

DISTRIBUTED ENERGY SYSTEMS CORP  
Form 4  
March 05, 2008

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
MORGAN STANLEY

2. Issuer Name and Ticker or Trading Symbol  
DISTRIBUTED ENERGY SYSTEMS CORP [DESC]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
1585 BROADWAY  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
11/30/2007

\_\_\_\_ Director  
\_\_\_\_ Officer (give title below)  
 10% Owner  
\_\_\_\_ Other (specify below)

NEW YORK, NY 10036

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
\_\_\_\_ Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price \$			By
Common Stock	11/30/2007		P	21 A 0.35 36,821 (1)		I	Subsidiary (2)
Common Stock	12/11/2007		S	1,520 D 0.47 35,301 (1)		I	By Subsidiary (2)
Common Stock	12/13/2007		P	1,520 A 0.45 36,821 (1)		I	By Subsidiary (2)
Common Stock	12/13/2007		S	90 D \$ 36,731 0.45		I	By Subsidiary

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					(1)			(2)
Common Stock	12/13/2007	S	5	D	\$ 0.42	36,726	I	By Subsidiary
					(1)			(2)
Common Stock	12/13/2007	S	100	D	\$ 0.41	36,626	I	By Subsidiary
					(1)			(2)
Common Stock	01/17/2008	P	44	A	\$ 0.6	36,670	I	By Subsidiary
					(1)			(2)
Common Stock	01/17/2008	S	41	D	\$ 0.58	36,629	I	By Subsidiary
					(1)			(2)
Common Stock	01/22/2008	S	32	D	\$ 0.59	36,597	I	By Subsidiary
					(1)			(2)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 6)
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				Code	V (A) (D)				

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
				X

MORGAN STANLEY  
1585 BROADWAY  
NEW YORK, NY 10036

## Signatures

By: Morgan Stanley, /s/ Dennine Bullard, Authorized  
Signatory

03/03/2008

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Prices are rounded to the nearest 1/100th.

Morgan Stanley will disgorge short swing profits to Distributed Energy Systems Corp. in the amount of \$2,900.54 in connection with  
(2) Section 16(b) of the Securities Exchange Act of 1934, with respect to trades reported on this Form 4 and one other Form 4 being filed by Morgan Stanley on the date hereof.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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