

HIGHLAND ENERGY INC

David McLennan

HIGHLAND'S EXPERIENCE

Highland Energy Inc.
David McLennan

David McLennan is the president of Highland Energy Inc., a Canadian corporation solely committed to the recovery and utilization of landfill gas for the purpose of creating environmental and financial benefits. Mr. McLennan has developed Landfill gas to energy projects for the past 10 years in both the U.S. and Canada. Through his Landfill Gas to Energy project in Montreal he has successfully created, validated and transferred the sale of ERC's through PERT to OPG, one of the first transactions of its kind . Mr. McLennan is a member of Clean Air Canada Inc. and is a founding member of the Land Fill Gas Industry Alliance.

For the past two and a half years Mr. McLennan has been investigating the potential for Developing CDM Projects through methane destruction or utilization in Asia, Central and South America.

DEVELOPER'S PERSPECTIVE

THIS IS A GLOBAL BUSINESS
COMPETITION
100% RISK
INVESTMENT IN TIME AND MONEY

OBLIGATION:
MAXIMIZE THE RETURN
MINIMIZE THE RISK
DEVELOP PROJECTS

DEVELOPMENT PROCESS

Contract Negotiation

- ★ Feasibility
- ★ Design
- ★ Engineer
- ★ Construction
- ★ Finance
- ★ Operate

PROJECT CHALLENGES IN DEVELOPING COUNTRIES

Private/Public Owners

Bureaucracy

Cultural Differences

Misinformation

Skepticism

OVERCOMING PROBLEMS

Contractual

- ◆ By invitation only
- ◆ Communicate directly with someone in authority to accept your proposal
- ◆ Establish ownership of Gas Rights

Proposal

- ◆ Same for all projects
- ◆ Establish relationship

Objective

- ◆ Create Partnership with local entity



SITE PROBLEMS

- Crucial to visit site for visual assessment
- Inaccurate Information/None
- Health & Safety
- Unmanaged



OVERCOME SITE PROBLEMS

- Visual assessment
- Collect as much data as is available
- Determine if LFG collection system is feasible
- Determine Impacts of LFG Collection System
- Use ultra conservative figures to base financial model



REAL PROJECT

ONLY NOW DOES CDM PROCESS BEGIN