



Clean Energy[®]

North America's leader in clean transportation



Natural Gas Refuse and Port Trucks: Fleet Movement to "Go Green" and Reduce Operating Costs

June 25, 2008

Summary of Presentation



Company Background and Experience

What is Pushing Fleets to Natural Gas

Refuse Truck Market Growth

Launch of Natural Gas Port Trucking Program

Questions

About Clean Energy



- Largest provider of vehicular natural gas (CNG & LNG) in North America
 - Design, build & operate NG stations
- Full service
 - Vehicle & Station Grants (Over \$100 Million)
 - Financing
 - Station Build & Operate
 - Fuel Production & Transportation
 - Fuel and Fleet Marketing
- Industry Leading Statistics
 - 170+ fueling stations across North America
 - Over 14,000 customer vehicles fueled daily
- Publicly-traded as **CLNE on NASDAQ**
 - 75+ million gallons in 2007



We Fuel Fleet Vehicles Nationally

Transit

- Albuquerque ABO Ride
- Boston MBTA
- Dallas DART
- Foothill Transit
- Long Island Bus
- Omnitrans, San Bernardino, CA
- Phoenix RPTA
- Phoenix Transit
- San Diego MTS & NCTD
- Santa Clarita Transit
- Sun Metro
- Santa Monica Big Blue Bus
- Tempe Transit

Airport

- Dallas-Fort Worth (DFW)
- Denver (DIA)
- John Wayne
- La Guardia
- Los Angeles World Airports
- Phoenix Sky Harbor
- San Diego Lindberg
- San Francisco
- Sea-Tac



Trucking and Logistics

- Griley Trucking
- Harris Ranch
- HEB
- Sysco
- TTSI
- USPS
- UPS

Taxis

- AAA, Allstate & Discount (PHX)
- Beverly Hills Cab
- California Yellow Cab
- LA Taxi
- North Orange County Yellow Cab
- STITA (WA)
- Yellow Cab of Long Beach
- San Francisco Yellow Cab
- SuperShuttle

Refuse

- Amador Valley Industries
- Brothers Waste (NY)
- Burrtec Waste
- CR&R
- LA County Sanitation District
- Norcal Waste
- Palm Springs Disposal
- Solano Garbage
- Republic Services
- Waste Management



Consume Large Amounts of Fuel



Refuel at Centralized Locations



Compelled to Reduce Emissions



Focused on Cost Savings

What is Pushing Refuse and Port Trucking Fleets to Natural Gas?



- Record High Oil Prices are Significantly Impacting Operating Budgets
 - \$138.00/barrel
 - Diesel prices above \$5.00 per gallon (CA)
- Energy Independence
 - Foreign oil dependency (72% imported)
 - World consumes > 2 barrels for each new barrel added
- Climate Change
 - Need to identify low carbon transportation fuels
- Air Pollution
 - Numerous regions out of attainment with federal and state air quality standards
 - Policies are being developed to address this challenge



Why Natural Gas?

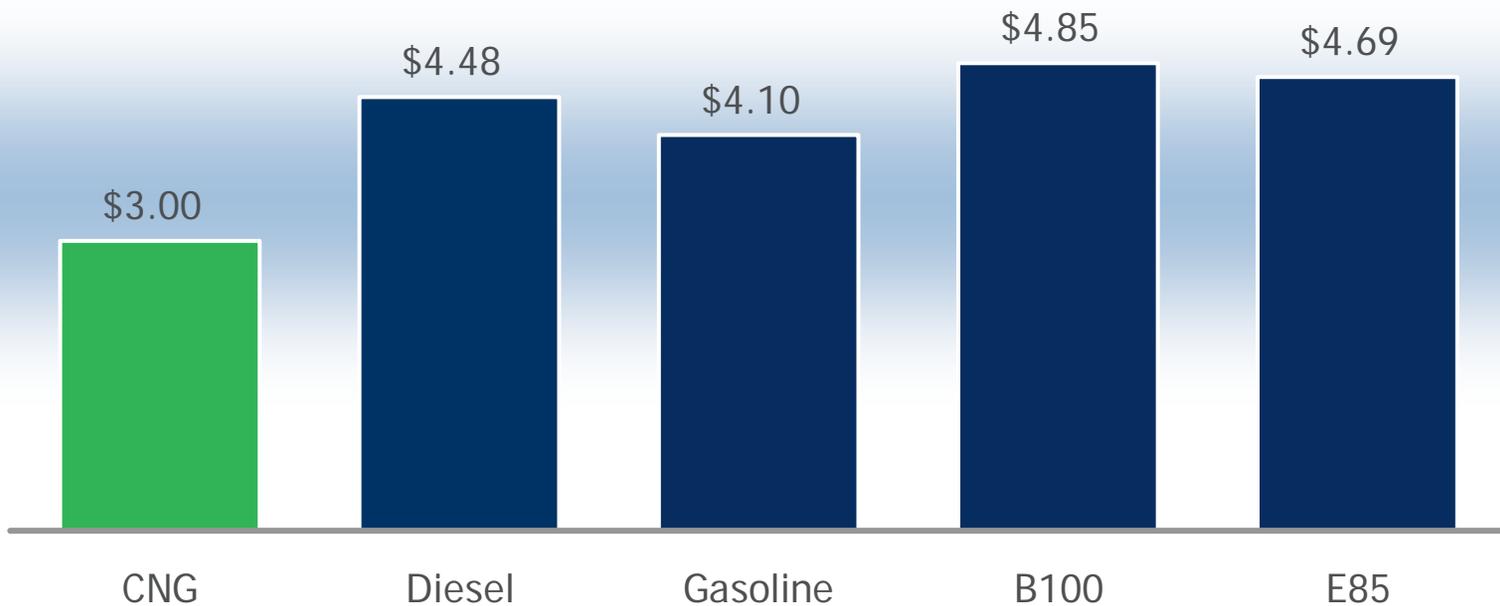
Cheaper, Cleaner and Domestic

- Economics
 - Fuel is significantly less expensive
 - **Over \$1.00 per gallon in savings**
 - Grants, local, State and Federal can cover the incremental vehicle cost
- Environment
 - 50% lower NO_x, 90% lower CO & 60% lower PM than diesel engines,
23% reduction in greenhouse gases (GHG)
 - Reduces carbon footprint
- Domestically Produced
 - Over 97% of Natural Gas is produced in North America
 - 1:1 displacement of foreign oil



Natural Gas Fuel Savings

Pump Prices (On Equivalent Basis) (GGEs)



The Engines - They Work and Work Well!

- Cummins Westport (CWI)
 - 4th generation engine
 - 8.9 Liter
 - 250-320 hp
 - 660-1000 lb-ft torque
- Since 2004 introduction, CWI's engine has continued to improve and now has similar fuel economy & maintenance costs to diesel

ISL G



Refuse Truck OEMs



Autocar WXLL & Expeditor



Peterbuilt 320



Sterling Condor



Crane Carrier

Private & Public Operators

Over 2,000 NG trucks in operation and GROWING

- Waste Management
- Allied Waste
- Waste Connections
- Republic Services
- CR&R
- Burrtec Waste
- CalMet
- Athens
- South City Scavenger
- CleanScapes
- Brookhaven
- Harrison Industries
- Specialty Solid Waste
- Alameda County Industries
- Amador Valley Industries
- Norcal Waste
- Smithtown, NY: Garofalo, Jody Enterprises, Brothers Waste & Dejana



- Los Angeles
- County & City of Sacramento
- Fresno
- Whittier
- Long Beach
- Santa Monica
- Tulare
- Palo Alto
- Bakersfield
- San Antonio
- Austin
- Philadelphia*
- Atlantic City*

*In planning, permitting phase

Natural Gas Truck Growth in the US

- Smithtown - New York, required its four “Private Franchised Fleets” to use Natural Gas Trucks
 - Cited “Cleaner Air”, “Lower Cost” per household and “Energy Independence” for the move
 - Clean Energy fixed the Haulers fuel rate for seven years
- Atlantic City, Philadelphia, San Antonio and Seattle are starting their own NG Refuse Programs



Strong Support from Fleets

The trash business
can get downright smelly.

Our trucks don't have to.

"Our fleets run on natural gas. For our valley and for our business — it was the natural choice."

Frank Orlett is in charge of Waste Management's Palm Desert Division, located in the Coachella Valley. He lives in the Valley with his family and is active in outdoor youth sports.

Waste Management's employees also live in the



valley, which depends on tourism and agriculture. Protecting the regional air quality is good for everyone.

Frank operates a fleet of natural gas (CNG and LNG) vehicles. "Our natural gas trucks reduce the carcinogens

in the communities we serve including Cathedral City, Coachella, Indian Wells, Indio, La Quinta, Palm Desert, Rancho Mirage, Salton Sea, Twentynine Palms, and Yucca Valley.

We also serve unincorporated Riverside and San Bernardino County."

"Our drivers like the natural

gas trucks because they can go home at night without the strong smell of exhaust in their clothes. We live here, and it just makes good sense that we protect our quality of life."

"Natural gas is better for our air quality. It works best for us — and for our neighbors in the valley."



— **Frank Orlett**
District Manager,
Waste Management
of the Desert
Palm Desert,
California

Ports of Los Angeles and Long Beach

- 16,800 Port Trucks Are Key Contributors to Port Pollution
- Of Port Sources, Trucks Cause
 - 10% of Diesel PM Emissions
 - 26% of NOx Emissions

Figure 1.3: Baseline Year DPM Emissions Contributions by Source Category

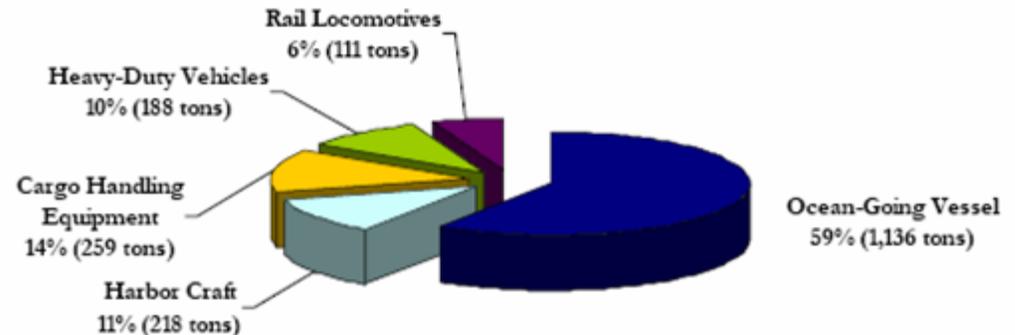


Figure 1.4: Baseline Year NOx Emissions Contributions by Source Category

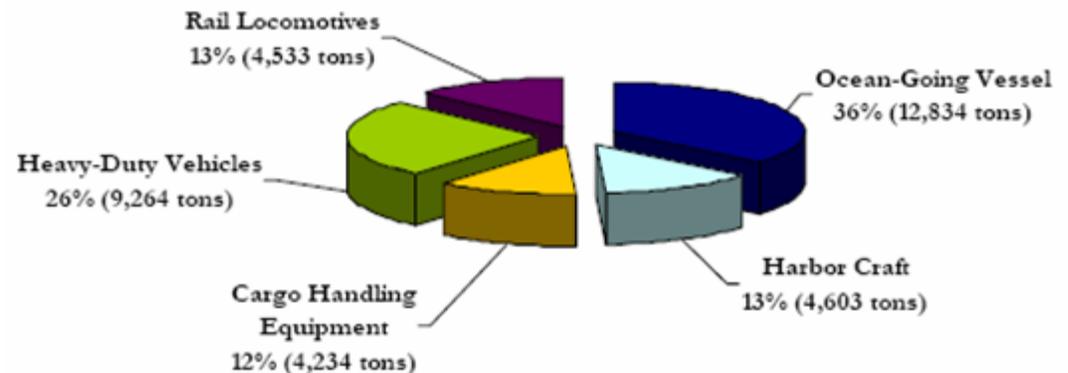


Figure 1.5: Baseline Year SOx Emissions Contributions by Source Category



News Release

Commission Promotes Alternative-fuel Trucks Exemptions will spur wider use of low-emission vehicles at the Port

February 20, 2008

To spur clean air innovations, the Long Beach Board of Harbor Commissioners has amended its groundbreaking Clean Trucks fleet modernization program, adding provisions to encourage harbor truck operators to use low-emission, alternative-fuel trucks.

In approving the Clean Trucks Program on Tuesday, February 19, the Port of Long Beach Commission set in motion a plan that will slash truck emissions by 80 percent over the next four years, financed in part by a fee of \$35 per twenty-foot equivalent container unit (TEU). Also on Tuesday, the board went a step further, voting to require that no less than 50 percent of the Clean Trucks

Program-financed trucks run on alternative fuels proven to be cleaner than diesel, such as liquefied natural gas (LNG). The board also instructed staff to monitor manufacturing capacity and to report back periodically.

With a projected \$1.6 billion from the Clean Trucks Fee, the Clean Trucks

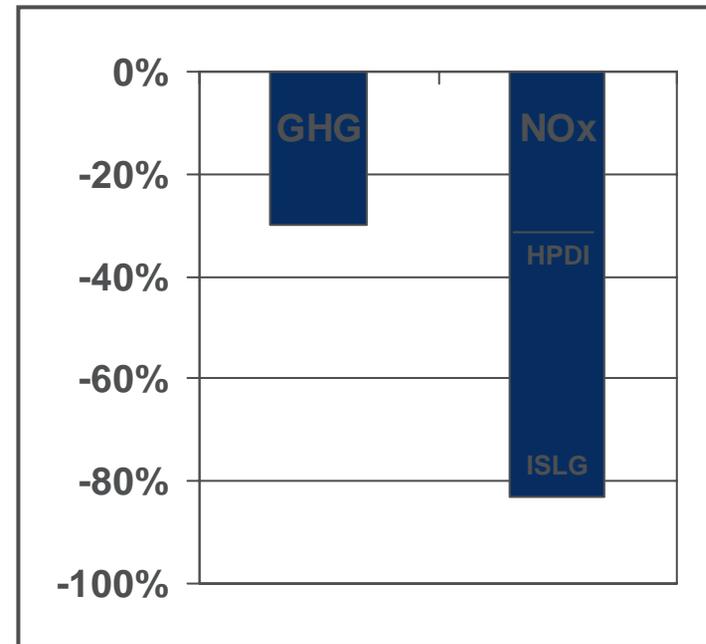
Why Such Strong Support for Natural Gas Port Trucks?

- Diesel Exhaust, Unlike LNG Exhaust, Is a Toxic Air Contaminant



- Natural Gas Is The Only EPA 2010 Certified Heavy Duty Engine

- Natural Gas NOx and Greenhouse Gases Are Much Lower than 2008 Diesel



LNG Truck Program Begins the Transition



- Ports Awarded Generous Grants to Trucking Companies
 - \$184,000 per Truck
 - 90% of Truck Cost
- 117 Trucks Awarded
 - Kenworth T800 with Westport LNG Fuel System
 - Clean Energy Funded Production of 100 Trucks
- First 8 Trucks Deployed May 2008
 - Hauling for Target Stores
- Remaining Trucks Deployed this Summer



Clean Energy's LNG Plant for Trucking



Boron, CA

Opens
September 2008

\$70 Million
Investment

160,000 gal/day

Expandable to
240,000 gal/day

1.5 Million
Gallons Storage



Thanks!

Chad M. Lindholm
Regional Manager
Southern California & Arizona
(562) 493-2804
clindholm@cleanenergyfuels.com

