

November 9, 2006

Mr. Russell Miller Director- Engineering & Commodity Management Division GSA Automotive 2200 Crystal Dr, Suite 1006 ARLINGTON VA 22202-3730

Re: GSA Contract GS-30F-S0014

Dear Mr. Miller:

In answer to your request for information concerning the use of Biodiesel fuel in the engines to be offered for 2007 and later, Blue Bird does not manufacture engines so we look to the engine manufacturers for guidelines. For 2007 engines used by Blue Bird the guidelines are as follows:

Caterpillar 2007 (C7 and C13 models) installation guide specifies Ultra Low Sulfur Diesel (ULSD) only. There is no reference to Biodiesel in the material we receive from Caterpillar.

Cummins 2007 (ISB and ISC) mechanical installation instruction AEB specifies ULSD and states that B5 Biodiesel can be used which means <u>B5 meeting ASTM D6751</u>, not B20, not B100, not home brew, not snake oil, etc.

Blue Bird generally discourages the use of Biodiesel because of a concern that our customers may use a blend of Biodiesel that does not meet the ASTM and/or engine manufacturer's requirements and, therefore, may void the engine warranty. Blue Bird fuel lines, however, are compatible with the use of Biodiesel fuels.

In answer to your request for information concerning the use of fuel additives by Blue Bird:

Blue Bird does not make recommendations regarding fuel additives but would refer the customer to the engine manufacturer. For our own use, Blue Bird adds Racor "Diesel Winter Plus+" fuel additive to the fuel we put in buses from October through March. We have received assurances from Racor that this additive is compatible with 2007 diesel engines and is not detrimental to exhaust treatment equipment. When the bus is delivered Blue Bird assumes that the operator will use commercially available ULSD fuel blends that are suitable to the operating environment.

Blue Bird sincerely appreciates your offer to effect these changes, and apologizes for the necessity of having them made.

Sincerely, Vernon E. Wright

Vernon E. Wright, Manager Contract Administration