



# Carbon Solutions Northwest

Eastport Plaza  
4000 SE 82<sup>nd</sup> Avenue  
Suite #1000-161  
Portland, Oregon 97266

Office: +1-503-460-9502  
Fax: +1-503-460-9503  
Mobile: +1-971-221-8479  
E-mail: [renewableschay@qwestoffice.net](mailto:renewableschay@qwestoffice.net)

March 3<sup>rd</sup>, 2008

To whom it may concern:

Carbon Solutions Northwest (“CSNW”) helps carbon developers identify companies that may benefit, both operationally and financially, by reducing greenhouse gas (“GHG”) emissions and developing carbon credits. CSNW also helps companies that wish to reduce their carbon footprint identify and successfully work with carbon developers and brokers. Finally, CSNW enables purveyors of emission-reduction technologies to access companies that may realize operational and financial benefits via implementation of their equipment.

CSNW is currently pursuing emission-reduction projects in the United States, Canada, and Ukraine. When successfully implemented, these initiatives will generate approximately 8 million tons CO<sub>2</sub>e of emissions reductions between 2008 and 2012. CSNW’s activities will also realize development of significant quantities of Renewable Energy Certificates (“REC”)s. Sectors covered include:

- (1) coal mine methane (“CMM”);
- (2) dairy farming;
- (3) landfills & MSW incineration;
- (4) fuel switches to biomass / hog fuel;
- (5) forestry;
- (6) wind;
- (7) fuel switches involving biodiesel; and,
- (8) recycled petroleum / used oil.

Technologies involved with implementation of these emission-reduction initiatives include:

- (1) waste-heat-recovery technology;
- (2) CMM technologies, such as VAM technology;
- (3) use of anaerobic digesters;
- (4) landfill gas & related power-generation technologies;
- (5) fuel-switching methodologies;
- (6) carbon sequestration via afforestation and proactive forest management; and,
- (7) development of a new Protocol for monetization of emissions reductions associated with re-refining used oil.

As a firm specializing in project origination, CSNW is uniquely qualified to assist carbon developers, heavy emitters, and purveyors of emission-reduction technologies to find the best fit for successful project implementation. CSNW also has experience managing project coordination, including:

- (1) determination of current emissions baseline;
- (2) identification of appropriate emission-reduction technologies;
- (3) determination of most appropriate emission-reduction Registry / Protocol;
- (4) estimation of probable emissions reductions associated with prospective projects;
- (5) development of initial project questionnaires;
- (6) selection of 3<sup>rd</sup>-party verifiers; and in general,
- (7) assistance with overall project implementation.

At present, CSNW is working actively with a handful of established companies and nationally-recognized carbon developers, including 3Degrees, Inc. and Carson Oil / Pacific Biofuels, on development of several emission-reduction initiatives, and we would be delighted to discuss our experiences, either in person or by phone.

Before founding CSNW, Alex Schay spent 13 years with a respected Kiev-based commercial law firm, Frishberg & Partners. During this period of his professional career, Alex helped numerous Western investors implement their projects and transactions in Ukraine. After becoming a partner in 2000, Alex focused his attention on firm management, public relations, and new client development. In this context, Alex was involved in every direct-foreign-investment matter that came to Frishberg & Partners' attention between 2000 and 2006, including coordination of due diligence associated with emission-reduction initiatives.

Alex has published numerous articles regarding Ukraine's macroeconomic and investment climate, including September, 2006 and September, 2007 analysis concerning development of Emission Reduction Units ("ERUs") in Ukraine. He has also prepared a well-received transcript regarding the Northwest biodiesel sector (in general) and monetization of fuel switches involving biodiesel (in particular). Most recently, Alex co-authored an article urging industry action towards development of a new emission-reduction Protocol associated with recycling used oil. Alex has spoken at various seminars and investment symposiums in Europe and the United States.

We hope you have found this information concerning Carbon Solutions Northwest of interest, and we welcome your questions, any time.

Best regards,



Alex D. Schay  
Project Originator / Owner