

January 15, 2008

Mary D. Nichols Chairman California Air Resources Board 1001 I Street / P.O. Box 2815 Sacramento, CA 95812

Subject:

California's New Limits on Emissions from Existing Fleets of Off-Road Diesel Equipment

Dear Ms. Nichols:

I am the president of Diamond D General Engineering, Inc., a construction company headquartered in Woodland, California. We are a small business with 25 full time employees and we have been in business for over 15 years.

California Air Resources Board's new emission standards have been out of reach for many contractors from the start. We feel that CARB's efforts are noble, but over ambitious. Many companies were proactive and opted to purchase the highest tier equipment available through the last decade. The current rules are punishing these firms who took a proactive position to clean up their fleets and lower their carbon foot prints far ahead of the state's ruling. These efforts have come at great expense to these firms with anticipation that they would be rewarded. While their competors have been rewarded by the state for there continued use of non tier high emission output equipment that is low cost.

Proactive firms that have taken on debt for years to come and are now faced with the dilemma of having to update their fleets once again as the technology has outpaced the life of their fleets. All this while still having to pay off some of their existing debt on early tier compliant equipment. This early tier equipment has a low residual value due to the CARB's ambitious goals, thus further punishing proactive companies for their noble efforts. All this has happened during this economic down turn that has effected off road fleets more than any other sector in the business community.

For these firms that have made a real attempt to do the right thing this has come as a shock. CARB should work with the companies that can demonstrate their proactive efforts to clean up their fleet emissions during the early stages. These companies have benefitted the states air quality for the past decade, and should be rewarded for these efforts.



Page 2 of 2

Furthermore, CARB's current goals are far over reaching for our industries current economic time. The state will force quality companies to face hard decisions to either close their doors or have to greatly down size their companies to stay in business. These companies will also be forced to pass this additional cost on to their customer base that will further add to the economic crisis we are facing.

Here at Diamond D we are committed to the goals of the CARB to lower emission, and provide cleaner air for our state. We welcome the opportunity to engage in a collaborative effort to accomplish this goal of clean air. However, our goals must be obtainable for our business community at large, while allowing for reasonable expectations for the companies that are affected by this mandate. These goals should provide reward for the good steward ship of those companies that have been proactively pursuing these goals as well.

We look forward to working with you to clean up California's air quality.

Best Regards,

Diamond D General Engineering, Inc.

Spencer Defty President

CC: California Air Resources Board Members

Daniel Sperling, Automotive Related Member
Ken Yeager, Bay Area AQMD Member
Dorene D'Adamo, Law Member
Mrs. Barbara Riordan, Mojave Desert AQMD Member
John R. Balmes, M.D., Physician Member
Lydia H. Kennard, Public Member
Sandra Berg, Public Member
Ron Roberts, San Diego APCD Member
John G. Telles, M.D., San Joaquin Valley APCD Member
Ronald O. Loveridge, South Coast AQMD Member