

Advanced Transit Dynamics, Inc. 245 Utah Ave, South San Francisco, CA 94080 www.ATDynamics.com

March 9, 2009

Dear Assembly Natural Resources Committee, State of California:

We are writing to provide details on how the AB 32 regulation is affecting our company, Advanced Transit Dynamics, Inc. (ATDynamics), and the trucking industry around us.

ATDynamics is a South San Francisco based company dedicated to the rapid commercialization of fuel-efficiency technology in the freight transportation industry. Our flagship product line is trailer aerodynamics equipment with the ability to deliver 5 to over 12 percent fuel savings for long-haul trucking operations. Prior to the AB 32 regulations, the industry was beginning to adopt aerodynamic equipment, but the trucking industry is historically conservative in its rate of adoption of new technologies. However, the regulatory direction of the State of California and the focus on AB 32 has jump started a fundamental shift within the industry toward these aerodynamic products, products which will deliver a minimum of 2 million dollars in fuel savings per day to 500,000 trailers nationwide.

ATDynamics, its contract manufacturers, and its national distribution network are rapidly scaling up their operations to provide this cost-saving equipment industry-wide.

- This morning, our team installed a trailer fairing for a California trucking fleet, creating green-collar employment, enhancing the competitiveness of that California trucking company, and reducing the carbon emissions of that specific tractor-trailer by over 150,000 pounds of CO₂ over its lifetime on the road.
- Last Friday afternoon, one of the top three trailer manufacturers contacted ATDynamics to schedule trailer aerodynamic equipment training sessions with eleven dealerships, including dealerships in California, because, "in this economy, no trailers are being sold; we need to generate revenue through the sales of aerodynamic equipment."
- In February, ATDynamics attended the American Trucking Association's Technology Maintenance Council's annual industry conference and fleet executives made it clear they were already putting plans in place to adapt to California's AB 32 regulations at a profit.

Because of the AB 32 regulations, ATDynamics is in the process of taking on additional investment capital, hiring staff, and equipping far more customers with fuel saving equipment. We would have to immediately freeze growth, lay off employees, and cancel manufacturing relationships if a regulatory shift were to take place. With the continued implementation of AB 32, we look forward to playing our role in enhancing the fuel efficiency of the trucking industry, creating jobs in California and throughout the country, and having a tangible and immediate positive impact on the environment.

Sincerely,

Andrew SmithJeff GrossmannCEO, Advanced Transit Dynamics, Inc.Customer Fulfillment, Advanced Transit Dynamics, Inc.

Attached: Photos of recent equipment installations in California



California trailer equipped with ATDynamics TrailerTail®, aerodynamic rear fairing



Green Collar workers installing ATDynamics side skirt aerodynamic fairing the morning of the committee meeting