

James Little
10-4-2

WASTE CONNECTIONS, INC.
Connect with the Future®

April 7, 2010

James Goldstene
Executive Officer
California Air Resources Board
1001 I Street, PO Box 2815
Sacramento, CA 95812

Ref: COMMENTS ON THE REGULATION FOR IN-USE OFF-ROAD DIESEL-FUELED FLEETS

Dear Mr. Goldstene:

Waste Connections Inc. (WCI) is a leading provider of integrated solid waste collection, recycling and disposal services. WCI is a publicly-traded corporation with headquarters in Folsom. Since it was founded in 1997, WCI has grown both inside and outside California. We are a "large fleet" under the In-use Off-road Rule, with a fleet size of 27,000 total horsepower. We appreciate this opportunity to submit comments on the Rule and the changes that the Board will consider over the next several months.

1. Large fleet owners need and deserve certainty

WCI has invested in excess of \$3 million to meet the requirements adopted by ARB in 2007 and specifically to meet the requirements for early compliance to take advantage of the double particulate matter (PM) credit offered by ARB. This investment, which was largely an acceleration of capital investment has been particularly difficult in the current economic climate. Two hundred jobs were eliminated within WCI during 2009 as our company weathered tough economic times. Subsequent to our investment, ARB announced that it lacks the necessary federal approvals to enforce the performance requirements. While WCI recognizes and accepts ARB's state legal authority to regulate air pollution, what we have difficulty accepting is a lack of certainty when we are planning and making investments to comply with ARB rules. Both the subject rule and the recent Statewide Truck & Bus Rule, if implemented as passed, will require more than \$8 million in new capital requirements through 2013. WCI is grappling with this challenge and respectfully requests that ARB refrain from moving forward rules in the stop-and-go manner that the Off-road Rule has taken.

2. Large fleet owners that have made early investments merit credit beyond what ARB has offered

WCI met the large fleet targets on March 1, 2010 without the use of reduced activity credit. Through a combination of retirements and replacement vehicles we put the wheels in motion in 2009 to sequence new equipment delivery on time. We also have programmed capital for diesel PM retrofits that have taken us significant planning and engineering work in selecting appropriate equipment and a contractor that can serve multiple sites throughout California. We are weighing the double PM credit that should be granted for work performed against our other capital needs. Not knowing the reset date for obtaining the double PM credit is making our planning efforts more difficult. Given the lack of certainty



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in the future rule schedule, we believe that those fleets continuing to implement PM retrofits should be given an additional incentive to do so.

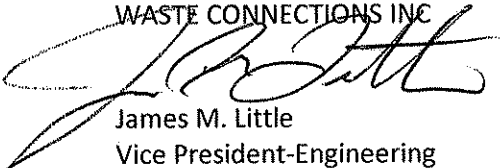
3. *ARB should evaluate a revised compliance schedule that provides additional time for large fleets to spread out the Rule costs*

Simply deferring the near-term compliance dates creates a "balloon payment" for large fleets like WCI. There are cumulative impacts of the Solid Waste Collection Vehicle Rule, Off-road and the Statewide Truck & Bus Rule. All of these rules require our continued attention and will be particularly challenging to implement all three rules. To date, WCI has seen no recognition of these multiple impacts and welcomes the opportunity to create a new schedule which achieves air quality improvement but also recognizes our ability to simultaneously invest in all three sectors during these years.

I welcome the opportunity to meet with you and your staff to discuss these issues. It also has been a couple months since we asked staff for a meeting to discuss our off-road compliance plan. Please ask your staff to contact me at (916) 608-8223 with a mutually acceptable time to discuss further.

Sincerely,

WASTE CONNECTIONS INC



James M. Little
Vice President-Engineering

CC: Kim Heroy-Rogalski, ARB

