



# Evolution Markets

## Company Overview & New Market Mechanisms

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# Evolution Markets Overview



## ***Evolution Markets is the Intersection of Environment, Energy, and Finance™***

### **Complete Financial Services for Green Markets and Clean Energy Sector**

- Market Execution Services
- Structured Transactions
- Merchant Banking

### **World's Largest Environmental Brokerage**

- More than 80 Professionals Worldwide
- Structured \$50 billion in energy & environmental transactions
- Offices in New York City – London – San Francisco – Buenos Aires
- Designed and co-founded the Green Exchange



# Our Markets and Services



- **Environmental Markets**

- Renewable Energy Credits
- GHG Credits/Allowances
- SO<sub>2</sub> Emissions Allowances
- NO<sub>x</sub> Emissions Allowances
- Emissions Reduction Credits
- Houston/Galveston NO<sub>x</sub> Allowances
- RECLAIM (Los Angeles NO<sub>x</sub> and SO<sub>x</sub>)
- Weather Derivatives

- **Energy Markets**

- OTC Physical Coal
- OTC Coal Derivatives
- Green Power
- Natural Gas
- Nuclear Fuels
- Freight

# Evolution as the Environmental Marketplace



## Top Volume Broker in Carbon, U.S. Emissions, Renewable Energy, and Biofuels

More than \$50 billion in environmental transactions

## Leading Facilitator of Environmental Auctions

Renewable Energy Credits

SO<sub>2</sub> and NO<sub>x</sub> Allowances

## Market Design Advocate

Formal and Informal Consultations on Sound Environmental Markets Design

- RGGI
- California Carbon Market
- EU ETS
- NEPOOL REC Markets
- Western Renewable Energy Markets

# The Green Exchange



- The most globally integrated marketplace for the trading of environmental products
- Brings together the trading platform, financial products expertise, and clearinghouse used by the world's largest energy marketplace, NYMEX, with the environmental markets leadership of Evolution Markets
- Carbon: Futures, Options and Swaps
  - European ETS (EUAs)
  - CERs under the CDM
  - RGGI
- U.S. Emissions: Futures, Options and Swaps
  - SO<sub>2</sub> and NO<sub>x</sub>
- Renewable Energy: Futures, Options and Swaps
  - National and voluntary RECs under development



# The Green Exchange (cont.)

## Broad Global Environmental Product Base

RGGI

Voluntary carbon

## Cross-hedging/ Cross-margining

Consolidates the clearing of environmental products with NYMEX energy markets leading to efficient trading and lower transaction costs

## Incentives for Market Participants

Ensures sustained liquidity for its environmental markets contracts

# Evolution Auctions



## Evolution has conducted and structured several auctions for clients

- Massachusetts Technology Collaborative
- Massachusetts Maritime Academy
- SO2 Future Year Allowance Auction
- University System of New Hampshire (2009)

## EvoAuctions™

(<http://auctions.evomarkets.com>)

- Newly developed online auction platform
- Enables auction transparency for client

The screenshot shows a web browser displaying the Evolution Auctions website. The page title is "evolution auctions" and the URL is "http://auctions.evomarkets.com". The main content area displays the "NTC MA REC Auction [Closed] -- Final Snapshot". Below this, there is a table titled "Displaying Final Auction Snapshot" with columns: BID, QUANTITY, LEVEL, RESULT, POSTED BY, POSTED ON, and LAST MOD BY / COL. The table lists various bids with their respective quantities and results.

BID	QUANTITY	LEVEL	RESULT	POSTED BY	POSTED ON	LAST MOD BY / COL
55.00	1,2,000 (FAS)	WINNING			05/08 11:59:37	
2,000 Q4 07 MA REC A						
55.00	1,2,000 (FAS)	WINNING			05/08 12:00:01	
2,000 Q4 07 MA REC A						
55.00	1,2,000 (FAS)	WINNING			05/08 10:55:53	05/08 12:00:22
2,000 Q4 07 MA REC A						
51.00	1,2,000 (FAS)	PARTIAL WIN			05/08 09:01:35	05/08 12:00:22
2,000 Q4 07 MA REC A						
50.00	1,2,000 (FAS)	LOSING			05/08 10:43:30	
4,000 Q4 07 MA REC A						
50.00	1,2,000 (FAS)	LOSING			05/08 12:00:49	05/08 12:00:36
828 Q4 07 MA REC A						
49.00	1,2,000 (FAS)	LOSING			05/08 10:43:49	
1,2,000 Q4 07 MA REC A						
47.00	1,2,000 (FAS)	LOSING			05/08 11:59:35	
2,000 Q4 07 MA REC A						
47.00	1,2,000 (FAS)	LOSING			05/08 12:00:18	
2,000 Q4 07 MA REC A						
46.00	1,2,000 (FAS)	LOSING			05/08 12:02:33	
1,2,000 Q4 07 MA REC A						
45.00	1,2,000 (FAS)	LOSING			05/08 09:02:42	05/08 11:00:50
828 Q4 07 MA REC A						
45.00	1,2,000 (FAS)	LOSING			05/08 09:02:11	05/08 11:02:05
2,000 Q4 07 MA REC A						
45.00	1,2,000 (FAS)	LOSING			05/08 09:13:27	05/08 11:02:21
1,2,000 Q4 07 MA REC A						
45.00	1,2,000 (FAS)	LOSING			05/08 09:02:25	05/08 11:02:30
2,000 Q4 07 MA REC A						
45.00	1,2,000 (FAS)	LOSING			05/08 09:13:18	05/08 11:02:49
1,2,000 Q4 07 MA REC A						
45.00	1,2,000 (FAS)	LOSING			05/08 12:02:20	
1,2,000 Q4 07 MA REC A						
44.00	1,2,000 (FAS)	LOSING			05/08 12:02:40	
1,2,000 Q4 07 MA REC A						
43.50	1,2,000 (FAS)	LOSING			05/08 10:44:54	
828 Q4 07 MA REC A						
43.00	1,2,000 (FAS)	LOSING			05/08 10:44:46	
1,2,000 Q4 07 MA REC A						
43.00	1,2,000 (FAS)	LOSING			05/08 12:04:49	
2,000 Q4 07 MA REC A						
42.50	1,2,000 (FAS)	LOSING			05/08 09:02:02	
2,000 Q4 07 MA REC A						
42.50	1,2,000 (FAS)	LOSING			05/08 09:12:13	
2,000 Q4 07 MA REC A						
42.50	1,2,000 (FAS)	LOSING			05/08 09:12:22	
2,000 Q4 07 MA REC A						

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