

January 7, 2009

Chairman Mary Nichols CA Air Resources Board 1001 "I" Street Sacramento, CA 95812

James Goldstene Executive Officer CA Air Resources Board 1001 "I" Street Sacramento, CA 95812

Re: Public Hearing to Consider Changes to the Regulation for In-Use Off-Road Diesel-Fueled Fleets

Dear Chairman Nichols and Mr. Goldstene:

Cleaire appreciates the opportunity to provide comments on the changes the California Air Resources Board (ARB) has proposed to the regulation for In-Use Off-Road Diesel-Fueled Fleets. Please view this letter as an indication of Cleaire's support for the proposed changes.

As a retrofit provider, Cleaire stands ready to provide cost-effective rule compliance options in the form of a portfolio of Level 3 verified diesel emission control systems (VDECS). Cleaire has extensive experience with NOx/PM reduction systems and PM reduction systems for a variety of on-road and off-road applications. Over 6,000 systems have been deployed across a wide range of applications, primarily to achieve compliance with ARB regulations or to play a role in incentive programs. Several additional retrofit systems are currently in the ARB verification process. These systems will offer additional retrofit compliance options for this rule, and will result in immediate and cost-effective air quality benefits throughout California.

As background, Cleaire is a California-based company, with design and engineering in San Leandro and manufacturing in San Diego that is a leader in developing the highest-efficiency ARB-verified diesel emission control systems (Level 3 VDECS). In preparing to engineer compliance retrofits for this regulation, Cleaire has engaged with construction equipment fleet owners and operators, regulatory agencies, environmental groups, and community leaders to better understand the needs of each stakeholder and to understand how our technologies can play a role in ARB's proposed air quality solution.

We have worked very closely with ARB staff on two fronts regarding this regulation. First, by interacting and sharing data during the rigorous product verification process, and second by providing input on rule and program development based on our perspective as a supplier of technology solutions.

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Cleaire supports all of the changes staff is proposing for this regulation. Of particular importance is the double credit extension. Cleaire supports the extension of the PM double credit for retrofits. As a technology provider, Cleaire has been aggressively working to develop retrofit technology that will serve as a cost-effective compliance option for this rule.

Cleaire recently received CARB verification for our Lonestar<sup>TM</sup> product that reduces NOx by 40% and PM by greater than 85%, respectively. We also have two additional systems currently in the CARB verification process. One of these systems is an active Level 3 diesel particulate filter called Phoenix<sup>TM</sup>, and the second is a passive Level 3 diesel particulate filter applicable to engines up to 600 horsepower called Allmetal<sup>TM</sup>. Both of these systems have been performing well in the field on a variety of off-road applications.

The extended time frame for double credit allows technology providers like Cleaire to be a part of the compliance solution, and it affords CARB the opportunity to offer more retrofit compliance choices for off-road fleets. More importantly, the double credit gets VDECS installed sooner and on more off-road engines. It also aids any incentive program as well as helps eliminate enterprise limitations on production and installations if all are allowed to wait until last day for compliance.

This regulation will result in quick creation of new, green jobs in the retrofit installation and manufacturing business in California. Given current economic challenges, this is a benefit for California that goes well beyond the expected public health benefits of reduced diesel emissions. Cleaire is providing job opportunities and on-the-job training for technicians and mechanics who will install, repair, and maintain retrofit devices.

Based on our experience with diesel retrofit technology and our interaction with the key stakeholders we would like to commend and thank staff for their efforts to propose focused changes to the regulation that recognize the availability and value of retrofits as a viable compliance option.

Cleaire will continue to develop the highest quality Level 3 VDECS to help ARB achieve diesel PM and NOx reduction goals for health and air quality.

Thank you for considering the comments provided in this letter. Cleaire looks forward to working with ARB and continuing to provide technologies that enable cleaner air for California.

Sincerely,

Bar Edge

Dr. Bradley L. Edgar President