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May 23, 2011

Mary L. Schapiro
Chairman
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

**Re: Materials Related to Municipal Advisor Registration Proposal
(Securities Exchange Act Release No. 34-63576)**

Dear Chairman Schapiro:

On April 7, your counsel, Jennifer McHugh, met with representatives from Chevron Energy Solutions ("Chevron"), Honeywell Building Solutions ("Honeywell") and Bingham McCutchen LLP regarding the engineering exclusion to the proposed municipal advisor registration requirements. As discussed during our meeting, the energy services industry encourages the Securities and Exchange Commission ("SEC" or "Commission") to craft its final rules for registration of municipal advisors to ensure that providers of critical services that are not municipal advisory activities are not included in the definition of municipal advisor unless in fact they are municipal advisors.

As requested during our meeting with Ms. McHugh and also during meetings with the other Commissioners' offices, we have prepared the following materials for further consideration: (1) examples of requests for proposals for projects that each of Honeywell and Chevron have received and responded to; (2) a summary of the legislative history of the engineering exclusion included in the statutory definition of "municipal advisor"; and (3) proposed revised rule text that we believe would address the concerns of energy services companies while preserving the important public policy concerns that Congress and the Commission seek to address with the registration and regulation of municipal advisors.

1. Requests for Proposal

Attachment A includes requests for proposals ("RFPs") that were received from Durham, North Carolina, the Wyoming Business Council State Energy Office, Huntington, West Virginia and the Indiana Evansville Vanderburgh School Corporation. Each of these RFPs illustrate the kind of financial analytic information about proposed energy solution projects that energy services companies are required to provide in order to bid for projects. During our meeting with Ms. McHugh, the business representatives of Honeywell and Chevron explained that the information provided in responses to RFPs may be based on assumptions that a municipal entity has developed and directed the bidding parties to use. Alternatively, bidders may be required to respond to RFPs using assumptions they have themselves developed and articulated in the response. Each of the RFPs in Attachment A have been highlighted to illustrate instances where the responding

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Chairman Schapiro
May 23, 2011
Page 2

energy services company was required to supply financing or cost information and analysis to the municipal entity.

2. Legislative History of the Engineering Exclusion

Attachment B is a memorandum that summarizes the history of the engineering exclusion in the statutory definition of municipal advisor. While we have identified the point in time when the engineering exclusion first appeared in the text of the legislation, we have not been able to identify the member of Congress responsible for this provision, and therefore have not been able to determine the underlying thinking as to its scope. We do, however, continue to believe that Chairman Bachus's letter of February 23, 2011 to you, attached here as Attachment B1, provides useful guidance on this point.

3. Proposed Amendments to Proposed Rule 15Ba1-1

Attachment C is the text of proposed Rule 15Ba1-1 blacklined to show revisions that we propose the Commission incorporate into its final rule. We believe that these revisions would insulate from inadvertent municipal advisor status the activities of energy service companies, as well as other engineering companies that provide engineering advice, without interfering with the Commission's adoption of rules implementing registration and regulation for entities, including engineers, that are engaged in municipal advisory activities.

We hope that the materials in Attachments A, B and C are informative. We are available to meet with you in person or by telephone to discuss any or all of these at your convenience.

Sincerely yours,


Amy Natterson Kroll


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Attachments

cc: Jennifer McHugh, Senior Advisor to the Chairman
Robert Cook, Director, Division of Trading and Markets
James Brigagliano, Deputy Director of the Division of Trading and Markets
Victoria Crane, Assistant Director, Market Supervision, Division of Trading and Markets
Martha Haines, Assistant Director, Municipal Finances
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