



EVOLUTION MARKETS – NOx RECLAIM AUCTION SUMMARY

Evolution Markets would like to thank all of the companies that participated in the June 14, 2005 NOx RECLAIM stream auction. The auction was extremely successful with participation during both the open and closed period.

THE OPEN PERIOD

During the open period, two bids were received.

The first bid to come into the auction during the open bidding period was structured as follows:

Terms of RTC Transferred			Original Zone (Coastal or Inland)	Quantity (Pounds/year)	Price (\$/Pound)
Cycle	From Compliance Year(*)	To Compliance Year(*)			
1	12/31/2005	Single Year Trade	Coastal	1	\$4.00
1	12/31/2006	Single Year Trade	Coastal	1	\$4.00
1	12/31/2007	Single Year Trade	Coastal	1	\$4.00
1	12/31/2008	Single Year Trade	Coastal	1	\$4.00
1	12/31/2009	Single Year Trade	Coastal	1	\$4.00
1	12/31/2010	Single Year Trade	Coastal	1	\$4.00
1	12/31/2011	All Years After	Coastal	7,500	\$7.49

The second bid to come into the auction during the open bidding period was structured as follows:

Terms of RTC Transferred			Original Zone (Coastal or Inland)	Quantity (Pounds/year)	Price (\$/Pound)
Cycle	From Compliance Year(*)	To Compliance Year(*)			
1	12/31/2005	Single Year Trade	Coastal	25,000	\$3.80
1	12/31/2006	Single Year Trade	Coastal	25,000	\$3.80
1	12/31/2007	Single Year Trade	Coastal	25,000	\$3.80
1	12/31/2008	Single Year Trade	Coastal	25,000	\$3.80
1	12/31/2009	Single Year Trade	Coastal	25,000	\$3.80
1	12/31/2010	Single Year Trade	Coastal	25,000	\$3.80
1	12/31/2011	All Years After	Coastal	25,000	\$3.80

THE CLOSED PERIOD

After the close of the open period, Evolution Markets received another fourteen bids. Bids were received for partial volumes and the entire stream of credits.

THE WINNING BID

The Seller chose to sell their credits to the highest bidder for the entire volume. The winning bid was priced as follows:

Terms of RTC Transferred			Original Zone (Coastal or Inland)	Quantity (Pounds/year)	Price (\$/Pound)
Cycle	From Compliance Year(*)	To Compliance Year(*)			
1	12/31/2005	Single Year Trade	Coastal	116,000	\$4.7970
1	12/31/2006	Single Year Trade	Coastal	116,000	\$4.7970
1	12/31/2007	Single Year Trade	Coastal	102,000	\$4.7970
1	12/31/2008	Single Year Trade	Coastal	86,000	\$4.7970
1	12/31/2009	Single Year Trade	Coastal	71,000	\$4.7970
1	12/31/2010	Single Year Trade	Coastal	55,000	\$4.7970
1	12/31/2011	All Years After	Coastal	40,000	\$4.7970

This resulted in a total sale price of \$2,811,042.00 for the entire stream.

We sincerely hope that you continue to contact Evolution Markets for your California emission credit needs.

If you have any questions regarding this document or current RECLAIM market pricing, please give Samantha Unger a call at (914) 323-0267.