Light Green Advisors
1700 Seventh Avenue
Suite 2100
Seattle, Washington 98101 USA
206.547.8645 (telephone)
206.357.8515 (fax)
www.lightgreen.com

October 1, 2007

Chairman Christopher Cox
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

RE: Comments on Release 34-56160 (File No. S7-16-07) and
Release No. 34-56161 (File No. S7-17-07)

Dear Chairman Cox:

Light Green Advisors (LGA) is a Seattle-based asset management firm that utilizes corporate environmental performance information as an integral component of its asset management process. Over the past decade, LGA has found that analysis of environmental facets of corporate behavior can provide a sustainable source of alpha that we use in our asset management products.

LGA and increasing numbers of other asset managers and long term investors are continually seeking to gain access to corporate environmental management information as part of our appraisal process for publicly-traded securities.

The relevance emerges from five sources:

- liabilities
- regulatory impact
- economic opportunities
- reputation / goodwill
- the determination by investors such as LGA and our peers that such information is relevant to our valuation of publicly-traded companies.

Since the valuation of publicly-traded companies is based on what shareholders are willing to pay, information that we as shareholders believe is material in nature should be treated as such on an *a priori* basis. The determination of what is relevant and what may be material to investors changes over time. Consequently, LGA strenuously opposes any efforts to place limitations on communications that asset managers such as LGA may have with other investors.

LGA believes the SEC should support efforts to maintain the scope and openness of the proxy communication process that has a proven track record of success as a means of spurring companies to disclose meaningful environmental information that may not be required on a mandatory basis.

The "opt-out" provision in the proposed rules would reduce the positive incentives for disclosure, and provide instead a negative incentive that would tend to reduce the amount of information available to investment managers and institutional investors such as LGA that are seeking to integrate issues originally raised in the proxy process into their asset management programs. As a relative value investor, LGA would be adversely affected by any proposed rule(s) that would allow companies to arbitrarily remove themselves or "opt-out" of any disclosure regime, whether voluntary or mandatory.

Resubmission has provided valuable information in many areas since it allows investors to examine how corporate behavior changes over time. It also provides a framework for dialogue based on the information that is provided. For long term investors, evaluation of company reactions to environmental challenges over time is more valuable than the use of the proxy process on a one time basis for awareness purposes. As a result LGA does not favor changing the resubmission thresholds.

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Communications with companies and other shareholders, including communications related to issues raised in the proxy process, remains a vital component of the shareholder resolution practice. A review of the past decade illustrates that the shareholder proxy resolution and director nomination process has contributed to both greater understanding of the materiality of environmental issues such as climate change.

Over the last ten years, LGA has observed the following:

- Shareholder engagement has augmented the disclosure of materially relevant environmental information in a wide variety of industry sectors, and
- Shareholders have led efforts to encourage companies to disclose material information on emerging environmental threats/financial risks, such as climate change.

Foremost among these issues are those that relate to environmental considerations in general and more specifically—climate change. As a result, LGA has concluded that reducing the scope of proxy access among publicly traded companies or raising the hurdles for resubmission would be a step backwards. It would be regrettable if the SEC took a step to sharply limiting the scope of information available to investors, particularly regrettable at a time when asset managers around the world are increasingly recognizing the tangible value that corporate environmental programs provide, and the scope of the liabilities that are accruing as a result of inadequate management of environmental challenges.

Director Nominations

LGA believes that shareholders have a fundamental right to propose specific directors for company boards. Corporate boards are constituted to represent the interests of all the shareholders—not just management teams which together typically own less than 10% of a company's equity. LGA is confident that the SEC has observed numerous cases in which active shareholder engagement, including the nomination of directors, has directly led to the recognition of corporate malfeasance, management changes, and contributions to the resulting turnaround of major companies.

From LGA's perspective, professional asset managers and institutional investors have an obligation to preserve the right to nominate directors to assure that the interests of their beneficiaries are considered and maximized by companies. LGA believes that allowing this right to be compromised would be a dereliction of our fiduciary responsibility to our clients, investors, and investee companies that have frequently benefited from the leadership provided by directors nominated by active investors.

The tension between management and capital is a permanent and useful feature of public company governance, and the SEC should not try to prevent all conflict, but rather maintain stability in the rules that govern the information available to shareowners on the companies that both require and utilize the equity capital we collectively invest.

In summary, LGA strongly encourages the SEC to reconsider the proposed rules. The proposed rules are not consistent with the principle of maintaining shareholder access to company information and they are not fully compatible with traditional shareholder rights to submit binding or nonbinding resolutions, nominate directors, and to communicate with one another about issues that we believe are of vital importance to shareholders.

Thank you for the opportunity to comment on the proposed revisions.

Sincerely,

Jonathan S. Naimon
Managing Director