

THE FLANIGAN LAW FIRM

Timothy Flanigan

08-10-2

December 11, 2008

Members of the Board
California Air Resources Board
1001 I Street
Sacramento, CA 95814

Re: Rinnai Corporation's Comments Regarding CARB Board Meeting Agenda
Item No. 08-10-2 Relating to the AB 32 Scoping Plan

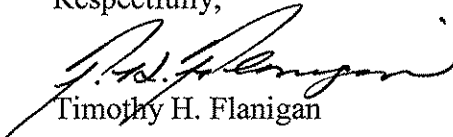
Dear Board Members:

I am writing on behalf of our client, Rinnai Corporation, a major manufacturer of tankless water heaters for both residential and commercial use throughout the globe. In fact, Rinnai manufactures a combination solar/natural gas water heater that is currently being marketed outside of the United States.

Rinnai has met with CARB staff to discuss the earlier proposed goals within the Draft Scoping Plan relating to solar water heaters. We appreciate CARB's openness regarding our client's input on the subject. We acknowledge that the proposed goal of 200,000 solar units by the year 2017, as set forth in the final proposal, is a requirement establish in statute by the passage of the state's Solar Hot Water and Efficiency Act of 2007. We ask that our client be included in any further discussions and planning processes by CARB relative to the issue of solar water heaters. As was discussed with CARB staff, solar water heaters are not stand alone devices. They currently require a water heating backup system in order to be effective. Electric tank, natural gas tank, and tankless water heaters are commonly used as backup systems. Thus, any cost benefit analysis of the use of solar water heaters has to take into consideration the impact of the combination of multiple technologies.

Thank you for your consideration.

Respectfully,



Timothy H. Flanigan

THF:an