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ADA-ES INC  
Form DEF 14A  
April 22, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant  [X]

Filed by a Party other than the Registrant  [ ]

Check the appropriate box:

- [ ] Preliminary Proxy Statement  
 [ ] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))  
 [X] Definitive Proxy Statement  
 [ ] Definitive Additional Materials  
 [ ] Soliciting Materials Pursuant to Sec. 240.14a-12  
ADA-ES, INC.

\_\_\_\_\_  
(Name of Registrant as Specified In Its Charter)

N/A

\_\_\_\_\_  
(Name of Persons(s) Filing Proxy Statement, if other than the Registrant)

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- [x] No Fee Required.  
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2) Aggregate number of securities to which transaction applies:

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4) Proposed maximum aggregate value of transaction:

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Fee paid previously with preliminary materials.

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1) Amount Previously Paid:

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2) Form, Schedule or Registration Statement No.:

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3) Filing Party:

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4) Date Filed:

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ADA-ES, INC.

8100 SouthPark Way, Unit B

Littleton, Colorado 80120

(303) 734-1727

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**TO BE HELD JUNE 16, 2010**

To Our Shareholders:

The Annual Meeting of Shareholders of ADA-ES, Inc. ( ADA-ES or the Company ), a Colorado corporation, will be held at 9:00 a.m. (local time) on June 16, 2010 at the Company's offices, located at 8100 SouthPark Way, Unit B in Littleton, Colorado, or at any postponement or adjournment thereof, for the following purposes:

1. To elect nine directors of the Company;
2. To ratify the Audit Committee's selection of Ehrhardt, Keefe, Steiner & Hottman PC as our independent registered public accounting firm for the fiscal year ending December 31, 2010; and
3. To approve the Stock Issuance Plan for the issuance of shares of the Company's common stock in excess of 20% of the amount of our outstanding shares of common stock and not more than 3.5 million shares, including shares of common stock potentially underlying preferred stock, options and/or warrants, in connection with raising capital for implementing our growth plans and general working capital purposes; and
4. To consider and vote upon such other matters as may properly come before the Meeting or any postponement or adjournment thereof.

Shareholders of record at the close of business on April 19, 2010 are entitled to notice of and to vote at the meeting.

Our shareholders are cordially invited to attend the annual meeting in person. Whether or not you plan to attend the Meeting, we urge you to vote your shares by telephone or Internet, or by completing, signing and dating the enclosed proxy card and returning it promptly in the accompanying postage prepaid (if mailed in the U.S.) return envelope.

Please call on our toll-free number (888-822-8617) if you require directions or have other questions concerning the meeting.

By Order of the Board of Directors,

Mark H. McKinnies

Secretary

April 23, 2010

**Important Notice Regarding Internet Availability of Proxy Materials for the Annual Meeting of Shareholders to be Held on June 16, 2010: The Company's Proxy Statement and Annual Report to Shareholders are Available at: [www.edocumentviewer.com/ADES](http://www.edocumentviewer.com/ADES)**

**PROXY STATEMENT**

**ADA-ES, INC.**

**8100 SouthPark Way, Unit B**

**Littleton, CO 80120**

**Telephone: (303) 734-1727**

**ANNUAL MEETING OF SHAREHOLDERS**

**TO BE HELD JUNE 16, 2010**

This Proxy Statement is furnished to the shareholders of ADA-ES, Inc. (the "Company"), a Colorado corporation, in connection with the solicitation of proxies by the Company's Board of Directors (the "Board"), to be voted at our ANNUAL MEETING OF SHAREHOLDERS to be held on Wednesday, June 16, 2010, at the Company's offices at 8100 SouthPark Way, Unit B, Littleton, Colorado and any postponements or adjournments thereof. This Proxy Statement and accompanying form of proxy is first being mailed or given to our shareholders on or about May 7, 2010. The shares represented by all proxies that are properly executed and submitted will be voted at the Meeting in accordance with the instructions indicated thereon, and if no instructions are given, then in the discretion of the proxy holder. Throughout this Proxy Statement, the terms we, us, our and our Company refer to ADA-ES, Inc., and unless the context indicates otherwise, our consolidated subsidiaries.

**VOTING RIGHTS AND VOTE REQUIRED**

Our Board has fixed the close of business on April 19 2010, as the record date for determination of shareholders entitled to notice of and to vote at the meeting. On the record date, 7,410,976 shares of our Common Stock were issued and outstanding, each of which entitles the holder thereof to one vote on all matters that may come before the meeting. We do not have any class of voting securities outstanding other than our Common Stock. An abstention or withholding authority to vote will be counted as present for determining whether the quorum requirement is satisfied. If a quorum exists, actions or matters other than the election of the Board are approved if the votes cast in favor of the action exceed the votes cast opposing the action unless a greater number is required by the Colorado Business Corporation Act or our Articles of Incorporation. Abstentions will not affect the election of directors.

If as of the record date your shares were held in an account at a brokerage firm, bank, dealer, or other similar organization, then that firm or organization is the shareholder of record for purposes of voting at the annual meeting and you are considered the beneficial owner of shares held in "street name." If you are a beneficial owner, you have the right to direct your broker or other agent regarding how to vote the shares held in your account. If you do not instruct your broker on how to vote your shares, your brokerage firm, in its discretion, may vote your shares on routine matters or they may elect not to vote your shares. The proposal to ratify the appointment of our independent registered public accounting firm for the current fiscal year is considered a "routine matter," but the other proposals being voted on at the Meeting (including Proposal 1 concerning the election of directors and Proposal 3 concerning the Stock Issuance Plan) are not considered "routine matters" and brokers will not be entitled to vote on those proposals absent specific instructions and authorization from the beneficial owners of the shares. If you hold shares beneficially in "street name" and do not provide your broker with voting instructions, your shares may constitute "broker non-votes." A broker non-vote occurs when a nominee holding shares for a beneficial holder does not have discretionary voting power and does not receive voting instructions from the beneficial owner. Broker non-votes on a particular proposal are considered present for purposes of determining a quorum, but will not be treated as shares present and entitled to vote on the proposal and accordingly will have no effect on the vote.

We invite beneficial owners to attend the annual meeting. If you are a beneficial owner and not a shareholder of record, you may not vote your shares in person at the meeting unless you request and obtain a valid proxy from your broker or other agent and bring such proxy to the annual meeting. If you want to attend the meeting, but not vote, you must provide proof of beneficial ownership as of the record date, such as your most recent account statement prior to April 19, 2010, a copy of the voting instruction card provided by your broker or other agent or other similar evidence of ownership.

A minimum of one-third of the shares of Common Stock issued and outstanding must be represented at the meeting in person or by proxy in order to constitute a quorum. Cumulative voting is not allowed for any purpose. Assuming a quorum is present, the nine nominees receiving the highest number of votes cast will be elected as directors.



Unless instructions to the contrary are marked, or if no instructions are specified, shares represented by proxies will be voted:

FOR the persons nominated by the Board for directors, being Robert N. Caruso, Michael D. Durham, John W. Eaves, Derek C. Johnson, Ronald B. Johnson, W. Phillip Marcum, Mark H. McKinnies, Jeffrey C. Smith and Richard J. Swanson;

FOR the ratification of the Audit Committee's selection of Ehrhardt, Keefe, Steiner & Hottman PC as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2010; and

FOR the approval of the Stock Issuance Plan for authorization to issue shares of the Company's common stock in excess of 20% of the amount of our outstanding shares of common stock and not more than 3.5 million shares, including shares of common stock underlying options and warrants, in connection with raising capital for the implementation of our growth plans and general working capital requirements.

We do not know of any other matter or motion to be presented at the meeting. If any other matter or motion should be presented at the meeting upon which a vote must be properly taken, the persons named in the accompanying form of proxy intend to vote such proxy in accordance with that person's judgment, including any matter or motion dealing with the conduct of the meeting.

#### **Voting by Mail, via the Internet or by Telephone**

Shareholders whose shares are registered in their own names may vote by mailing a completed proxy card, via the Internet or by telephone. Instructions for voting via the Internet or by telephone are set forth on the enclosed proxy card. To vote by mailing a proxy card, sign and return the enclosed proxy card in the enclosed prepaid and addressed envelope and your shares will be voted at the meeting in the manner you direct. If no directions are specified, such proxies will be voted as described above.

If your shares are registered in the name of a bank or brokerage firm, you may be eligible to vote your shares over the Internet or by telephone rather than by mailing a completed voting instruction card provided by the bank or brokerage firm. Please check the voting instructions card provided by your bank or brokerage house for availability and instructions. If Internet or telephone voting is unavailable from your bank or brokerage house, please complete and return the enclosed voting instruction card in the self-addressed postage paid envelope provided.

Any shareholder who completes a proxy or votes via the Internet or by telephone may revoke the action at any time before it is exercised by delivering written notice of such revocation to the Company (c/o Mark H. McKinnies, Secretary), 8100 SouthPark Way, Unit B, Littleton, Colorado, 80120, by submitting a new proxy executed at a later date, or by attending the Meeting and voting in person.

The Company will pay solicitation expenses. In addition to solicitation by mail, our directors, officers and other employees may, without additional compensation, solicit proxies by mail, in person or by electronic communication or other telecommunication.

### **PROPOSAL 1**

#### **ELECTION OF DIRECTORS**

Our Board of Directors consists of nine members. Our Nominating and Governance Committee recommended to our Board of Directors the slate of nine directors for re-election by our shareholders, and the Board approved the recommendation and the slate of directors. Each director will hold office until the next Annual Meeting of Shareholders and thereafter until a successor is elected and qualified. Cumulative voting is not permitted in the election of directors. IN THE ABSENCE OF INSTRUCTIONS TO THE CONTRARY, THE INDIVIDUALS NAMED IN THE ACCOMPANYING PROXY WILL VOTE IN FAVOR OF THE ELECTION OF THE FOLLOWING PERSONS NAMED AS OUR NOMINEES FOR DIRECTORS: ROBERT N. CARUSO, MICHAEL D. DURHAM, JOHN W. EAVES, DEREK C. JOHNSON, RONALD B. JOHNSON, W. PHILLIP MARCUM, MARK H. MCKINNIES, JEFFREY C. SMITH and RICHARD J. SWANSON.

All of the nominees are currently members of the Board. Each of the nominees has consented to be named herein and to serve if elected. We do not anticipate that any nominee will become unable or unwilling to accept nomination or election, but if this should occur, the persons named in the proxy intend to vote for the election in his stead of such other person as the Board may recommend. It is the policy and practice of the Company that all directors attend the Meeting. Six of our directors serving at the time of our 2009 Annual Meeting of Shareholders attended that meeting.



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The following table sets forth certain information as to each nominee (and current director) of the Company:

<u>Name</u>	<u>Age</u>	<u>Position and Offices</u>	<u>Director Since</u>
Robert N. Caruso(1)	58	Director, Member of the Compensation Committee and Chairman of the Nominating and Governance Committee	2006
Michael D. Durham	60	Director, President and Chief Executive Officer	2003
John W. Eaves (2)	52	Director, Member of the Compensation and Nominating and Governance Committees	2004
Derek C. Johnson	49	Director, Member of the Audit and Nominating and Governance Committees	2006
Ronald B. Johnson	78	Director, Chairman of the Compensation Committee, Member of the Audit Committee	2003
W. Phillip Marcum (3)	66	Chairman of the Board of Directors, Member of the Compensation and Nominating and Governance Committees	2008
Mark H. McKinnies	58	Director, Senior Vice President, Chief Financial Officer and Secretary	2003
Jeffrey C. Smith	58	Member of Audit and Compensation Committees	2003
Richard J. Swanson (4)	74	Director, Chairman of the Audit Committee, Member of the Compensation Committee	2006

- (1) Mr. Caruso served as a chairman of the board of American Shipping Company, a Norway-based vessel owning company (OSL: AMSC) from June 2008 to April 2010.
- (2) Mr. Eaves is a director of Arch Coal, Inc., a public company located in St. Louis, Missouri (NYSE: ACI). The initial appointment of Mr. Eaves to our Board was made pursuant to a 2003 Subscription and Investment Agreement with Arch Coal, Inc. whereby our management agreed to make available one seat on the Board for an Arch Coal designee and to vote all shares and proxies they are entitled to vote in favor of such designee for so long as Arch Coal continues to hold at least 100,000 shares of our common stock.
- (3) Mr. Marcum has served as a chairman of the board of PNG Ventures Inc. (being reorganized as Applied Natural Gas Fuels, Inc.), a public company located in Dallas, Texas (OTC: PNGXQ) since 2008. He served as a director of Key Energy Services, Inc., a public company located in Houston, Texas (NYSE: KEG) since 1996.
- (4) Mr. Swanson has served as a director and Audit Committee Chairman of Ascent Solar Technologies, Inc., a public company located in Thornton, Colorado (NASDAQ: ASTI) since January 2007.

Other than as set forth in footnote above with respect to Mr. Eaves, there are no arrangements or understandings between any directors or executive officers and any other person or persons pursuant to which they were selected as directors or executive officers.

### EXPERIENCE AND QUALIFICATIONS OF DIRECTOR NOMINEES

The Nominating and Governance Committee seeks directors with strong reputations and experience in areas relevant to our strategy and operations, such as mining, environmental and chemical technologies, government regulation and relations and supply chain management. Each of the nominees for election as director holds or has held senior executive positions in complex organizations and has operating experience that meets this objective, as described below. In these positions, the nominees have also gained experience in core management skills, such as strategic and financial planning, public company financial reporting, corporate governance, risk management and leadership development. The



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Nominating and Governance Committee also believes that each of the nominees has other key attributes that are critical to the composition of an effective Board: integrity and demonstrated impeccable ethical standards, sound judgment, analytical skills, the ability to work together in a constructive and collaborative fashion and the commitment to devote significant time and energy to service on the Board and its Committees.

The specific experience, qualifications and background of each nominee follows:

Mr. Caruso currently serves as a managing partner of B/3 Management Resources, LLC, a management consulting and technical services firm, and has held that position since 1988. Mr. Caruso serves as the general manager of Design Net Engineering, LLC, an aerospace engineering company, since 2006. Mr. Caruso has also served as Vice President of IngeniumCare, a developer of remote healthcare monitoring systems, since 2003. From 1999 to 2001, Mr. Caruso was Vice President and General Manager of Applied Science & Technology, a public company at the time, providing reactive gas processing systems and specialty power sources to the semiconductor and medical equipment markets. Previously, Mr. Caruso was an executive officer of a division of Adolph Coors Company and held several management positions with the Aluminum Company of America (ALCOA). From June 2008 to April 2010, Mr. Caruso served as Chairman of the Board of American Shipping Company ASA, a Norwegian company with U.S. operations based in Philadelphia, PA (OSL:ASMC). Mr. Caruso has a B.S. in Engineering Mechanics and B.A. in General Arts and Sciences from Pennsylvania State University and an MBA from Wayne State University. Mr. Caruso is Chairman of the Nominating and Governance Committee.

Dr. Durham was a co-founder in 1985 of ADA Technologies, Inc., an Englewood, Colorado private company which contracts to the federal government and others for development of emission technologies. ADA Environmental Solutions LLC, our wholly owned subsidiary, was originally spun-out of ADA Technologies in 1996. Dr. Durham has been President, CEO and a director of the Company since 2003 and President of ADA Environmental Solutions, LLC since its formation in 1996. Dr. Durham has a B.S. in Aerospace Engineering from Pennsylvania State University, an M.S. and Ph.D. in Environmental Engineering from the University of Florida and an Executive MBA from the University of Denver. Dr. Durham is a member of the Board of the American Coal Council, a trade association of companies that sell, use and provide services related to coal, a Board member and officer of the Institute of Clean Air Companies, a trade association of companies that provide equipment to measure and control air pollution, and was appointed a member of the National Coal Council, which advises the Secretary of Energy on coal-related issues.

Mr. Eaves currently serves as President, Chief Operating Officer and a director of Arch Coal, Inc. Mr. Eaves previously held the position of Vice President of Marketing for Arch Coal since that company's formation on July 1, 1997. Prior to that time, he served as President of the marketing subsidiary of Arch Mineral Corporation, one of Arch Coal's predecessor companies. He also held various positions in sales and administration with Diamond Shamrock Company and Natomas Coal Company. Mr. Eaves holds a B.S. degree from the University of Kentucky and attended an Executive Management Program at the Wharton School of Business and an Advanced Management Program at Harvard Business School.

Mr. Derek Johnson serves as the President of Fusion Specialties, a specialty supplier to the retail industry, and has held that position since September 2009 and previously from November 2005 to October 2008. Mr. Johnson previously served as the Vice President of new business development for Kennametal, a public company based in Pittsburgh, PA. Mr. Johnson held this position from October 2008 to August 2009. Since 2008, Mr. Johnson has served as a Director of Qualmark Corporation (OTC.PK: QMRK), a company that designs, manufactures, and markets proprietary equipment that rapidly and efficiently exposes product design and manufacturing-related defects for the purpose of improving product quality and reliability. From 1984 to 2005, Mr. Johnson was employed in various positions, most recently as President and Chief Operating Officer, by CoorsTek, a manufacturer of technical products, supplying critical components and assemblies for mining, automotive, semiconductor, aerospace, electronic, power generation, telecommunication and other high-technology applications on a global basis. He has a Higher National Certificate from Kirkcaldy College in Scotland and an Executive MBA from the University of Denver.

Mr. Ronald Johnson has been involved in all phases of the chemical industry, including production, compounding and distribution in domestic and international markets, for 50 years. He held a marketing position in strategic planning with DuPont, Industrial and Biochemical Department; Gamlen Chemical, an international compounding company as manager of worldwide development; and Univar, a large global chemical distributor from 1968 to 1984. He served as a Board member of Charter National Bank and Trust from 1998 to 2002. Mr. Johnson also served on the Board of Earth Sciences, Inc. from 1999 to 2003. Mr. Johnson has been President of Twin-Kem International, Inc., a distributor of agricultural and industrial chemicals, since 1984, and President of ExecuVest, Inc., an oil & gas exploration company, since 1987. Mr. Johnson is Chairman of the Compensation Committee.

Mr. Marcum was appointed a director of the Company in January 2008 and currently serves as the Chairman of our Board. Mr. Marcum has served as a chairman of the board of PNG Ventures Inc.(being reorganized as Applied Natural Gas Fuels, Inc.), a liquefied natural gas producer based in Dallas, Texas (OTC PNGXQ) since 2008. He served as a director of Key Energy Services

(NYSE: KEG), an oilfield services company based in Houston, Texas, since 1996. Prior to his appointment to the Board of Key Energy Services, he was the non-executive Chairman of the Board of WellTech, Inc. from 1994 until March 1996, when WellTech was merged into Key Energy Services. From January 1991 to April 2007, Mr. Marcum was Chairman of the Board, President and Chief Executive Officer of Metrotek Technologies, Inc., currently known as PowerSecure International (NASDAQ: POWR). He retired in April 2007. Mr. Marcum has been a principal in MG Advisors, LLC since April 2007. He holds a bachelor's degree in Business Administration from Texas Tech University.

Mr. McKinnies has served as our Chief Financial Officer and Secretary since 2003 and was appointed as Senior Vice President in September 2005. Mr. McKinnies was employed by Earth Sciences from 1978 through 2000. A CPA, Mr. McKinnies worked for Peat, Marwick, Mitchell & Co. before commencing employment at Earth Sciences in 1978. Mr. McKinnies holds a bachelor's degree in Accounting from the University of Denver.

Mr. Smith was appointed a director of the Company in August 2003 and is presently retired from his position as a self-employed lawyer in the Law Office of Jeffrey C. Smith, a position he held from April 2003 to December 2009. From 1981 until April 2003, Mr. Smith served as Managing Director of ESI International, providing regulatory consulting services. Mr. Smith is a past Executive Director of the Institute of Clean Air Companies, where he served for 17 years. Mr. Smith holds a bachelor's degree from Duke University and a J.D. from the University of Michigan.

Mr. Swanson was appointed a director of the Company in July 2006 and serves as the Chairman of the Audit Committee. Mr. Swanson has been an advisor and performance coach to CEOs and business owners in Colorado for 15 years through an affiliation with Vistage International, Inc. (formerly the Executive Committee), the world's leading CEO membership organization. Previously he was with Accenture, was the CFO of a \$200 million company, and was the founder and president of a commercial real estate investment and development company in Denver. He has accomplished corporate turnaround projects, has served on a number of private company boards, and is also a director and Audit Committee Chairman of Ascent Solar Technologies Inc. (NASDAQ: ASTI). He has a B.A. in History from the University of Colorado and an MBA from Harvard Business School. Mr. Swanson is Chairman of the Audit Committee.

No family relationship exists between any directors or executive officers.

## **CORPORATE GOVERNANCE**

### **DIRECTOR INDEPENDENCE**

The Board maintains audit, compensation and nominating and governance committees. In our fiscal year 2009 all directors other than Dr. Durham and Mr. McKinnies qualified as independent directors as defined in NASD Rule 4200(a)(15), and each Board committee was comprised solely of independent directors. The charters of each committee are available on our website at [www.adaes.com](http://www.adaes.com) under Investor Relations.

### **BOARD MEETINGS AND COMMITTEES**

Our Board is responsible for establishing broad corporate policies and monitoring the overall performance of the Company. However, in accordance with corporate legal principles, the Board is not involved in day-to-day operating matters. Members of the Board are kept informed of the Company's business by participating in Board and committee meetings, by reviewing analyses and reports sent to them weekly and monthly, and through discussions with the President and other officers.

The Board of Directors met nine times in 2009. At each of the Board of Directors meetings the independent directors were polled to determine if they believed an Executive Session was needed. On two occasions such sessions were held where management of the Company was excluded. The Audit Committee met eight times in 2009, the Compensation Committee met seven times in 2009 and the Nominating and Governance Committee met six times in 2009. All of the directors were present for more than 75% of the meetings of the Board of Directors and the committees of which they were members held during their individual terms.

### **AUDIT COMMITTEE**

Our Board has an Audit Committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the Exchange Act), which consists of Messrs. Derek Johnson, Ronald Johnson, Smith and Swanson. Mr. Swanson serves as the chairman of the Audit Committee. Our Board has determined that Mr. Swanson is an Audit Committee Financial Expert. Mr. Swanson is independent as that term is used in the listing requirements for the Nasdaq Stock Market, and a brief listing of his relevant experience is stated in his biography above under the caption entitled Experience and Qualifications of Director Nominees.



The role and functions of the Audit Committee are set out in the Audit Committee Charter, as amended, originally adopted by the Company's Board and most recently amended on September 23, 2005. The role of the Audit Committee is one of oversight of our accounting and financial reporting processes and audits of our financial statements. The Audit Committee's functions include the following: reviewing and assessing the Audit Committee Charter annually; overseeing the Company's compliance with legal, ethical and regulatory requirements; overseeing the Company's processes to identify and manage business and financial risk; appointing, approving the compensation of and reviewing the Company's relationships with its independent registered public accounting firm and/or other auditors and assessing the impact such relationships may have on the auditors' objectivity and independence; taking other appropriate action to oversee the independence of the outside auditors; reviewing and considering the matters identified in Statement on Auditing Standards No. 114 with the outside auditors and management; reviewing and discussing the Company's financial statements with the outside auditors and management; recommending whether the Company's audited financial statements should be included in the Company's Form 10-K for filing with the Securities and Exchange Commission (SEC); and reporting to the Board on all such matters. In performing its oversight function, the Audit Committee relies upon advice and information received in its discussions with the Company's management and independent registered public accounting firm.

#### **Report of the Audit Committee**

The Audit Committee has (i) reviewed and discussed the Company's audited financial statements for the fiscal year ended December 31, 2009 with the Company's management; (ii) discussed with the Company's independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 114, as amended, as adopted by the Public Company Accounting Oversight Board (PCAOB) in Rule 3200T regarding communication with audit committees (AICPA Professional Standards, Vol. 1, AU section 380); and (iii) received the written disclosures and the letter from the Company's independent registered public accounting firm required by applicable requirements of the PCAOB regarding the independent accountant's communications with the Audit Committee concerning independence and has discussed with the Company's independent accountants the independent accountants' independence.

Based on the review and discussions with management and the Company's independent registered public accounting firm referred to above, the Audit Committee recommended to the Board that the audited consolidated financial statements as of December 31, 2009 and 2008 and for the years ended December 31, 2009 and 2008 be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2009 for filing with the SEC.

Respectfully submitted,

The Audit Committee:     Richard Swanson, Chairman  
                                  Derek Johnson  
                                  Ronald Johnson  
                                  Jeffrey C. Smith

#### **NOMINATING AND GOVERNANCE COMMITTEE**

Our Board has appointed a Nominating and Governance Committee consisting of Messrs. Caruso, Eaves, Derek Johnson and Marcum. Mr. Caruso serves as the chairman of the Nominating and Governance Committee. The responsibilities of the Committee, as set forth in the Nominating and Governance Committee Charter, include selecting director nominees for the Board, reviewing director compensation and benefits and submitting the same to the entire Board for approval, overseeing the annual self-evaluation of the Board and its committees, recommending the structure and composition of Board committees to the entire Board for approval and monitoring in conjunction with the Audit Committee compliance with our Code of Conduct and granting any waivers thereto with respect to directors and executive officers, recommending individuals to serve as Chairperson of the Board and Chief Executive Officer and reviewing the Chief Executive Officer's recommendations for individuals to serve as executive officers and analyzing and recommending such persons to the Board.

Criteria established for the selection of candidates for the Board include:

- a. An understanding of business and financial affairs and the complexities of an organization that operates as a public company in the business of the Company;
- b. A genuine interest in representing all of our shareholders and the interests of the Company overall;

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- c. A willingness and ability to spend the necessary time required to function effectively as a director;
- d. An open-minded approach to matters and the resolve and ability to independently analyze matters presented for consideration;

- e. A reputation for honesty and integrity that is above reproach;
- f. Any qualifications required of independent directors by the NASDAQ Stock Market and applicable law; and
- g. As to any candidate who is an incumbent director (who continues to be otherwise qualified), the extent to which the continuing service of such person would promote stability and continuity in the Boardroom as a result of such person's familiarity and insight into the Company's affairs, and such person's prior demonstrated ability to work with the Board as a collective body.

Director nominees are generally identified by our officers, directors or shareholders based on industry and business contacts. Regardless of the source of the nomination, nominees are interviewed and evaluated by the Nominating and Governance Committee, other members of the management team and the Board as deemed appropriate by the Nominating and Governance Committee. The Nominating and Governance Committee then presents qualified candidates to the Board for a final discussion and vote.

We do not have a formal policy with respect to the consideration of diversity in the identification of director nominees, but the Nominating and Governance Committee strives to select candidates for nomination to the Board with a variety of complementary skills so that, as a group, the Board possesses the appropriate talent, skills and expertise to oversee the Company's businesses.

Under the Nominating and Governance Committee Charter, the Nominating and Governance Committee will consider nominees submitted by our shareholders. Recommendations of individuals that meet the criteria set forth in the Nominating and Governance Committee Charter for election at our 2011 annual meeting of shareholders may be submitted to the Committee in care of Mark H. McKinnies, Secretary, at 8100 SouthPark Way, Unit B, Littleton, Colorado 80120 no later than December 31, 2010.

The Committee has recommended to our Board the slate of directors for this Annual Meeting as set forth above. No third party was used in identifying or evaluating nominees, and we received no shareholder recommendations for nominees. The initial appointment of Mr. Eaves to our Board was made pursuant to a 2003 Subscription and Investment Agreement with Arch Coal, Inc. whereby our management agreed to make available one seat on the Board for an Arch Coal designee and to vote all shares and proxies they are entitled to vote in favor of such designee for so long as Arch Coal continues to hold at least 100,000 shares of our common stock.

#### **COMPENSATION COMMITTEE**

Our Board has appointed a Compensation Committee consisting of Messrs, Caruso, Eaves, Ronald Johnson, Marcum, Swanson and Smith. Mr. Johnson serves as the chairman of the Compensation Committee. The responsibilities of the Compensation Committee, as set forth in the Compensation Committee Charter, most recently amended on June 17, 2008, include reviewing our executive compensation programs to analyze their alignment with attracting, retaining and motivating our executive officers to achieve our business objectives; establishing annual and long-term performance goals for our executive officers and evaluating their performance in light of such goals, reviewing and making recommendations concerning our long-term incentive plans and shareholder proposals related to compensation and administering our equity-based and employee benefit plans. See Executive Compensation below for additional information.

#### **SHAREHOLDER COMMUNICATIONS TO DIRECTORS**

Any shareholder may communicate directly with the Board (or any individual director) by writing to the Chairman of the Board, ADA-ES, Inc., 8100 SouthPark Way, Unit B, Littleton, Colorado 80120 or by emailing the Board through the Contact the Board link on our website at [www.adaes.com](http://www.adaes.com). Any such communication should state the number of shares beneficially owned by the shareholder making the communication. Provided that such communication addresses a legitimate business issue, the Company or the Chairman will forward the shareholder's communication to the appropriate director. For any communication relating to accounting, auditing or fraud, such communication will be forwarded promptly to the Chairman of the Audit Committee.

#### **CODE OF ETHICS**

We have adopted a Code of Conduct that applies to our officers, directors and employees, including the principal executive officer, principal financial officer, principal accounting officer or controller or other persons performing similar functions, which includes a code of ethics as defined in Item 406(b) of SEC Regulation S-K. A copy of our Code of Conduct, which was most recently amended in April 2009, is available on our website at [www.adaes.com](http://www.adaes.com). We intend to disclose any amendments to certain provisions of our Code of Conduct, or waivers of such provisions granted to executive officers and directors, on our website.





## BOARD LEADERSHIP STRUCTURE AND ROLE IN RISK OVERSIGHT

We have a policy of keeping the roles of Chief Executive Officer and Chairman of the Board separate, and the roles are currently filled by two different individuals. We believe this arrangement is appropriate as it recognizes the distinction between the role played by the Chief Executive Officer, which is a position being more heavily oriented towards day-to-day management, while the Chairman's functions as an independent director whose role it to oversee the Board of Directors and is also able to participate in executive sessions of the Board.

The Board has designated the Audit Committee to take the lead in overseeing risk management, and the Audit Committee periodically reports to the Board regarding briefings provided by management and advisors as well as the Committee's own analysis and conclusions regarding the adequacy of the Company's risk management processes. In addition to this compliance program, the Board encourages management to promote a corporate culture that incorporates risk management into the Company's strategy and day-to-day business operations. The Board and management continually work together to assess and analyze our most likely areas of future risk.

### PROPOSAL 2

#### RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

##### Relationship with Independent Registered Public Accounting Firm

Ehrhardt Keefe Steiner & Hottman PC ( EKS&H ) served as the Company's independent registered public accounting firm for fiscal years 2008 and 2009 and has performed procedures related to the financial statements included in our quarterly reports on Form 10-Q, beginning with and including the quarter ended March 31, 2008.

Shareholder ratification of the Audit Committee's selection of EKS&H as our independent registered public accounting firm as requested in Proposal 2 is not required by our bylaws or otherwise. The Board is submitting this proposal to the shareholders for ratification as a matter of good corporate practice. If the shareholders fail to ratify the selection, the Audit Committee will reconsider whether or not to retain this firm. We anticipate that a representative of EKS&H, who conducted the audits for the years ended December 31, 2008 and 2009, will be present at the Annual Meeting of Shareholders. There have been no disagreements on matters of accounting principles or practices, financial statement disclosures or audit scope or procedures between the Company and EKS&H, during the most recent fiscal year or any subsequent interim period. The representative of EKS&H will be available to respond to shareholder questions and will have the opportunity to make a statement at that time if the representative desires to do so.

##### Audit Fees

	<b>EKS&amp;H</b>	
	<b>2009</b>	<b>2008</b>
Audit Fees (1)	\$ 181,750	\$ 184,571
Audit Related Fees	\$ -	\$ -
Tax Fees (2)	\$ -	\$ 31,000
All Other Fees (3)	\$ 4,859	\$ 6,309

(1) Includes annual and quarterly review services related to our Form 8-K, 10-Q, 10-K filings, Section 404 internal control audit service and review services related to the filings of Registration Statements on Form S-3 and Form S-8.

(2) Includes tax services related to the preparation of our 2007 Federal and State Tax Returns and 2008 estimated tax payments.

(3) Includes consultation services related to the application of certain accounting principles related to revenue recognition and financial statement disclosures.

##### Audit Committee Approval of Services

The Audit Committee pre-approves all audit or non-audit services performed by our independent accountant in accordance with Audit Committee policy and applicable law. The Audit Committee generally provides pre-approval of audit services and services associated with SEC registration statements, other SEC filings and responses to SEC comment letters (Audit Fees) and services related to internal control reviews, internal control reporting requirements and consultations with our management as to accounting or



disclosure treatment of transactions or events and the impact of rules, standards or interpretations by the SEC and other regulatory or standard-setting bodies (Audit-Related Fees) for each 12-month period within a range of approved fees. To avoid certain potential conflicts of interest, the law prohibits us from obtaining certain non-audit services from our independent accountant. The Audit Committee has delegated authority to approve permissible services to its Chairman. The Chairman reports such pre-approvals to the full Audit Committee at its next scheduled meeting. The Audit Committee pre-approved 100% of the services provided by the independent accountants in 2009. None of the services of the independent accountants in 2009 were of the type specified in Rule 2-01(c)(7)(i)(C) of SEC Regulation S-X.

### **PROPOSAL NO. 3**

## **STOCK ISSUANCE PLAN ISSUANCE OF SHARES OF THE COMPANY S COMMON STOCK IN EXCESS OF 20% OF THE AMOUNT OF OUR EXISTING OUTSTANDING SHARES AND NOT MORE THAN 3.5 MILLION SHARES, INCLUDING SHARES OF COMMON STOCK POTENTIALLY UNDERLYING PREFERRED STOCK, OPTIONS AND/OR WARRANTS IN CONNECTION WITH RAISING CAPITAL FOR IMPLEMENTING OUR GROWTH PLANS AND FOR GENERAL WORKING CAPITAL PURPOSES**

### **Background and Overview**

We currently anticipate the likely need to raise additional capital to finance our growth plans which include additional refined coal facilities and opportunities in the growing mercury emission control market, as well as for general working capital purposes. We believe that it would be beneficial for the Company to be positioned to raise capital for future financing needs on an expedited basis in order to take advantage of the timing of favorable market conditions, and which may be on terms and conditions where the issuance of the security is not restricted or otherwise limited upon issuance, conversion or exercise.

Because our common stock is listed for trading on the NASDAQ Capital Market, the issuance of our common stock, or securities that are convertible or exercisable into common stock, is subject to the NASDAQ Marketplace Rules, including:

Rule 5635(b), which requires shareholder approval prior to the issuance of securities when the issuance or potential issuance will result in a change of control of the Company (the Change of Control Rule ); and

Rule 5635(a)(1)(A-B), which requires shareholder approval where the transaction is other than a public offering for cash and the common stock has or will have upon issuance voting power equal to or in excess of 20% of the voting power outstanding before the issuance, or the number of shares of common stock to be issued is or will be equal to or in excess of 20% of the number of shares of common stock outstanding before the issuance (the 20% Rule ).

We are therefore seeking your approval now for the issuance of common stock or securities exercisable for or convertible into common stock that, absent such approval, would violate the Change of Control Rule and/or the 20% Rule. If this proposal is approved, we will be able to engage in a financing transaction or a series of financing transactions in which we will be allowed to issue more than 20% of our outstanding common stock (as of the date prior to the newly authorized issuance) but not more than a total of 3.5 million shares, either directly, upon conversion of a preferred stock, or through the exercise of warrants issued in that financing.

### **Potential Dilutive Effect on Existing Shareholders**

Regardless of the type of security that is issued in connection with any future capital raising efforts, it is anticipated that such security or securities will constitute, either directly or by conversion or exercise, more than 20% of our then-issued and outstanding common stock and, accordingly, could be materially and substantially dilutive to our existing shareholders. We currently anticipate raising up to \$25 to \$35 million in new capital from a future financing or series of future financings. The terms of any such financing have not been determined at this time. However, we would issue no more than 3.5 million shares of our common stock (either directly or by the conversion of preferred stock and the exercise of warrants that would be issued in connection with any such direct common stock or preferred stock issuance or issuances). As a result, the maximum amount of dilution that may be experienced by current shareholders would be an aggregate of 3.5 million shares of common stock underlying the securities that may be issued in any such financing or financings.



We currently anticipate that in connection with such financing or series of financings, we will issue either common stock, convertible preferred stock, warrants, or some combination thereof, which could result in gross proceeds to us of up to \$35 million in the aggregate, exclusive of any proceeds we may receive upon exercise of warrants that may be issued in such a financing. The future issuance price, conversion price or exercise price, as applicable, will probably be determined in relation to the market price of our common stock at the time of the issuance. Consequently, it is impossible to determine what that price might be. Accordingly, we can only provide you with information based upon the maximum amount of dilution you would experience if we issued 3.5 million shares (the maximum number of shares reserved for such purposes) in any such future financing or financings.

Finally, in order to provide our existing shareholders with as much dilution protection as possible, the price per share, conversion price or exercise price, as applicable, will not be greater than a 15% discount to the market price of our common stock at such time, which will be determined by our Board and may be based on a range of market prices over a certain time period or on a date certain.

### **Use of Proceeds from the Financing**

As described in detail in our Annual Report on Form 10-K, we develop and implement proprietary environmental technology and provide specialty chemicals that enable coal-fueled power plants to enhance existing air pollution control equipment, maximize capacity and improve operating efficiencies. As a part of this business, we are actively involved in (1) designing, constructing and placing into operation refined coal facilities that qualify for tax credit under Section 45 of the IRC, and (2) designing, marketing and supplying mercury emissions control systems to coal-fueled power plants. Both of these areas provide near-term growth opportunities for the Company as discussed below, and are areas in which we may use proceeds from the issuance of securities pursuant to the Stock Issuance Plan.

#### **Refined Coal Facilities**

In 2006, we established Clean Coal Solutions, LLC as a joint venture with an affiliate of NexGen Resources Corporation, to market our patented refined coal technology that reduces emissions of NO<sub>x</sub> and mercury from certain coals in cyclone boilers. Clean Coal's primary purpose is to qualify for Section 45 Tax Credits under the Internal Revenue Code of 1986, as amended (the IRC), which are obtained through the placing into service of facilities that produce refined coal (as defined in the IRC). In 2009 Clean Coal pursued several opportunities for placing refined coal facilities into service, ultimately placing two such facilities in service prior to January 1, 2010, both of which demonstrated the required emission reductions for their refined coal product to qualify for the tax credits. We are continuing to work with Congress and consultants in Washington, D.C. to pursue an extension of the deadline to qualify for the tax credits. The design, construction and placement into service of additional refined coal facilities that qualify for the tax credits would require capital investment by the Company.

#### **Mercury Emission Control**

We have been involved in developing and implementing technology for the control of hazardous pollutants from coal-fired boilers since 2000. Pursuant to the resolution of recent litigation, the U.S. Environmental Protection Agency has agreed to adopt rules reducing hazardous air pollutants (HAP) by November 2011, with implementation in 2014. These rules will establish a Maximum Achievable Control Technology (MACT)-based HAP regulation, which we believe will include the requirement to control mercury, organic compounds, volatile metals such as arsenic and selenium and acid gases such as hydrochloric acid from power plants. Additional regulation may require MACT-based mercury emissions regulation for the Portland cement industry or stricter mercury emissions control generally. We believe these new regulations will expand the market for our activated carbon injection (ACI) systems in North America. We have garnered an approximate 30% market share of ACI systems sold in North America. Pursuit of opportunities to maintain a similar market share in an expanding market will require investment of capital. We have also been engaged in the design and construction of an activated carbon manufacturing facility in Louisiana through an investment in ADA Carbon Solutions, LLC a venture which we are pursuing with Energy Capital Partners I, LP and its affiliated funds and expect to have the opportunity to invest in expanded AC production through ADA Carbon Solutions, which would require investment capital.

#### **Forward-Looking Statements**

The above description of our growth strategy contains forward-looking statements that are subject to risks, uncertainties and other factors that could cause actual results to differ materially from those referred to in the forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, and include statements relating to whether Congress will pass an extension of the deadline to qualify for Section 45 tax credits, whether Clean Coal will be able to place additional refined coal facilities into service; whether the MACT-based HAP regulations will include the requirement to

control mercury, organic compounds and other metals and acid gases from power plants; whether new regulations will target the Portland cement industry; whether any new regulations expand the market for our ACI systems; whether we will be able to take advantage of an expanded market for ACI systems; and whether we would have the opportunity to invest in expanded AC production through ADA Carbon Solutions. Risks, uncertainties and assumptions include those described in our SEC filings and especially in our most recent Annual Report on Form 10-K, filed with the SEC on March 29, 2010. These filings are available on a web site maintained by the SEC at <http://www.sec.gov>. If any of these risks or uncertainties materializes or any of these assumptions proves incorrect, our results could differ materially from the expectations described in these statements.

### **Working Capital**

In addition to, or instead of, the potential implementation of any or all of the growth strategies outlined above, we may use proceeds from the issuance of shares pursuant to the Stock Issuance Plan for general working capital purposes, including for satisfying indemnity obligations.

### **Necessity for Shareholder Approval**

The NASDAQ Marketplace Rules include both the Change of Control Rule and the 20% Rule. Our Amended and Restated Articles of Incorporation allow us to issue both common stock and preferred stock, and the Board can designate the rights, preferences and privileges of any series of preferred stock. However, unless the securities are issued in a public offering, the issuance of common stock or the conversion of any such preferred stock that has a conversion price below the market price on the date of issuance must comply with the 20% Rule, or if the conversion price is at or above market and the conversion would result in the issuance of greater than 20% of the outstanding common stock on a post-conversion basis, such issuance must comply with the Change of Control Rule. Although we do not yet know the price of the securities to be offered in a future financing or series of financings, we are seeking shareholder approval at this time in order to be able to complete any such future financings in a timely manner in order to allow us to take advantage of favorable market conditions or heightened investor interest. Furthermore, we believe that the ability to issue securities without restriction on the issuance, conversion or exercise thereof will provide us with better leverage in negotiating the terms of any such future financing with potential investors.

In order to enable the Company to issue common stock, or allow purchasers of preferred stock or warrants to fully convert or exercise such securities, we must comply with the shareholder approval requirements of either the 20% Rule for any anticipated financing (other than in a public offering) where we propose to issue securities at a price below existing market, or the Change of Control Rule for any anticipated financing where we propose to issue securities at a price at or above market. We do not have terms, including the price of the securities issuable pursuant to the proposed financing, at this time, although the maximum amount of common stock or securities convertible into common stock discussed above will be the maximum amount of dilution experienced by our current shareholders as a result of any such issuance.

### **Required Vote**

NASDAQ rules require that the Stock Issuance Plan receive the affirmative votes of a majority of the votes cast, in person or by proxy, at the Annual Meeting. Abstentions are treated as shares present or represented and entitled to vote at the Annual Meeting, but will have the same effect as a vote against this proposal. Broker non-votes are not deemed to be present and represented and are not entitled to vote, and therefore will have no effect on the outcome of this proposal.

### **Recommendation**

The Board believes that it is in the Company's best interest for the shareholders to authorize the issuance of securities in a subsequent financing or series of financings as described herein, so that the Company can take advantage of market conditions and raise capital as needed to fund the Company's expansion plans and general working capital needs.

**OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE PROPOSAL TO APPROVE THE STOCK ISSUANCE PLAN FOR THE ISSUANCE OF SHARES OF THE COMPANY'S COMMON STOCK IN EXCESS OF 20% OF THE AMOUNT OF OUR EXISTING OUTSTANDING SHARES AND NOT MORE THAN 3.5 MILLION SHARES, INCLUDING SHARES OF COMMON STOCK POTENTIALLY UNDERLYING PREFERRED STOCK, OPTIONS AND WARRANTS.**

**EXECUTIVE OFFICERS**

Information concerning our executive officers who are not director nominees is provided below. See Election of Directors above for information regarding Dr. Durham and Mr. McKinnies.

<u>Name</u>	<u>Age</u>	<u>Positions and Offices</u>
Jonathan S. Barr	52	Vice President Sales and Marketing
C. Jean Bustard	52	Chief Operating Officer
Cameron E. Martin	52	Vice President Emissions Control
Richard L. Miller	56	Vice President Business Development for Utility Systems
Richard J. Schlager	58	Vice President Administration
Sharon M. Sjostrom	43	Vice President Technology

Each of the officers named above serves at the pleasure of the Board.

Mr. Barr has been Vice President Sales and Marketing of the Company since July 2004. From 1998 to early 2004, Mr. Barr was a National Vice President of Sales and Regional Vice President of Sales and Marketing for Arch Coal. From 1994 to 1998, Mr. Barr was with the C&O unit of CSX Transportation, where he served as the Director of River Coal Marketing and Market Manager for Utility Coal. Mr. Barr has a B.S. in Political Science/Business Administration from Wittenberg University.

Ms. Bustard was appointed Chief Operating Officer of the Company in June 2004. Ms. Bustard has served as Interim President of ADA Carbon Solutions, our 33% owned joint venture with Energy Capital Partners I, LP and its affiliated funds, since October 2008. Prior to her appointment as COO, she served as Executive Vice President of ADA Environmental Solutions, LLC, our wholly-owned subsidiary, beginning with its formation in 1996. Ms. Bustard was employed by ADA Technologies from 1988 through 1996. Ms. Bustard holds a B.S. in Physics Education from Indiana University, an M.A. in Physics from Indiana State University and an Executive MBA from the University of Colorado.

Mr. Martin was appointed Vice President of Emissions Control of the Company in December 2007. Prior to that appointment he served the Company as a Director of Mercury Control since 2003, Director of Engineering since 1997 and Project Manager in 1996. Mr. Martin has a B.S. in Environmental Science from West Virginia University.

Mr. Miller has served as our Vice President of Business Development since November 2005. He was previously employed by Hamon Research-Cottrell (HRC), from 1990 to November 2005, most recently as Vice President of Sales with primary responsibility in Particulate and Mercury Control Technologies. Prior to 1989, Mr. Miller was employed by Buell/GE Environmental in various technical and sales positions with direct responsibility for all fabric filter technologies. Mr. Miller currently serves as Co-Chair of the Institute of Clean Air Companies ( ICAC ) Mercury Control division and has previously served as Chairman of ICAC s Fabric Filter Division. Mr. Miller has an A.A.S. in Marine Science Technology from Southern Maine University, a B.S. Degree in Management from Lebanon Valley College and an Executive MBA from Colorado Technical University.

Mr. Schlager was appointed as our Vice President of Administration of the Company in August 2007. Prior to that appointment he served as the Vice President, Contract Research and Development since 2000 and was employed by ADA Technologies from 1989 until that time. Mr. Schlager holds a B.S. in Chemistry and an M.S. in Metallurgical Engineering from the Colorado School of Mines.

Ms. Sjostrom was appointed a Vice President effective January 1, 2007. Previously she served the Company as Director, Technology Development since 2003 when we acquired her company EMC Engineering, LLC, where she served as President since 2002. From 1998 until September 2002, Ms. Sjostrom served as Director of Emissions Control for Apogee Scientific, LLC. Ms. Sjostrom has a B.S. in Mechanical Engineering from Colorado State University, an M.S. in Mechanical Engineering from the California Institute of Technology and an Executive MBA from the University of Denver.

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL SHAREHOLDERS AND MANAGEMENT AND RELATED**

**SHAREHOLDER MATTERS**

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The following table provides information with respect to the beneficial ownership of the Company's common stock by (1) each of our shareholders whom we believe are beneficial owners of more than 5% of our outstanding common stock, (2) each of our directors and



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named executive officers and (3) all of our directors and executive officers as a group. We base the share amounts shown on each person's beneficial ownership as of April 19, 2010 (including options exercisable within 60 days thereof), unless we indicate some other basis for the share amounts. Percentage ownership is calculated based on 7,410,976 shares outstanding as of April 19, 2010. Except as noted below, each of the individuals named below has sole voting and investment power for the respective shares.

<u>Name and Address</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percent of Class</u>
Jonathan S. Barr (VP Sales and Marketing) 8100 SouthPark Way, Littleton, CO	53,264(1)	*
C. Jean Bustard (Chief Operating Officer) 8100 SouthPark Way, Littleton, CO	108,105(2)	1.4%
Robert N. Caruso (Director) 8100 SouthPark Way, Littleton, CO	23,147(3)	*
Michael D. Durham (Director, President and CEO) 8100 SouthPark Way, Littleton, CO	285,569(4)	3.7%
John W. Eaves (Director) 8100 SouthPark Way, Littleton, CO	282,483(5)	3.7%
Derek Johnson (Director) 8100 SouthPark Way, Littleton, CO	23,083(6)	*
Ronald B. Johnson (Director) 8100 SouthPark Way, Littleton, CO	26,105(7)	*
W. Phillip Marcum (Director) 8100 SouthPark Way, Littleton, CO	27,960(8)	*
Cameron E. Martin (VP Emissions Control) 8100 SouthPark Way, Littleton, CO	26,553(9)	*
Mark H. McKinnies (Director, Secretary, Senior VP and CFO) 8100 SouthPark Way, Littleton, CO	143,786(10)	1.9%