



December 15, 2009

Ms. Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-6628

Re: Release No. 34-60332; File No. S7-15-09,
Proposed Amendment to Municipal Securities Disclosure

Dear Ms. Murphy:

We are writing in support of a letter sent to you on September 8, 2009 from Tom Sanzillo, Mark Kresowick and Lisa Anne Hamilton as representatives of corporate accountability advocates, financial consultants and counsel (the "Letter," attached as Exhibit A). The letter, which was recently brought to our attention, requested that the Securities and Exchange Commission (the "Commission") supplement its proposed amendments to 17 CFR Parts 240 and 241 regarding expanded disclosure rules to incorporate carbon risk into a municipality's risk profile.

NRDC believe that these risks are 'material' and thus should be disclosed in municipal bond documents. This materiality is especially true in the case of coal-fired power plants operated and supported by tax-exempt rural electric cooperatives ("coops") and municipal utilities ("munis").

As you know, coops and munis are currently exempt from the registration and filing requirements of 1933 and 1934 Securities Acts. Coal-fired power plants owned and operated by these coops and munis, however, constitute some of the largest emitters of pollution that contribute to climate change. As such, regulatory and fiscal changes stemming from climate disruption and associated mitigation efforts at the local, regional and federal level directly impact the finances of their operations and therefore the interests of the municipal bonds market and specifically holders of those municipal bonds funding coal-fired power generation facilities. The risks associated with these investments are an undisclosed liability to their customers and investors which should be subject to public disclosure and more vigorous review. Climate legislation pending in Congress only exacerbates this risk to current and proposed facilities.

Therefore, we support the Letter's proposal that "*the Commission provide interpretative guidance under Rule 15c2-12 clarifying the substance and scope of climate risk disclosure as material information which would be included in the official statement in a primary offering and among the annual financing pursuant to a continuing disclosure agreement.*" Such guidance would (1) clarify climate risk as material information that must be disclosed to municipal bond holders and (2) clarify the obligations of municipal bond participants, including participating underwriters, concerning their obligations under the antifraud provisions.

We agree with the concerns stated in the Letter that without such clarifications, there will be large disparities in the reporting of climate risk disclosure among power industry peers. Those disparities will then create confusion among municipal bond market participants. The lack of these disclosure requirements will also leave muni investors at a disadvantage compared to similarly situated corporate securities holders.

NRDC believes a level playing field should exist between publicly traded companies and municipal securities when it comes to disclosure. This parity is crucial for investors and the general public. Thus, we support the proposal for greater climate risk disclosure requirements for coops and munis.

We very much appreciate the steps the Commission has taken already to ensure greater access to relevant disclosure information, particularly the Electronic Municipal Market Access system. Thank you very much for considering this request.

Sincerely,



Peter Lehner
Executive Director
Natural Resources Defense Council

cc: The Honorable Mary L. Schapiro, Chairman
The Honorable Kathleen L. Casey, Commissioner
The Honorable Elisse B. Walter, Commissioner
The Honorable Luis A. Aguilar, Commissioner
The Honorable Troy A. Paredes, Commissioner
Martha Mahan Haines, Assistant Director and Chief, Office of Municipal Securities
Ms. Meredith Cross, Director, Corporation Finance
Lynette Kelly Hotchkiss, Executive Director, MSRB
Harold Johnson, Deputy General Counsel, MSRB
Ernesto A. Lanza, Senior Associate General Counsel, MSRB

Tom Sanzillo, T. R. Rose Associates
Mark Kresowik, Sierra Club Corporate Accountability Representative
Lisa Anne Hamilton