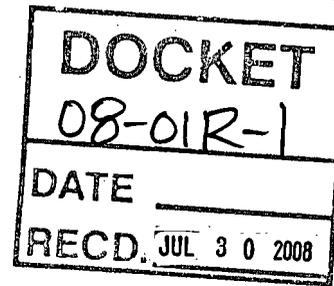


To: Jim McKinney
California Energy Commission

From: Atul Deshmane
Whole Energy Fuels Corporation



Dear Jim,

First I want to thank you for being open to input from the business community. I have had the pleasure of helping advance clean transportation in California over the last decade and have been part of natural gas, hybrid electric, fuel cell, and now a biofuel company. I am proud to say Whole Energy just recently secured Coastal Commission approval for a biodiesel plant project in Pacifica California. We also were selected to receive funding from CARB's Alternative Fuel Incentive Program.

I have put my input in a simple bullet format and would be glad to discuss it further. Please feel free to call me on my cell at 206.446.1333. In general the Staff Report is an excellent working document.

- Assumptions for life-cycle analysis will be contentious. For example, the NOx data for biodiesel with tallow feedstock show a decrease but not necessarily so for other feedstocks. NOx is also dependent upon engine calibration and can show both an increase or decrease across vehicles and even model year. Additives to enhance Cetane have been shown to mitigate NOx increases.
- We imagine that each proposed project may need to have a life cycle emissions analysis compliant with some standard method of assessment such as those defined under ISO 14049. GREET models may also be required. Perhaps a pro forma projection could also be a useful tool. Substantial expertise will be needed to evaluate and score any of this analysis. Preparing this level of analysis would be perceived as a barrier to many applicants.
- Federal Conservation Reserve Program (CRP) lands can be the most suitable lands for biofuel crops production. Owners of CRP land are also most open to the growth of experimental and innovative crops for bio-fuels and bio-chemicals. For example, Camelina may be a viable plant for non-irrigated land along the highway 101 and provide a valuable oil seed and high value meal source.
- You may need to have the ability to audit projects throughout their life cycle including design, permitting, construction, and operating phases. This level of oversight will favor retail and distribution projects over manufacturing activity because retail and distribution activities are less complex and will require less oversight. Most businesses will not want oversight.