

CLERK OF THE BOARD
AIR RESOURCES BOARD

Dear the members of the Air Resources Board:

Meeting with the deadline date (March 20, 2007) for public comment and taking the significance of these issues into consideration, we submit our comments to you.

We cannot understand that the ARB is trying to take actions to enforce the establishment of a law based on the unilateral view of the Board. As dry cleaners, we too have "a sense of duty" to resolve these issues in cooperation with the State agency ARB.

We would like to know what you have found out and what you have recognized as problems so far as a result of your investigations and public hearings. In other words, we think that until now both the draft made by staff and the draft approved by five regular members out of eleven at the Board have problems. If these are finalized and decided, how would you cope with legal, economic, SMUD, PGE, Warter Co. and citizens' (residents') complaints arising from the polarization that is sure to happen?

Now dry cleaners cannot but take legal action, which is not what we initially intended to do, because even though we wish to sell our businesses right now, the prospective buyers ask us to deduct the machine price for \$100,000 from the asking price. This is due to the ARB measures. Each of us dry cleaners is already suffering a loss of from \$70,000 to \$100,000.

As for our financial situation, we used to have no difficulty in getting loans for the replacement of Perc machines since 1993, as credit was relatively not an issue. However, dry cleaners have trouble getting loans for laundry equipment these days as our credit is regarded risky, which make us unable to replace machines. We may have to be forced to remove them from service. Many dry cleaners will remain unequipped with any dry cleaning machine.

Therefore, if Perc machines must be removed from service by 2023 anyhow, please allow us to use them by then. Unconfirmed Perc emissions, groundless claims that [Perc] causes cancer, an American who claims that no one in his families spanning two to three generations having run the cleaner has developed any cancer, and the Koreans who have not gotten any cancer for the past 30 years of running their dry cleaners. If you turn your deaf ear to their complaints and make a law anyway, some day a regulation that we may use Perc again will be made.

We believe that you have received a lot of comments from dry cleaners or the public. We would like to tell you why dry cleaners need Perc.

The characteristics of Perc and its suitability as laundry detergent:

1. The duration of operation per load in Perc machines takes at least 30 minutes less than that in other types of laundry machines due to the performance of special chemicals in Perc.
2. The color of clothes won't change during washing.
3. The color of clothes becomes more vivid and softer like new clothing.
4. Since it is not volatile, it will not diminish in quantity even when recycled. Since it has a low flash point, it will not catch fire.
5. Spots, including all types of oils and stains, will easily come off clothing with it.
6. Since it is heavier than water, it is easily separated from water. Since it is heavier than air, its emissions will go down to the floor and won't be inhaled into the human body.
7. If Perc leaks by accident, it can be absorbed by towels right away and be completely recycled for dry cleaning operation.
8. Even when Perc is mixed with water, it can be separated from water and performs as same as new Perc.
9. As textiles produced around the world are manufactured from petrochemistry, cleaning them with Perc will extend the life of clothing and freshly maintain the original shape.
10. The residual smell of Perc left on clothing is 100 per cent removed by steam press.
11. What is special with it is that Perc machines can shorten the operation time per load 30 minutes less than that of any other dry cleaning machines. If a dry cleaner operates a Perc machine six times a day, it can save three hours. Assuming that a dry cleaner can save gas, power and water plus labor and machine depreciation for three hours a day, we can figure out the advantages: 5,210 dry cleaners x 3 hours = 15,630 hours. You could calculate it by multiplying this number by the amounts of gas and SMD water used (per day).

Other information for reference:

We visited the Dry Cleaning Equipment Show held in Los Angeles (LA 2007. 3. 25). What we are practically in immediate need of is dry cleaning equipment. However, we found that the Show displayed only large machines and water-based cleaning machines which usually cost from \$60,000 to \$150,000. They would cost more, over \$90,000, with transportation and installation costs included. What is more, the buildings where dry cleaners are located are too small to accommodate large equipment. It means we must move to larger buildings.

According to the equipment suppliers, we need to order from them early so that they may produce products to meet our needs.

In addition, the problem does not lie in dry cleaning machines themselves but in detergent. They cannot guarantee that their machines perform as much as Perc machines do. It is true that they cannot remove all kinds of oil stains as much as Perc does.

They say that the law ARB intends to make is a problem.

ARB should withdraw any action that infringes on personal property rights. In other words, it cannot happen in the democratic system that phase-out orders are to be given to dry cleaners to remove from service our equipment worth over \$50,000 and approved by the authorities to use at our facilities only because the machines are 15 years or older, even though they are still good to use for 10 more years.

We are afraid that the policy ARB has intended to proceed with is not in pursuit of the state-of-the-art technologies nor a future-oriented one in that the Board is to choose traditional dry cleaning methods which had been used decades ago in this highly developed country. ["Received" stamp imprinted]

ARB has reports maintaining the view that it should be fine to remove (phase out) Perc equipment from service as the measure could be regarded as a wise way voluntarily chosen by the 1,550 dry cleaners to switch to non-Perc machines. However, the real reason for us to have done so was because we wanted to avoid severe regulations and inspections on Perc machines. Some of the new or existing facilities have chosen to have other types of machines installed in order to inevitably avoid regulatory actions. Any dry cleaner would go back to Perc machines if Perc could be allowed to use even now. That is because 100 percent of customers want dry cleaning and 90 percent of them do not want water-based cleaning.

ARB should investigate why machine manufacturers produce larger machines. Since the process time of them takes longer than that of Perc machines, the number of operations is reduced. At present, large sewing machines can only be installed in large buildings.

We cannot use any dry cleaning facility in small buildings. We ask you to order them to produce smaller machines and refrain from asking exorbitant prices (reasonable price: approximately \$30,000).

Since their capability to produce machinery is unable to meet the demand, we suggest that you extend the timelines for the replacement of the machines. It would be impossible to enforce the phase out of them by 2023.

It would be appreciated if ARB would consider in executing its official duties the difficult situation into which all of the small service businesses have fallen due to domestic economic depression and interest hikes.

2007. 3. 30

["Received" stamp imprinted]

John Park, President
And 75 members
Korean Dry Cleaners Association of Sacramento