

September 26, 2008

Ms. Mary Nichols
Chair, California Air Resources Board
1001 "I" Street
Post Office Box 2815
Sacramento, California 95812

Subject: Preliminary Comments in Response to the Supplemental Evaluations to the Draft Scoping Plan

Dear Ms. Nichols,

On Wednesday, September 17, 2008, the California Air Resources Board ("CARB") issued Supplemental Evaluations to the Draft Scoping Plan ("DSP"). These evaluations included the Economic Analysis Supplement (and its five appendices), the Public Health Analysis Supplement (and its five appendices), and the Measure Documentation Supplement. CARB has requested comments on these evaluations and has scheduled a workshop to discuss them on September 26, 2008.

As representatives of the California cement industry, the Coalition for Sustainable Cement Manufacturing and Environment ("the Coalition")* is in the process of reviewing the Supplemental Evaluations. These evaluations include hundreds of pages of detailed analysis and multitudes of complex calculations and related economic assumptions. Due to the length and complexity of these materials, we are unable to comment effectively during the September 26, 2008 workshop and we do not have sufficient time to prepare meaningful comments in advance of CARB issuing the Proposed Scoping Plan on October 3, 2008. Our objective is to provide meaningful comments as soon as possible.

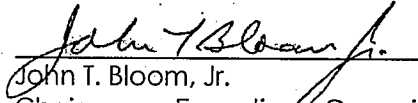
Given the importance of the methodologies that CARB will use to assess cost effectiveness and economic impact of policy decisions, the Coalition requests that CARB maintain sufficient flexibility in the Proposed Scoping Plan to consider our comments, particularly in relation to the approach taken for evaluating the cost effectiveness of measures proposed for the cement and concrete sectors. Based on an initial review of the evaluations, the Coalition does not understand how the projected costs and savings were calculated and would like to meet with the appropriate individuals in CARB who could provide us with a better understanding of the assumptions and methodologies that were used in the evaluation of our sector.

The Coalition looks forward to continuing our constructive dialogue with CARB, which will assist in improving our understanding of CARB's approach in the Supplemental Evaluations and, as a result, will enhance our ability to provide meaningful and effective comments.

* CSCME is a coalition of the following six companies: CalPortland Company, Cemex, Lehigh Southwest Cement Company, Mitsubishi Cement Corporation, National Cement Company of California, and Texas Industries, Inc. These six companies account for all cement production facilities in the state.

Page 2

Sincerely yours,



John T. Bloom, Jr.

Chairman, Executive Committee, Coalition for Sustainable Cement Manufacturing & Environment

Vice President & Chief Economist, U.S. Operations, Cemex

CC:

Linda Adams, California Environmental Protection Agency

John Moffatt, California Governor's Office

Darren Bouton, California Governor's Office

Dan Pellissier, California Environmental Protection Agency

David Crane, California Governor's Office

Chuck Shullock, California Air Resources Board

Dan Dunmoyer, California Governor's Office

Cindy Tuck, California Environmental Protection Agency

James Goldstene, California Air Resources Board