



# Sustainable Finance

Market Performance - Selected Markets for the Week Ended December 31, 2009				
Market	Dec 31, 2008	31-Dec-09	YTD Change	YTD % Change
S&P TSX	8,987.70	11,746.11	2,758.41	30.69%
Dow Jones	8,776.39	10,428.05	1,651.66	18.82%
S&P 500	903.25	1,115.10	211.85	23.45%
Nasdaq	1,577.03	2,269.15	692.12	43.89%
Nikkei 225	8,859.56	10,546.44	1,686.88	19.04%
FTSE 100	4,434.20	5,412.88	978.68	22.07%
Dax	4,810.20	5,957.43	1,147.23	23.85%
Hang Seng	14,387.48	21,872.50	7,485.02	52.02%
Shanghai	1,820.81	3,277.14	1,456.33	79.98%
DJSI World TR	945.46	1,286.40	340.94	36.06%
DJSI North America TR	92.85	120.14	27.29	29.39%
Jantzi Social Index TR	128.27	173.67	45.40	35.39%
FTSE 4Good Global 100	3,384.13	4,256.14	872.01	25.77%

Selected Rates (Institutional)	
Description	Price/Rate Dec 31, 2009
CDN/USF	1.0466
CDN/EURO	1.5000
CDN/CHF	0.0112
CDN/YEN	1.0107
Total CPI - Canada TTM (11/09)	1.00%
Total CPI - USA TTM (11/09)	1.80%
Total CPI - Euro TTM (11/09)	0.50%
GOC 1 Yr T-Bill	0.66%
GOC 5 Year	2.74%
GOC 10 Year	3.60%
GOC 30 Year	4.07%
Gold USF/Oz	1,097.30
Oil USF/BBL WTI Cushing Spot	79.36

## Week in Review

Slow week and not much change over the previous week. Some really good returns for the year but you have to keep them in perspective. Almost every market is still SIGNIFICANTLY below the highs reached in 2008. Happy New Year.



Here is wishing  
you all a  
**PROSPEROUS**  
New year!

December 31, 2009 Volume 1 Issue 24

Trevor Giles is Managing Director of Blue Marble Capital Management Limited, a discretionary portfolio manager located in Nelson, British Columbia that specializes in socially responsible investment using their ESGC Investing™ method.

He is a Certified Management Accountant (CMA), a Chartered Financial Analyst (CFA) and a Fellow of the Canadian Securities Institute (FCSI). He has over 20 years investment experience in public investments, venture capital, carbon finance, and socially responsible investing.

Trevor be contacted at 250.354.4422 or at [trevor.giles@bluemarblecml.com](mailto:trevor.giles@bluemarblecml.com). The firm's website is [www.bluemarblecml.com](http://www.bluemarblecml.com).



---

## Selected News Articles

---

### Calif. Gov. Schwarzenegger Announces 244 Proposed Renewable Energy Projects

---

Governor Arnold Schwarzenegger today announced the first comprehensive list of 244 proposed renewable energy projects that could produce up to almost 70,000 megawatts (MW) of clean energy annually, building on California's aggressive renewable energy goals. These proposed projects throughout the state include solar, wind, geothermal, biomass and small hydro facilities and will help move California towards achieving the Governor's renewable energy goal of 33 percent by 2020. Currently California facilities produce just over 8,000 MW of renewable energy annually.

"California is a pioneer in renewable energy, green jobs and environmental protection. Today's announcement is proof we have a bright renewable energy future that will both fight climate change and drive our green

economy," said Governor Schwarzenegger. "This list of nearly 250 projects is great news for our state because not only will these projects help us meet our long-term environmental goals they will also create green jobs and new, clean investment in our economy now. My Administration will continue to work with our federal partners to expedite renewable energy projects to help meet our aggressive renewable energy goals while ensuring they comply with all state and federal environmental regulations."

In October, Governor Schwarzenegger signed a Memorandum of Understanding (MOU) with U.S. Department of the Interior Secretary Ken Salazar to expedite the permitting process for renewable energy projects in California and appointed a special advisor to oversee the fast-tracking of the permitting process for renewable energy

facilities. California was the first state to sign an MOU with the Department of the Interior to cooperatively develop long-term renewable energy plans and to usher eligible projects through state and federal permitting processes that can receive 30 percent federal tax credits under the American Reinvestment and Recovery Act (Recovery Act).

Of the 244 proposed projects, up to 53 have indicated they will apply for Recovery Act funds and will break ground by the end of 2010. For those proposed projects looking for federal stimulus support, 22 could generate power at utility-sized levels of larger than 200 MW, totaling more than 9,000 MW. Many of the proposed projects are currently moving through a state, federal or local permitting process.

"I am very encouraged by the Governor's renewable energy goals and his

vision that development in California should occur on private and state lands, as well as on federal public lands," said Secretary of the Interior Salazar. "Moving forward together on all these fronts will help ensure that we all can make responsible decisions on where to site these large projects while still protecting sensitive lands and resources in California."

Governor Schwarzenegger established California's Renewable Portfolio Standard (RPS) by executive order calling for 33 percent renewable energy by 2020. The California Air Resources Board will adopt regulations to increase California's RPS and provide clear and permanent direction for the creation, delivery and servicing of California's renewable energy projects, which will help avoid another energy crisis while increasing the state's renewable energy use.

In November 2008, the Governor signed Executive Order S-14-08 (EO) to streamline California's renewable energy permitting process and increase the state's renewable energy goals. Following this EO, the California Energy Commission (CEC) and the California Department of Fish and Game formed a cooperative relationship with the U.S. Bureau of Land Management and the U.S. Fish and Wildlife Service, called the Renewable Energy Action Team (REAT). This was a first-of-its-kind agreement to move California's renewable energy development forward. The REAT agencies are working closely with the California Public Utilities Commission and the California Independent System Operator to further coordinate and streamline renewable energy development and permitting. The REAT is reviewing the proposed facilities that have submitted

their applications to help meet the Recovery Act deadline. The CEC has also prioritized renewable projects that are not on federal lands and is moving quickly to review their applications.

In addition to the permitting work of the REAT, the agencies are working together on a long-term conservation strategy for the Colorado and Mojave Deserts. At the direction of the EO, the Desert Renewable Energy Conservation Plan (DRECP) was also formed to create a science-based, stakeholder driven process to identify geographic areas designated for renewable energy development, and conservation and declining species management. DRECP, in coordination with the Bureau of Land Management's multi-state Solar Development Programmatic Environmental Impact Statement process, is using independent scientific review, stakeholder input, the

best available biological data and an integrated planning process for the Mojave and Colorado Desert regions and parts of six Southern California counties. This plan is currently scheduled to be completed in 2012 and is meant to provide a long-term road map to development and conservation in the California desert.

A list of the 244 proposed projects that are currently in review or have been approved is available at [www.energy.ca.gov/33by2020/documents/index.html](http://www.energy.ca.gov/33by2020/documents/index.html). The projects are separated by those seeking Recovery Act funding. The project list is subject to change since some may lack financing, fail to meet strict environmental standards, or adequately address land use issues as part of the project approval process.

California Newswire  
December 29, 2009

---

*There is a sufficiency in the world for man's need but not for man's greed.*

*~Mohandas K. Gandhi*

---

### Constitutional Council Strikes Down French Carbon Emissions Tax

---

France's Constitutional Council, the nation's highest constitutional authority, struck down a new tax on carbon emissions, dealing a blow to President Nicolas Sarkozy, who has made fighting climate change a key part of his tenure.

France's Constitutional Council ruled the proposed tax, due to become effective on Friday, allowed for too many exemptions even though it, in theory, introduced a 17 euro tax per every ton of carbon emitted. The court said the tax would not have applied to 93% of industrial emissions.

All the exemptions, the court ruled late Tuesday, created "a breach of the principle of tax equality," according to a copy of the ruling posted on the council's website.

Sarkozy had pledged tougher environmental legislation in his 2007 election campaign and had made climate change a key part of his victory speech after the election.

Sarkozy had strongly championed the tax, which would have been the first tax of such heft introduced in France in the past 20 years and which was forecast to generate a total of 4.1 billion euros for the gov-

ernment.

Yet, the rejection by the French court highlights the difficulty governments face around the world in forcing down carbon emissions amid strong objection from important industry lobbies.

The climate conference in Copenhagen earlier this month ended with only a weak agreement amid concerns by participant countries that binding targets for emissions reduction would hurt their international competitiveness.

In introducing the 17 euro tax, the law passed by the French

parliament exonerated a range of high-emitting commercial users, including power stations, oil refineries and cement works.

The government had introduced the incentives because it was worried that a carbon tax might hurt French industry by raising its costs.

The law also lightened the tax imposed on groups such as truck drivers and fishermen, who have in the past blockaded ports and roads to protest government measures.

To limit the impact of the French carbon tax on domestic industry, Sarkozy had been

hoping to extend a version of it to the whole of the European Union. That would have given the EU the option of taxing imports from countries with looser emission controls so as not to hurt the bloc's industry.

The French tax would have fallen mainly on consumers' use of gasoline and heating fuel, and would have entailed an increase in the price of car fuel of about 4 euro cents per liter in 2010.

Farmers and fishermen were scheduled to pay the tax at a quarter of the full rate, while the state planned to reimburse

35% of the amount paid by truck drivers.

The ruling provides a rare boost for the opposition Socialist Party, or PS, which lodged the appeal that led to the council's ruling.

"This tax was unjust," said Benoit Hamon, a PS spokesman. "The biggest polluters weren't called upon to contribute...Households with no other option than using their own cars and fossil fuels for heating would have borne the burden," he told Dow Jones Newswires.

The government is scheduled to present a

revised version of the bill to parliament by Jan. 20. Hamon said the PS would push for all forms of energy consumption to be taxed.

Without the carbon tax, a source of government revenue had been removed at a time when tax receipts are being dented by the economic downturn. The country's budget deficit is forecast to reach 8.2% of gross domestic product this year and 8.6% in 2010.

Wall Street Journal  
December 30, 2009  
By Gabriele Parussini