power," he said. "Wind plays very well into that, particularly if they can work out the mechanics of light wind." Furthermore, he said, "I think what you're starting to see, too, is a change in consumer behavior" where having a windmill in the backyard will become acceptable. Wind-turbine components are also attractive to venture investors given the rapid growth of wind energy. Wind-turbine blades alone represent a \$6 billion market, said David Dreessen, a partner at Battery Ventures. Battery has invested in a company that is taking a different approach to making blades. Technologies such as wind-assessment also look promising now, Dreessen said. "As the markets evolve, these small niches actually can become large enough" to produce venture returns, he said.

[Wall Street Journal](#)

Renewable Energy Tracker

Bulgaria to boost energy efficiency, support renewables

November 23rd, 2009

SOFIA, BULGARIA - Bulgaria plans to boost its power efficiency and support the green energy to fight climate change and achieve European Union environment targets, Economy and Energy Minister Traicho Traikov said on Monday. The center-right government which took office in July was working to set up of an energy bourse and make the gas and electricity system operators independent to open the power market to newcomers and cut prices for energy consumers. "To decrease the greenhouse gasses, we need to consume less and cleaner energy," Economy and Energy Minister Traicho Traikov told an economic forum, presenting the key lines of Bulgaria's energy strategy until 2020. "The three steps - the transparent development of the electricity and gas networks, the set up of an energy bourse and the separation of the operators can be carried out during our mandate," he told an economic forum. The gas and the electricity operators are part of the state power holding BEH at present. Traikov said their separation, aimed to enforce easier and cheaper access to power and gas networks for competitors, will be carried before 2011.

[Reuters](#)

Heineken UK builds 35 million euro biomass stations

November 23rd, 2009

Lord Davies, Parliamentary Under-Secretary of State for Defra, has launched one of Heineken's new biomass facilities at Royal Brewery in Manchester. The beer company has also installed a second station in Tadcaster at John Smith's Brewery. Construction of the two plants commenced in 2007 and they have been totally functional since October. Heineken UK's investment for the two 4.7MW biomass plants stands at approximately £35 million, making the project one of the country's biggest investments for renewable technology by a non-utility company. The company obtained advisory support from the North West Biomass Project of Envirolink Northwest, a company which provides funds for energy and environmental development in the Northwest. Launched in January, the project assists regional industries with a huge energy demand to switch from fossil fuels to biomass. The biomass stations burn locally sourced timber chip to produce electricity and steam. They have each been planned to generate annually 37,000 MWh of electricity, which Heineken claims to be sufficient to provide all of the biomass plant's energy needs. Any excess electricity produced is to be sold to the National Grid

[Electric.co.uk](#)

The International Scientific and Business Congress on Protecting the Climate

China 2009 CleanTech: Transfer & Innovations & Investments & Manufacturing

December 7-8, 2009 / Shanghai, China

- A World Joint Strategy -



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