



**ENVIRONMENTAL
ENTREPRENEURS**

www.e2.org

March 18, 2010

James Goldstene, Executive Officer
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Dear Mr. Goldstene:

We are writing on behalf of Environmental Entrepreneurs (E2), representatives of the American business community, to urge you to maintain the emission standards stipulated in the Off-Road Diesel Vehicle Regulation. We ask you to fully consider all potential business impacts, including those to manufacturers of pollution control equipment, as well as human health and economic impacts of breathing polluted air.

E2 represents a national community of 850 business leaders, with 650 members in California, who promote strong environmental policy to grow the economy. We are entrepreneurs, investors and professionals who collectively manage over \$20 billion of venture capital and private equity. Our members have started well over 800 businesses which in turn have created over 400,000 jobs. E2's business leaders work in every sector of the American economy. Whether directly involved in the clean energy industry or in other industry areas, E2 members recognize the benefits to their own businesses and to the American economy as a whole of a forward looking carbon and energy policy.

We recognize that the economic recession has hit many businesses hard, particularly in the construction sector. However, many construction companies have already done their part to reduce diesel pollution by investing in cleaner equipment. These companies will be penalized with a competitive disadvantage if the regulation is delayed or otherwise weakened even more than many extra credits and flexibility added to the off-road diesel rule through AB 8 2X last year. Further, the dealerships, mechanics and manufacturers who provide, install and maintain diesel exhaust controls called for by this rule will be profoundly setback by further delays of this regulation. The California Economic Development Department predicts 3,700 new jobs dealing with diesel engines by 2016. However, these green jobs will not materialize if diesel clean up regulations are abandoned.

California continues to suffer from some of the worst air quality in the nation, and is paying the price for it. Failure to meet air quality standards in the San Joaquin Valley and South Coast carries an estimated annual 28 billion dollar price tag according to research by California State Fullerton. A recent analysis by RAND on air pollution related emergency room visits and hospital admissions estimates that Californians spent \$200 million in direct medical costs over a three year period as a result of failure to meet air quality standards. Finally if poor air quality prevents attainment of federal clean air standards, the state is at risk of losing federal highway funding, which would hurt the very construction companies that the off-road rule covers.

We urge the Air Resources Board to continue the implementation of the Off-Road Diesel Vehicle Regulation and to avoid further modifications that would erode public health benefits or hurt businesses that have risen to provide new products to meet the standards. Modifications already made to the rule should be allowed to take effect, and their public health and economic impact evaluated, before other modifications are considered.

Sincerely,

Bob Epstein
E2 Co-Founder

Nicole Lederer
E2 Co-Founder

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