UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF

THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2017

Commission File Number: 001-33480

CLEAN ENERGY FUELS CORP.

(Exact name of registrant as specified in its charter)

Delaware	**33-0968580**
(State or other jurisdiction of incorporation)	(IRS Employer Identification No.)

4675 MacArthur Court, Suite 800, Newport Beach, CA 92660

(Address of principal executive offices, including zip code)

(949) 437-1000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232,405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o	Accelerated filer x
Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o
	Emerging growth company o

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined by Rule 12b-2 of the Act). Yes o No x

As of October 26, 2017, there were 151,085,558 shares of the registrant's common stock, par value $0.0001 per share, issued and outstanding.

CLEAN ENERGY FUELS CORP. AND SUBSIDIARIES

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PART I.—FINANCIAL INFORMATION

Item 1.—Financial Statements (Unaudited)

Clean Energy Fuels Corp. and Subsidiaries

Condensed Consolidated Balance Sheets

(In thousands, except share data, Unaudited)

	December 31, 2016	September 30, 2017
Assets		
Current assets:		
Cash and cash equivalents	$ 36,119	$ 45,312
Restricted cash	6,996	1,463
Short-term investments	73,718	151,521
Accounts receivable, net of allowance for doubtful accounts of $1,063 and $2,336 as of December 31, 2016 and September 30, 2017, respectively	79,432	61,001
Other receivables	21,934	16,253
Inventory	29,544	44,624
Prepaid expenses and other current assets	14,021	10,838
Total current assets	261,764	331,012
Land, property and equipment, net	483,923	363,773
Notes receivable and other long-term assets, net	16,377	25,619
Investments in other entities	3,475	2,542
Goodwill	93,018	68,082
Intangible assets, net	38,700	7,491
Total assets	$ 897,257	$ 798,519
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of debt and capital lease obligations	$ 5,943	$ 29,247
Accounts payable	23,637	16,215
Accrued liabilities	52,601	41,990
Deferred revenue	7,041	6,487
Total current liabilities	89,222	93,939
Long-term portion of debt and capital lease obligations	241,433	185,597
Long-term debt, related party	65,000	40,000
Other long-term liabilities	7,915	13,416
Total liabilities	403,570	332,952
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.0001 par value. Authorized 1,000,000 shares; issued and outstanding no shares	—	—
Common stock, $0.0001 par value. Authorized 224,000,000 shares; issued and outstanding 145,538,063 shares and 151,009,700 shares at December 31, 2016 and September 30, 2017, respectively	15	15
Additional paid-in capital	1,090,361	1,110,158
Accumulated deficit	(603,836)	(655,223)
Accumulated other comprehensive loss	(17,675)	(12,392)
Total Clean Energy Fuels Corp. stockholders' equity	468,865	442,558
Noncontrolling interest in subsidiary	24,822	23,009
Total stockholders' equity	493,687	465,567
Total liabilities and stockholders' equity	$ 897,257	$ 798,519

See accompanying notes to condensed consolidated financial statements.

Clean Energy Fuels Corp. and Subsidiaries

Condensed Consolidated Statements of Operations

(In thousands, except share and per share data, Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2017	2016	2017
Revenue:				
Product revenue	$ 84,456	$ 67,669	$ 263,179	$ 211,747
Service revenue	12,561	14,123	37,645	40,552
Total revenue	97,017	81,792	300,824	252,299
Operating expenses:				
Cost of sales (exclusive of depreciation and amortization shown separately below):				
Product cost of sales	55,481	52,884	170,746	158,306
Service cost of sales	6,377	7,283	19,095	20,066
Inventory valuation provision	—	13,158	—	13,158
Selling, general and administrative	25,888	24,798	76,744	71,875
Depreciation and amortization	14,801	14,104	44,682	43,757
Asset impairments and other charges	—	60,666	—	60,666
Total operating expenses	102,547	172,893	311,267	367,828
Operating loss	(5,530)	(91,101)	(10,443)	(115,529)
Interest expense	(6,406)	(4,270)	(23,843)	(13,466)
Interest income	123	465	579	1,156
Other income (expense), net	(109)	4	(6)	(28)
Loss from equity method investments	(13)	(30)	(20)	(100)
Gain (loss) from extinguishment of debt	(668)	—	25,375	3,195
Gain from sale of certain assets of subsidiary	—	—	—	69,886
Loss before income taxes	(12,603)	(94,932)	(8,358)	(54,886)
Income tax benefit (expense)	(416)	44	(1,229)	2,183
Net loss	(13,019)	(94,888)	(9,587)	(52,703)
Loss attributable to noncontrolling interest	391	747	1,317	1,813
Net loss attributable to Clean Energy Fuels Corp.	$ (12,628)	$ (94,141)	$ (8,270)	$ (50,890)
Loss per share:				
Basic	$ (0.10)	$ (0.62)	$ (0.07)	$ (0.34)
Diluted	$ (0.10)	$ (0.62)	$ (0.07)	$ (0.34)
Weighted-average common shares outstanding:				
Basic	130,436,038	150,927,825	112,819,041	150,128,204
Diluted	130,436,038	150,927,825	112,819,041	150,128,204

See accompanying notes to condensed consolidated financial statements.

Clean Energy Fuels Corp. and Subsidiaries

Condensed Consolidated Statements of Comprehensive Loss

(In thousands, Unaudited)

	Clean Energy Fuels Corp. Three Months Ended September 30,		Noncontrolling Interest Three Months Ended September 30,		Total Three Months Ended September 30,	
	2016	2017	2016	2017	2016	2017
Net loss	$ (12,628)	$ (94,141)	$ (391)	$ (747)	$ (13,019)	$ (94,888)
Other comprehensive income (loss), net of tax:						
Foreign currency translation adjustments, net of $0 tax in 2016 and 2017	(449)	252	—	—	(449)	252
Foreign currency adjustments on intra-entity long-term investments, net of $0 tax in 2016 and 2017	(885)	2,919	—	—	(885)	2,919
Unrealized gains (losses) on available-for-sale securities, net of $0 tax in 2016 and 2017	(11)	70	—	—	(11)	70
Total other comprehensive income (loss)	(1,345)	3,241	—	—	(1,345)	3,241
Comprehensive loss	$ (13,973)	$ (90,900)	$ (391)	$ (747)	$ (14,364)	$ (91,647)

	Clean Energy Fuels Corp. Nine Months Ended September 30,		Noncontrolling Interest Nine Months Ended September 30,		Total Nine Months Ended September 30,	
	2016	2017	2016	2017	2016	2017
Net loss	$ (8,270)	$ (50,890)	$ (1,317)	$ (1,813)	$ (9,587)	$ (52,703)
Other comprehensive income (loss), net of tax:						
Foreign currency translation adjustments, net of $0 tax in 2016 and 2017	2,185	289	—	—	2,185	289
Foreign currency adjustments on intra-entity long-term investments, net of $0 tax in 2016 and 2017	3,024	5,033	—	—	3,024	5,033
Unrealized gains (losses) on available-for-sale securities, net of $0 tax in 2016 and 2017	66	(39)	—	—	66	(39)
Total other comprehensive income (loss)	5,275	5,283	—	—	5,275	5,283
Comprehensive loss	$ (2,995)	$ (45,607)	$ (1,317)	$ (1,813)	$ (4,312)	$ (47,420)

See accompanying notes to condensed consolidated financial statements.

Clean Energy Fuels Corp. and Subsidiaries

Condensed Consolidated Statements of Cash Flows

(In thousands, Unaudited)

	Nine Months Ended September 30,	
	2016	**2017**
Cash flows from operating activities:		
Net loss	$ (9,587)	$ (52,703)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	44,682	43,757
Provision for doubtful accounts, notes and inventory	2,504	16,156
Stock-based compensation expense	6,533	6,604
Amortization of debt issuance cost	1,217	647
Gain on extinguishment of debt	(25,375)	(3,195)
Gain from sale of certain assets of subsidiary	—	(69,886)
Non-cash portion of asset impairments and other charges	—	58,119
Changes in operating assets and liabilities:		
Accounts and other receivables	31,134	23,936
Inventory	(1,043)	494
Prepaid expenses and other assets	(178)	794
Accounts payable	(940)	(9,426)
Accrued expenses and other	(4,702)	(20,148)
Net cash provided by (used in) operating activities	44,245	(4,851)
Cash flows from investing activities:		
Purchases of short-term investments	(88,660)	(227,212)
Maturities and sales of short-term investments	113,852	149,044
Purchases and deposits on property and equipment	(16,663)	(27,529)
Loans made to customers	(2,326)	(535)
Payments on and proceeds from sales of loans receivable	575	978
Restricted cash	(267)	1,578
Cash received from sale of certain assets of subsidiary, net of cash transferred	—	154,489
Investments in other entities	—	(1,929)
Capital from equity method investment	3,031	—
Nonrefundable customer deposit	—	8,350
Net cash provided by investing activities	9,542	57,234
Cash flows from financing activities:		
Issuances of common stock	68,867	10,767
Fees paid for issuances of common stock	(1,340)	(638)
Payment to holders of stock options in subsidiary	—	(8,605)
Proceeds from debt instruments	2,460	7,561
Proceeds from revolving line of credit	50,008	308
Repayment of borrowing under revolving line of credit	(50,014)	(23,670)
Repayment of capital lease obligations and debt instruments	(127,213)	(29,664)
Net cash used in financing activities	(57,232)	(43,941)
Effect of exchange rates on cash and cash equivalents	1,276	751
Net increase in cash and cash equivalents	(2,169)	9,193
Cash and cash equivalents, beginning of period	43,724	36,119
Cash and cash equivalents, end of period	$ 41,555	$ 45,312
Supplemental disclosure of cash flow information:		
Income taxes paid	$ 1,176	$ 363
Interest paid, net of approximately $712 and $73 capitalized, respectively	21,275	14,351

See accompanying notes to condensed consolidated financial statements.

Clean Energy Fuels Corp. and Subsidiaries

Notes to Condensed Consolidated Financial Statements

(In thousands, except share and per share data, Unaudited)

Note 1—General

Nature of Business Clean Energy Fuels Corp., together with its majority and wholly owned subsidiaries (hereinafter collectively referred to as the "Company," unless the context or the use of the term indicates or requires otherwise) is engaged in the business of selling natural gas as an alternative fuel for vehicle fleets and related natural gas fueling solutions to its customers, primarily in the United States and Canada.

The Company's principal business is supplying renewable natural gas ("RNG"), compressed natural gas ("CNG") and liquefied natural gas ("LNG") for light, medium and heavy-duty vehicles and providing operation and maintenance ("O&M") services for natural gas fueling stations. As a comprehensive solution provider, the Company also designs, builds, operates, and maintains fueling stations; manufactures, sells and services non-lubricated natural gas fueling compressors and other equipment used in CNG stations and LNG stations; offers assessment, design and modification solutions to provide operators with code-compliant service and maintenance facilities for natural gas vehicle fleets; transports and sells CNG and LNG to industrial and institutional energy users who do not have direct access to natural gas pipelines; procures and sells RNG; sells tradable credits it generates by selling natural gas and RNG as a vehicle fuel, including credits under the California and the Oregon Low Carbon Fuel Standards (collectively, "LCFS Credits") and Renewable Identification Numbers ("RIN Credits" or "RINs") under the federal Renewable Fuel Standard Phase 2; helps its customers acquire and finance natural gas vehicles; and obtains federal, state and local credits, grants and incentives.

Basis of Presentation The accompanying interim unaudited condensed consolidated financial statements include the accounts of the Company and its subsidiaries, and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary to state fairly the Company's financial position, results of operations, comprehensive loss and cash flows as of and for the three and nine months ended September 30, 2016 and 2017. All intercompany accounts and transactions have been eliminated in consolidation. The three and nine month periods ended September 30, 2016 and 2017 are not necessarily indicative of the results to be expected for the year ending December 31, 2017 or for any other interim period or for any future year.

Certain information and disclosures normally included in the notes to the financial statements have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"), but the resultant disclosures contained herein are in accordance with accounting principles generally accepted in the United States of America ("US GAAP") as they apply to interim reporting. The condensed consolidated financial statements should be read in conjunction with the consolidated financial statements as of and for the year ended December 31, 2016 that are included in the Company's Annual Report on Form 10-K filed with the SEC on March 7, 2017.

Reclassifications Certain prior period line items in the condensed consolidated statements of operations have been reclassified to conform to the classifications used to prepare the condensed consolidated financial statements for the period ended September 30, 2017. These reclassifications had no material impact on the Company's financial position, results of operations, or cash flows as previously reported.

Use of Estimates The preparation of condensed consolidated financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the accompanying unaudited condensed consolidated financial statements and these notes. Actual results could differ from those estimates and may result in material effects on the Company's operating results and financial position.

Note 2—Asset Impairments, Other Charges, and Inventory Valuation Provision

In light of continuing low oil prices and the current state of natural gas vehicle adoption, during the three months ended September 30, 2017, the Company undertook an evaluation of its operations with the intent of minimizing and eliminating assets it believes are underperforming. As a result of this evaluation, the Company identified certain of its fueling stations where the current and projected natural gas volume and profitability levels are not expected to be sufficient to support the Company's investment in the fueling station assets, and the Company decided to close these stations by the end of 2017. The Company also reduced its workforce and took other steps to reduce overhead costs in the three months ended September 30, 2017 as a result of this evaluation, in an effort to lower its operating expenses going forward. In addition, this evaluation resulted in a strategic shift in how the Company viewed its natural gas compressor business, Clean Energy Compression Corp. ("CECC").The Company determined to seek a strategic partner for CECC and to position CECC to benefit from consolidation in the natural gas compressor sector, in an effort to increase CECC's scale and reach and improve the financial prospects of the Company's investment in CECC. As a result of these decisions and the steps taken to implement them, the Company incurred

, on a pre-tax basis, aggregate cash and non-cash charges of $60,666 related to asset impairments and other charges in addition to a $13,158 non-cash inventory valuation charge (see Note 9 for more information), during the three and nine months ended September 30, 2017.

The following table summarizes these charges:

	Three and Nine Months Ended September 30, 2017	
Workforce reduction and related charges	$	3,057
CECC asset impairments		32,274
Station closures and related charges		25,335
Total asset impairments and other charges	$	60,666
Inventory valuation provision		13,158
Total charges	$	73,824

Workforce Reduction and Related Charges

As a result of the workforce reduction, severance of $2,757 was incurred for terminated employees and $300 in stock-based compensation expense was incurred for the acceleration of certain stock options and awards.

Impairments of Long-Lived Assets

The Company reviews the carrying value of its long-lived assets, including intangible assets with finite useful lives, for impairment whenever events or changes in circumstances indicate that the carrying value of an asset or asset group may not be recoverable. Events that could result in an impairment review include, among others, a significant decrease in the operating performance of a long-lived asset or the decision to close a fueling station. Impairment testing involves a comparison of the sum of the undiscounted future cash flows of the asset or asset group to its carrying amount. If the sum of the undiscounted future cash flows exceeds the carrying amount, then no impairment exists. If the carrying amount exceeds the sum of the undiscounted future cash flows, then a second step is performed to determine the amount of impairment, if any, to be recognized. An impairment loss is recognized to the extent that the carrying amount of the asset or asset group exceeds its fair value. The fair value of the asset or asset group is based on estimated discounted future cash flows of the asset or asset group using a discount rate commensurate with the related risk. The estimate of future cash flows requires management to make assumptions and to apply judgment, including forecasting future sales and expenses and estimating useful lives of the assets. These estimates can be affected by a number of factors, including, among others, future results, demand, and economic conditions, many of which can be difficult to predict.

CECC: Asset Impairment Charges

Due to the continued low global demand for compressors, and the decision to seek a strategic partner for CECC, the Company's management determined that an impairment indicator was present for the long-lived assets of CECC. Recoverability was tested using future cash flow projections based on management's long-term estimates of market conditions. Based on the results of this test, the sum of the undiscounted future cash flows was less than the carrying value of the CECC asset group. As a result, these long-lived assets were written down to their respective fair values, resulting in an impairment charge of $32,274. Fair value was based on expected future cash flows using Level 3 inputs under the Financial Accounting Standards Board's ("FASB") Accounting Standard Codification ("ASC") Topic 820. The cash flows are those expected to be generated by market participants, discounted at an appropriate rate for the risks inherent in those cash flow projections. If actual results, market and economic conditions, including interest rates, and other factors are not consistent with management's estimates and assumptions used in these calculations, the Company may be exposed to additional impairment losses.

The following table represents intangible assets of CECC as of December 31, 2016 and September 30, 2017, respectively, as well as their useful lives, which continued to be appropriate and were not changed:

	December 31, 2016		September 30, 2017		Remaining Useful Life (Years)
Technology	$	29,060	$	3,151	13
Customer relationships		2,239		117	1
Trademark and trade names		1,842		201	3
Total	$	33,141	$	3,469	

Station Closures and Related Charges

In the three months ended September 30, 2017, the Company decided to close 42 fueling stations by December 31, 2017 which are performing below management's expectations based on volume and profitability levels. As a result, these station assets, which had an aggregate carrying value of $23,270 were written down to their respective fair values of $2,886 on an aggregate basis, resulting in charges of $20,384. The fair values of these assets were determined using the cost approach.

Due to these stations being closed before their initially intended date the Company's management assessed whether impairment indicators were present for the long-lived assets of the remaining stations. The Company determined there were no indicators of impairment present amongst the remaining stations and no further steps were required for evaluation.

In addition, certain of these station closures triggered related other charges totaling $4,951, which consists of write-offs for any deferred losses, lease termination fees, and an increase in asset retirement obligations ("AROs").

Inventory Valuation Provision

Inventory consists of raw materials and spare parts, work in process and finished goods and is stated at the lower of cost (first-in, first-out) or market. The Company writes down the carrying value of its inventory to net realizable value for estimated obsolescence or unmarketable inventory in an amount equal to the difference between the cost of inventory and its estimated realizable value based upon assumptions about future demand and market conditions, among other factors.

As a result of the Company's valuation process to minimize and eliminate under-performing station assets, the Company determined that $27,198 of certain station parts which historically were classified as construction in progress within Land, property, and equipment, net in the condensed consolidated balance sheets, are now reported as Inventory as they will primarily be used for stations to be sold. Subsequently, the Company determined a lower of cost or market non-cash charge of $7,804 for these station parts. Additionally, in conjunction with its decision to seek a strategic partner for CECC, the Company incurred a lower of cost or market non-cash charge of $5,354 for the inventory of CECC. The aggregate amount of $13,158 is reported as Inventory valuation provision in the condensed consolidated statements of operations during the three and nine months ended September 30, 2017.

Cash Related Charges

The following table summarizes the total charges that will be settled with cash payments and their related liability balances as of September 30, 2017:

	Charges	Cash Payments Made in the Three Months Ended September 30, 2017	Balance as of September 30, 2017
Employee severance	$ 2,757	$ (2,547)	$ 210
Lease termination fees and AROs for station closures	3,861	—	3,861
	$ 6,618		$ 4,071

Goodwill

As a result of the asset impairments described above, the Company determined that sufficient indicators of potential impairment existed to require an interim goodwill test of its one reporting unit prior to the annual test performed in the fourth quarter of 2017. The goodwill test is performed by computing the fair value of the reporting unit and comparing it to the carrying value.

Based on the results of this test, the Company has determined that it continues to be a single reporting unit and, based upon step one of the two-step goodwill test, has concluded it is more likely than not that the fair value of its reporting unit exceeds its carrying amount and thus no further quantitative analysis was warranted.

Note 3—Acquisitions and Divestitures

On February 27, 2017, Clean Energy Renewable Fuels ("Renewables"), a subsidiary of the Company, entered into an asset purchase agreement (the "APA") with BP Products North America, Inc. ("BP"), pursuant to which Renewables agreed to sell to BP certain assets relating to its RNG production business (the "Asset Sale"), consisting of Renewables' two existing RNG production facilities, Renewables' interest in the RNG Ventures (as defined in Note 11) and Renewables' third-party RNG supply

contracts (the “Assets”). The Asset Sale was completed on March 31, 2017 for a sale price of $155,511, plus BP assumed the obligations under the Canton Bonds (as defined in Note 13), which totaled $8,820 as of March 31, 2017.

On March 31, 2017 BP paid Renewables $30,000 in cash and delivered to Renewables a promissory note with a principal amount of $123,487 (the "BP Note") which was paid in full on April 3, 2017. In addition, as a result of the determination of certain post-closing adjustments, (i) BP paid Renewables an additional $2,010 on June 22, 2017, and (ii) the gain recorded from the Asset Sale was reduced by $762. Pursuant to the APA, the valuation date of the Asset Sale was January 1, 2017, and as a result, the APA included certain adjustments to the purchase price to reflect a determination of the amount of cash accumulated by Renewables from the valuation date to the closing date, net of permitted cash outflows. Control of the Assets was not transferred until the Asset Sale was completed on March 31, 2017. Accordingly, the full operating results of Renewables are included in the condensed consolidated statement of operations through the three months ended March 31, 2017.

In addition, under the APA, BP is required, following the closing of the Asset Sale, to pay Renewables up to an additional $25,000 in cash over a five-year period if certain performance criteria relating to the Assets are met.

The Company incurred $3,695 in transaction fees in connection with the Asset Sale, and subsequent to March 31, 2017, the Company paid $8,605 in cash and issued 770,269 shares of the Company's common stock, collectively valued at $1,964, to holders of options to purchase membership units in Renewables. The net proceeds from the Asset Sale, net of $1,007 cash transferred to BP, were $142,190.

Following completion of the Asset Sale, Renewables and the Company are continuing to procure RNG from BP under a long-term supply contract and from other RNG suppliers, and resell such RNG through the Company's natural gas fueling infrastructure as Redeem™, the Company's RNG vehicle fuel. The Company also collects royalties from BP on gas purchased from BP and sold as Redeem™ at the Company's stations, which royalty is in addition to any payment obligation of BP under the APA.

The Asset Sale resulted in a total gain of $69,886 that was recorded in gain from sale of certain assets of subsidiary in the Company's condensed consolidated statement of operations for the nine months ended September 30, 2017. Included in the determination of the total gain is goodwill of $26,576 that was allocated to the disposed assets based on the relative fair values of the assets disposed and the portion of the reporting unit that was retained.

The Company determined that the Asset Sale did not meet the definition of a discontinued operation because the disposal did not represent a significant disposal nor was the disposal a strategic shift in the Company's strategy.

Note 4—Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less on the date of acquisition to be cash equivalents. The Company places its cash and cash equivalents with high credit quality financial institutions.

At times, such investments may be in excess of the Federal Deposit Insurance Corporation (“FDIC”), Canadian Deposit Insurance Corporation (“CDIC”) and other foreign insurance limits. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash deposits. The amounts in excess of FDIC, CDIC and other foreign insurance limits were approximately $34,439 and $43,200 at December 31, 2016 and September 30, 2017, respectively.

Note 5—Restricted Cash

The Company classifies restricted cash as short-term and a current asset if the cash is expected to be used in operations within a year or to acquire a current asset. Otherwise, the restricted cash is classified as long-term. Short-term restricted cash at December 31, 2016 and September 30, 2017 consisted of the following:

	December 31, 2016	September 30, 2017
Short-term restricted cash:		
Standby letters of credit	$ 1,753	$ 1,463
Canton Bonds (see Note 13)	3,665	—
Held in escrow	1,578	—
Total short-term restricted cash	$ 6,996	$ 1,463

Note 6—Investments

Available-for-sale securities are carried at fair value, inclusive of unrealized gains and losses. Unrealized gains and losses are included in other comprehensive income (loss), net of applicable income taxes. Gains or losses on sales of available-for-sale securities are recognized on the specific identification basis. All of the Company's short-term investments are classified as available-for-sale securities.

The Company reviews available-for-sale securities for other-than-temporary declines in fair value below their cost basis each quarter and whenever events or changes in circumstances indicate that the cost basis of an asset may not be recoverable. This evaluation is based on a number of factors, including the length of time and the extent to which the fair value has been below its cost basis and adverse conditions related specifically to the security, including any changes to the credit rating of the security. As of September 30, 2017, the Company believes its carrying values for its available-for-sale securities are properly recorded.

Short-term investments as of December 31, 2016 consisted of the following:

	Amortized Cost	Gross Unrealized Losses	Estimated Fair Value
Municipal bonds and notes	$ 8,791	$ (4)	$ 8,787
Corporate bonds	21,517	(7)	21,510
Certificate of deposits	43,421	—	43,421
Total short-term investments	$ 73,729	$ (11)	$ 73,718

Short-term investments as of September 30, 2017 consisted of the following:

	Amortized Cost	Gross Unrealized Losses	Estimated Fair Value
Municipal bonds and notes	$ 21,470	$ (73)	$ 21,397
Zero coupon bonds	69,192	(59)	69,133
Corporate bonds	39,596	(13)	39,583
Certificate of deposits	21,408	—	21,408
Total short-term investments	$ 151,666	$ (145)	$ 151,521

Note 7—Fair Value Measurements

The Company follows the authoritative guidance for fair value measurements with respect to assets and liabilities that are measured at fair value on a recurring basis and non-recurring basis. Under the standard, fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, as of the measurement date. The standard also establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use in valuing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company’s assumptions about the factors market participants would use in valuing the asset or liability developed based upon the best information available in the circumstances. The hierarchy consists of the following three levels: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs (other than quoted prices) that are observable for the asset or liability, either directly or indirectly; Level 3 inputs are unobservable inputs for the asset or liability. Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

As of September 30, 2017, the Company's financial instruments consisted of available-for-sale securities, liability-classified warrants, and debt instruments. The Company’s available-for-sale securities are classified within Level 2 because they are valued using the most recent quoted prices for identical assets in markets that are not active and quoted prices for similar assets in active markets. The liability-classified warrants are classified within Level 3 because the Company uses the Black-Scholes option pricing model to estimate the fair value based on inputs that are not observable in any market. The fair values of the Company's debt instruments approximated their carrying values as of December 31, 2016 and September 30, 2017. See Note 13 for more information about the Company's debt instruments. There were no transfers of assets between Level 1, Level 2, or Level 3 of the fair value hierarchy as of December 31, 2016 and September 30, 2017, respectively.

The following tables provide information by level for assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2016 and September 30, 2017, respectively:

Description	Balance at December 31, 2016	Level 1	Level 2	Level 3
Assets:				
Available-for-sale securities(1):				
Municipal bonds and notes	$ 8,787	$ —	$ 8,787	$ —
Corporate bonds	21,510	—	21,510	—
Certificate of deposits	43,421	—	43,421	—
Liabilities:				
Warrants(2)	581	—	—	581

Description	Balance at September 30, 2017	Level 1	Level 2	Level 3
Assets:				
Available-for-sale securities(1):				
Municipal bonds and notes	$ 21,397	$ —	$ 21,397	$ —
Zero coupon bonds	69,133	—	69,133	—
Corporate bonds	39,583	—	39,583	—
Certificate of deposits	21,408	—	21,408	—
Liabilities:				
Warrants(2)	543	—	—	543

(1) Included in short-term investments in the condensed consolidated balance sheets. See Note 6 for more information.
(2) Included in accrued liabilities and other long-term liabilities in the condensed consolidated balance sheets.

Non-Financial Assets

During the three and nine months ended September 30, 2017, long-lived assets held and used with a carrying value of $59,367 were written down to their fair value of $6,709, resulting in charges of $52,658. The fair value of these assets was determined using Level 3 inputs. See Note 2 for more information.

No impairments were incurred during 2016.

Note 8—Other Receivables

Other receivables as of December 31, 2016 and September 30, 2017 consisted of the following:

	December 31, 2016	September 30, 2017
Loans to customers to finance vehicle purchases	$ 7,416	$ 6,896
Accrued customer billings	4,308	6,328
Fuel tax credits	6,358	—
Other	3,852	3,029
Total other receivables	$ 21,934	$ 16,253

Note 9—Inventory

Inventory consists of raw materials and spare parts, work in process and finished goods and is stated at the lower of cost (first-in, first-out) or market. The Company writes down the carrying value of its inventory to net realizable value for estimated obsolescence or unmarketable inventory in an amount equal to the difference between the cost of inventory and its estimated realizable value based upon assumptions about future demand and market conditions, among other factors.

Inventories as of December 31, 2016 and September 30, 2017 consisted of the following:

	December 31, 2016	September 30, 2017
Raw materials and spare parts (1)	$ 24,843	$ 42,487
Work in process	845	806
Finished goods	3,856	1,331
Total inventories	$ 29,544	$ 44,624

(1) As of September 30, 2017, this amount also includes $19,394 for certain station parts which historically were classified as construction in progress within Land, property, and equipment, net, that are now reported in Inventory in the condensed consolidated balance sheets because they will primarily be used for stations to be sold. See Note 2 for more information.

Note 10—Land, Property and Equipment

Land, property and equipment as of December 31, 2016 and September 30, 2017 consisted of the following:

	December 31, 2016	September 30, 2017
Land	$ 2,858	$ 2,858
LNG liquefaction plants	94,634	94,633
RNG plants (1)	47,545	—
Station equipment (2)	341,605	298,681
Trailers	54,985	59,312
Other equipment (2)	93,118	94,389
Construction in progress (2) (3)	117,662	79,366
	752,407	629,239
Less: accumulated depreciation	(268,484)	(265,466)
Total land, property and equipment, net	$ 483,923	$ 363,773

(1) The RNG plants were sold in the Asset Sale (see Note 3 for more information).

(2) Certain of these assets were written down during the three months ended September 30, 2017 (see Note 2 for more information).

(3) As of September 30, 2017, $19,394 of certain station parts which historically were classified as construction in progress within Land, property, and equipment, net, that are now reported in Inventory in the condensed consolidated balance sheets because they will primarily be used for stations to be sold.

Included in land, property and equipment are capitalized software costs of $25,728 and $27,056 as of December 31, 2016 and September 30, 2017, respectively. The accumulated amortization of the capitalized software costs is $17,237 and $20,371 as of December 31, 2016 and September 30, 2017, respectively.

The Company recorded amortization expense related to the capitalized software costs of $824 and $1,140 during the three months ended September 30, 2016 and 2017, respectively, and $2,609 and $3,134 during the nine months ended September 30, 2016 and 2017, respectively.

As of September 30, 2016 and 2017, $4,139 and $2,007, respectively, are included in accounts payable and accrued liabilities balances, which amounts are related to purchases of property and equipment. These amounts are excluded from the condensed consolidated statements of cash flows as they are non-cash investing activities.

Note 11— Investments in Other Entities and Noncontrolling Interest in a Subsidiary

RNG Ventures

In November 2016, Renewables entered into agreements to form joint ventures with Aria Energy Operating LLC ("Aria"), a developer of RNG production facilities, to develop RNG production facilities at a Republic Services landfill in Oklahoma City, Oklahoma and an Advanced Disposal landfill near Atlanta, Georgia. These joint ventures are referred to as the "RNG Ventures." Renewables' interest in the RNG Ventures was transferred to BP upon completion of the Asset Sale (see Note 3 for more information); however, Renewables retained the right to purchase 100% of the RNG that will be produced by the production facilities to be developed by the RNG Ventures for the vehicle fuels market. The Company accounted for its interest in the RNG Ventures using the equity method of accounting as the Company had the ability to exercise significant influence over these

operations. The Company had an investment balance of $833 and $0 in the RNG Ventures as of December 31, 2016 and September 30, 2017, respectively.

MCEP

On September 16, 2014, the Company formed a joint venture with Mansfield Ventures LLC (“Mansfield”) called Mansfield Clean Energy Partners LLC (“MCEP”), which is designed to provide natural gas fueling solutions to bulk fuel haulers in the United States. The Company and Mansfield each have a 50% ownership interest in MCEP. The Company accounts for its interest in MCEP using the equity method of accounting, as the Company has the ability to exercise significant influence over MCEP’s operations. The Company recorded loss from this investment of $13 and $30 for the three months ended September 30, 2016 and 2017, respectively, and $20 and $100 for the nine months ended September 30, 2016 and 2017, respectively. Additionally, on June 28, 2016, the Company received a return of capital of $3,031 with no change in ownership interest. The Company has an investment balance of $1,642 and $1,542 at December 31, 2016 and September 30, 2017, respectively.

NG Advantage

On October 14, 2014, the Company entered into a Common Unit Purchase Agreement (“UPA”) with NG Advantage, LLC (“NG Advantage”) for a 53.3% controlling interest in NG Advantage. NG Advantage is engaged in the business of transporting CNG in high-capacity trailers to industrial and institutional energy users, such as hospitals, food processors, manufacturers and paper mills that do not have direct access to natural gas pipelines. The Company viewed the acquisition as a strategic investment in the expansion of the Company’s initiative to deliver natural gas to industrial and institutional energy users. The results of NG Advantage’s operations have been included in the Company’s consolidated financial statements since October 14, 2014.

On July 14, 2017, the Company contributed to NG Advantage all of its right, title and interest in and to a CNG station located in Milton, Vermont. The Company had purchased this CNG station from NG Advantage in October 2014 in connection with the UPA, and at that time, the Company entered into a lease agreement with NG Advantage to lease the station back to NG Advantage. This lease agreement was terminated contemporaneously with the contribution of the station to NG Advantage in July 2017. As consideration for the contribution, NG Advantage issued to the Company Series A Preferred Units with an aggregate value of $7,500. The Series A Preferred Units provide for an accrued return in the event of a liquidation event with respect to NG Advantage and will convert into common units of NG Advantage if and when it completes a future equity financing that satisfies certain specified conditions, but the Series A Preferred Units do not, in themselves, increase the Company's controlling interest in NG Advantage. As a result, following the contribution, the Company's controlling interest in NG Advantage remains at 53.3%.

The Company recorded a loss from the noncontrolling interest in NG Advantage of $391 and $747 for the three months ended September 30, 2016 and 2017, respectively, and $1,317 and $1,813 for the nine months ended September 30, 2016 and 2017, respectively. The noncontrolling interest was $24,822 and $23,009 as of December 31, 2016 and September 30, 2017, respectively.

Note 12—Accrued Liabilities

Accrued liabilities as of December 31, 2016 and September 30, 2017 consisted of the following:

	December 31, 2016	September 30, 2017
Accrued alternative fuels incentives (1)	$ 9,840	$ 2,270
Accrued employee benefits	4,317	3,999
Accrued interest	1,849	39
Accrued gas and equipment purchases	11,657	10,220
Accrued property and other taxes	4,572	4,164
Salaries and wages (2)	12,293	8,636
Other (3)	8,073	12,662
Total accrued liabilities	$ 52,601	$ 41,990

(1) Includes the amount of RINs and LCFS Credits and, as of December 31, 2016, the amount of a federal alternative fuels tax credit ("VETC") payable to third parties. VETC expired as of December 31, 2016, and as a result, no VETC amounts were accrued as of September 30, 2017 (see Note 18 for more information about VETC).

(2) The amount as of September 30, 2017 includes severance accruals related to a workforce reduction during the three months ended September 30, 2017 (see Note 2 for more information).

(3) The amount as of September 30, 2017 also includes lease termination fees and AROs related to closure of certain fueling stations (see Note 2 for more information).

Note 13—Debt

Debt and capital lease obligations as of December 31, 2016 and September 30, 2017 consisted of the following and are further discussed below:

	December 31, 2016		
	Principal Balances	Unamortized Debt Financing Costs	Balance, Net of Financing Costs
7.5% Notes (1)	$ 150,000	$ 274	$ 149,726
5.25% Notes	110,450	1,088	109,362
Plains Credit Facility	23,500	—	23,500
Canton Bonds	9,520	373	9,147
Capital lease obligations	6,028	—	6,028
NG Advantage debt	13,068	237	12,831
Other debt	1,782	—	1,782
Total debt and capital lease obligations	314,348	1,972	312,376
Less amounts due within one year	(6,126)	(183)	(5,943)
Total long-term debt and capital lease obligations	$ 308,222	$ 1,789	$ 306,433

	September 30, 2017		
	Principal Balances	Unamortized Debt Financing Costs	Balance Net of Financing Costs
7.5% Notes (1)	$ 125,000	$ 155	$ 124,845
5.25% Notes	110,450	609	109,841
Capital lease obligations	868	—	868
NG Advantage debt	18,070	236	17,834
Other debt	1,456	—	1,456
Total debt and capital lease obligations	255,844	1,000	254,844
Less amounts due within one year	(29,305)	(58)	(29,247)
Total long-term debt and capital lease obligations	$ 226,539	$ 942	$ 225,597

(1) Includes $65,000 and $40,000 in principal amount held by T. Boone Pickens ("Mr. Pickens"), as of December 31, 2016 and September 30, 2017, respectively, which is classified as “Long-term debt, related party” on the condensed consolidated balance sheet. See the description below for more information.

7.5% Notes

On July 11, 2011, the Company entered into a loan agreement (the “CHK Agreement”) with Chesapeake NG Ventures Corporation (“Chesapeake”), an indirect wholly owned subsidiary of Chesapeake Energy Corporation, whereby Chesapeake agreed to purchase from the Company up to $150,000 of debt securities pursuant to the issuance of three convertible promissory notes over a three-year period, each having a principal amount of $50,000 (each a “CHK Note” and collectively the “CHK Notes” and, together with the CHK Agreement and other transaction documents, the “CHK Loan Documents”). The first CHK Note was issued on July 11, 2011 and the second CHK Note was issued on July 10, 2012.

On June 14, 2013 (the “Transfer Date”), Mr. Pickens and Green Energy Investment Holdings, LLC ("GEIH"), an affiliate of Leonard Green & Partners, L.P. (collectively, the “Buyers”), and Chesapeake entered into a note purchase agreement (“Note Purchase Agreement”) pursuant to which Chesapeake sold the outstanding CHK Notes (the “Sale”) to the Buyers. Chesapeake assigned to the Buyers all of its right, title and interest under the CHK Loan Documents (the “Assignment”), and each Buyer severally assumed all of the obligations of Chesapeake under the CHK Loan Documents arising after the Sale and the Assignment including, without limitation, the obligation to advance an additional $50,000 to the Company in June 2013 (the “Assumption”). The Company also entered into the Note Purchase Agreement for the purpose of consenting to the Sale, the Assignment and the Assumption.

Contemporaneously with the execution of the Note Purchase Agreement, the Company entered into a loan agreement with each Buyer (collectively, the "Amended Agreements"). The Amended Agreements have the same terms as the CHK Agreement, other than changes to reflect the new holders of the CHK Notes. Immediately following execution of the Amended Agreements, the Buyers delivered $50,000 to the Company in satisfaction of the funding requirement they had assumed from Chesapeake (the "2013 Advance"). In addition, the Company canceled the existing CHK Notes and issued replacement notes, and the Company also issued notes to the Buyers in exchange for the 2013 Advance (the replacement notes and the notes issued in exchange for the 2013 Advance are referred to herein as the "7.5% Notes").

The 7.5% Notes have the same terms as the original CHK Notes, other than changes to reflect their different holders. They bear interest at the rate of 7.5% per annum and are convertible at the option of the holder into shares of the Company's common stock at a conversion price of $15.80 per share (the "7.5% Notes Conversion Price"). Upon written notice to the Company, each holder of a 7.5% Note has the right to exchange all or any portion of the principal and accrued and unpaid interest under its 7.5% Notes for shares of the Company's common stock at the 7.5% Notes Conversion Price.

Additionally, subject to certain restrictions, the Company can force conversion of each 7.5% Note into shares of its common stock if, following the second anniversary of the issuance date of a 7.5% Note, such shares trade at a 40% premium to the 7.5% Notes Conversion Price for at least 20 trading days in any consecutive 30 trading day period.

The entire principal balance of each 7.5% Note is due and payable seven years following its issuance and the Company may repay each 7.5% Note at maturity in shares of its common stock (with a value determined by the per share volume weighted-average price for the 20 trading days prior to the maturity date) or cash. All of the shares issuable upon conversion of the 7.5% Notes have been registered for resale by their holders pursuant to a registration statement that has been filed with and declared effective by the Securities and Exchange Commission.

The Amended Agreements provide for customary events of default which, if any of them occurs, would permit or require the principal of, and accrued interest on, the 7.5% Notes to become, or to be declared, due and payable. No events of default under the 7.5% Notes had occurred as of September 30, 2017.

On August 27, 2013, GEIH transferred $5,000 in principal amount of its 7.5% Notes to certain third parties.

On February 9, 2017, the Company purchased from Mr. Pickens, his 7.5% Note due July 2018 having an outstanding principal amount of $25,000 held by Mr. Pickens for a cash purchase price of $21,750. The Company's repurchase of this 7.5% Note resulted in a total gain of $3,191 for the three and nine months ended September 30, 2017.

On February 21, 2017, GEIH transferred an additional $11,800 in principal amount of its 7.5% Notes to a third party.

As a result of the foregoing transactions, as of September 30, 2017, (i) Mr. Pickens held 7.5% Notes in the aggregate principal amount of $40,000, (ii) GEIH held 7.5% Notes in the aggregate principal amount of $68,200, and (iii) other third parties held 7.5% Notes in the aggregate principal amount of $16,800.

5.25% Notes

In September 2013, the Company completed a private offering of $250,000 in principal amount of 5.25% Convertible Senior Notes due 2018 (the "5.25% Notes") and entered into an indenture governing the 5.25% Notes (the "Indenture").

The net proceeds from the sale of the 5.25% Notes after the payment of certain debt issuance costs of $7,805 were $242,195. The Company has used the net proceeds from the sale of the 5.25% Notes to fund capital expenditures and for general corporate purposes. The 5.25% Notes bear interest at a rate of 5.25% per annum, payable semi-annually in arrears on October 1 and April 1 of each year, beginning on April 1, 2014. The 5.25% Notes will mature on October 1, 2018, unless purchased, redeemed or converted prior to such date in accordance with their terms and the terms of the Indenture.

Holders may convert their 5.25% Notes, at their option, at any time prior to the close of business on the business day immediately preceding the maturity date of the 5.25% Notes. Upon conversion, the Company will deliver a number of shares of its common stock, per $1 principal amount of 5.25% Notes, equal to the conversion rate then in effect (together with a cash payment in lieu of any fractional shares). The initial conversion rate for the 5.25% Notes is 64.1026 shares of the Company's common stock per $1 principal amount of 5.25% Notes (which is equivalent to an initial conversion price of approximately $15.60 per share of the Company's common stock). The conversion rate is subject to adjustment upon the occurrence of certain specified events as described in the Indenture. Upon the occurrence of certain corporate events prior to the maturity date of the 5.25% Notes, the Company will, in certain circumstances, in addition to delivering the number of shares of the Company's common stock deliverable upon conversion of the 5.25% Notes based on the conversion rate then in effect (together with a cash payment in lieu of any fractional shares), pay holders that convert their 5.25% Notes a cash make-whole payment in an amount as described in

the Indenture. The Company may, at its option, irrevocably elect to settle its obligation to pay any such make-whole payment in shares of its common stock instead of in cash.

The amount of any make-whole payment, whether it is settled in cash or in shares of the Company's common stock upon the Company's election, will be determined based on the date on which the corporate event occurs or becomes effective and the stock price paid (or deemed to be paid) per share of the Company's common stock in the corporate event, as described in the Indenture.

The Company may not redeem the 5.25% Notes prior to October 5, 2016. On or after October 5, 2016, the Company may, at its option, redeem for cash all or any portion of the 5.25% Notes if the closing sale price of the Company's common stock for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which notice of redemption is provided, exceeds 160% of the conversion price on each applicable trading day. In the event of the Company's redemption of the 5.25% Notes, the redemption price will equal 100% of the principal amount of the 5.25% Notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. No sinking fund is provided for in the 5.25% Notes.

If the Company undergoes a fundamental change (as defined in the Indenture) prior to the maturity date of the 5.25% Notes, subject to certain conditions as described in the Indenture, holders may require the Company to purchase, for cash, all or any portion of their 5.25% Notes at a repurchase price equal to 100% of the principal amount of the 5.25% Notes to be repurchased, plus accrued and unpaid interest to, but excluding, the fundamental change purchase date.

The Indenture contains customary events of default with customary cure periods, including, without limitation, failure to make required payments or deliveries of shares of the Company's common stock when due under the Indenture, failure to comply with certain covenants under the Indenture, failure to pay when due or acceleration of certain other indebtedness of the Company or certain of its subsidiaries, and certain events of bankruptcy and insolvency of the Company or certain of its subsidiaries. The occurrence of an event of default under the Indenture will allow either the trustee or the holders of at least 25% in principal amount of the then-outstanding 5.25% Notes to accelerate, or upon an event of default arising from certain events of bankruptcy or insolvency of the Company, will automatically cause the acceleration of, all amounts due under the 5.25% Notes. No events of default under the 5.25% Notes had occurred as of September 30, 2017.

The 5.25% Notes are senior unsecured obligations of the Company and rank senior in right of payment to the Company's future indebtedness that is expressly subordinated in right of payment to the 5.25% Notes; equal in right of payment to the Company's unsecured indebtedness that is not so subordinated; effectively junior to any of the Company's secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness (including trade payables) of the Company's subsidiaries.

During the year ended December 31, 2016, the Company paid an aggregate of $84,344 in cash to repurchase and retire $114,550 in aggregate principal amount of the 5.25% Notes, together with $1,546 in accrued and unpaid interest thereon. Additionally, pursuant to a privately negotiated exchange agreement with certain holders of the 5.25% Notes, on May 4, 2016, the Company issued 6,265,829 shares of its common stock in exchange for an aggregate principal amount of $25,000 of 5.25% Notes held by such holders and accrued and unpaid interest thereon. The value of the shares of the Company's common stock issued to the holders of the 5.25% Notes in the exchange has been excluded from the Company's condensed consolidated statements of cash flows as it is a non-cash financing activity. The Company's repurchase and exchange of 5.25% Notes for the year ended December 31, 2016 resulted in a total gain of $35,239 recorded during the period. All repurchased and exchanged 5.25% Notes have been surrendered to the trustee for such notes and canceled in full and the Company has no further obligations under such notes.

Plains Credit Facility

On February 29, 2016, the Company entered into a Loan and Security Agreement (the "Plains LSA") with PlainsCapital Bank ("Plains"), pursuant to which Plains agreed to lend the Company up to $50,000 on a revolving basis from time to time for a term of one year (the "Credit Facility"). All amounts advanced under the Credit Facility were due and payable on February 28, 2017. Simultaneously, the Company drew $50,000 under this Credit Facility, which the Company repaid in full on August 31, 2016. On October 31, 2016, the Plains LSA was amended solely to extend the Credit Facility's maturity date from February 28, 2017 to September 30, 2018. On December 22, 2016, the Company drew $23,500 under the Credit Facility, which the Company repaid in full on March 31, 2017. As a result, the Company had no amounts outstanding under the Credit Facility as of September 30, 2017.

The Credit Facility is evidenced by a promissory note the Company issued on February 29, 2016 in favor of Plains (the "Plains Note"). Interest on the Plains Note is payable monthly and accrues at a rate equal to the greater of (i) the then-current LIBOR rate plus 2.30% or (ii) 2.70%. As collateral security for the prompt payment in full when due of the Company's obligations

to Plains under the Plains LSA and the Plains Note, the Company pledged to and granted Plains a security interest in all of its right, title and interest in the cash and corporate and municipal bonds rated AAA, AA or A by Standard & Poor's Rating Services that the Company holds in an account at Plains. In connection with such pledge and security interest granted under the Credit Facility, on February 29, 2016, the Company entered into a Pledged Account Agreement with Plains and PlainsCapital Bank - Wealth Management and Trust (the "Pledge Agreement" and collectively with the Plains LSA and the Plains Note, the "Plains Loan Documents").The Plains Loan Documents include certain covenants of the Company and also provide for customary events of default, which, if any of them occurs, would permit or require, among other things, the principal of, and accrued interest on, the Credit Facility to become, or to be declared, due and payable. Events of default under the Plains Loan Documents include, among others, the occurrence of certain bankruptcy events, the failure to make payments when due under the Plains Note and the transfer or disposal of the collateral under the Plains LSA. No events of default under the Plains Loan Documents had occurred as of September 30, 2017.

Canton Bonds

On March 19, 2014, Canton Renewables, LLC ("Canton"), a former subsidiary of the Company, completed the issuance of Solid Waste Facility Limited Obligation Revenue Bonds (Canton Renewables, LLC — Sauk Trail Hills Project) Series 2014 in the aggregate principal amount of $12,400 (the "Canton Bonds").

The Canton Bonds were issued by the Michigan Strategic Fund (the "Issuer") and the proceeds of such issuance were loaned by the Issuer to Canton pursuant to a loan agreement that became effective on March 19, 2014.

On March 31, 2017, Canton was sold to BP in the Asset Sale (see Note 3). As a result, the Canton Bonds became the obligation of BP as of such date.

NG Advantage Debt

On May 12, 2016 and January 24, 2017, respectively, NG Advantage entered into a Loan and Security Agreement (the "Commerce LSA") with Commerce Bank & Trust Company ("Commerce"), pursuant to which Commerce agreed to lend NG Advantage $6,300 and $6,150, respectively. The proceeds were primarily used to fund the purchases of CNG trailers and equipment. Interest and principal for both loans are payable monthly in 84 equal monthly installments at an annual rate of 4.41% and 5.0%, respectively. As collateral security for the prompt payment in full when due of NG Advantage's obligations to Commerce under the Commerce LSA, NG Advantage pledged to and granted Commerce a security interest in all of its right, title and interest in the CNG trailers and equipment purchased with the proceeds received under the Commerce LSA.

On November 30, 2016, NG Advantage entered into a Loan and Security Agreement (the "Wintrust LSA") with Wintrust Commercial Finance ("Wintrust"), pursuant to which Wintrust agreed to lend NG Advantage $4,695. The proceeds were primarily used to fund the purchases of CNG trailers and equipment. Interest and principal is payable monthly in 72 equal monthly installments at an annual rate of 5.17%. As collateral security for the prompt payment in full when due of NG Advantage's obligations to Wintrust under the Wintrust LSA, NG Advantage pledged to and granted Wintrust a security interest in all of its right, title and interest in the CNG trailers and equipment purchased with the proceeds received under the Wintrust LSA.

NG Advantage has other debt for trailers and equipment due at various dates through 2021 bearing interest at rates up to 6.01%, with weighted -average interest rates of 5.51% and 5.56%, and outstanding principal balance of $2,598 and $3,222 as of December 31, 2016 and September 30, 2017, respectively.

Other Debt

The Company has other debt due at various dates through 2023 bearing interest at rates up to 19.69% with weighted -average interest rates of 5.72% and 6.35% as of December 31, 2016 and September 30, 2017, respectively.

Note 14—Net Loss Per Share

Basic net loss per share is computed by dividing the net loss attributable to Clean Energy Fuels Corp. by the weighted-average number of common shares outstanding and common shares issuable for little or no cash consideration during the period. Diluted net loss per share is computed by dividing the net loss attributable to Clean Energy Fuels Corp. by the weighted-average number of common shares outstanding and common shares issuable for little or no cash consideration during the period and potentially dilutive securities outstanding during the period, and therefore reflects the dilution from common shares that may be issued upon exercise or conversion of these potentially dilutive securities, such as stock options, warrants, convertible notes and restricted stock units. The dilutive effect of stock awards and warrants is computed under the treasury stock method. The dilutive effect of convertible notes and restricted stock units is computed under the if-converted method. Potentially dilutive securities are excluded from the computations of diluted net loss per share if their effect would be antidilutive.

The information required to compute basic and diluted net loss per share is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2017	2016	2017
Weighted-average common shares outstanding	130,436,038	150,927,825	112,819,041	150,128,204

The following potentially dilutive securities have been excluded from the diluted net loss per share calculations because their effect would have been antidilutive. Although such securities were antidilutive for the respective periods, they could be dilutive in the future.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2017	2016	2017
Stock Options	11,582,091	9,648,613	11,582,091	9,648,613
Convertible Notes	21,006,491	14,991,521	21,006,491	14,991,521
Restricted Stock Units	2,432,930	2,403,266	2,432,930	2,403,266
Total	35,021,512	27,043,400	35,021,512	27,043,400

At-The-Market Offering Program

On May 31, 2017, the Company terminated its equity distribution agreement (the "Sales Agreement") with Citigroup Global Markets Inc. ("Citigroup"), as sales agent and/or principal. The Sales Agreement was terminable at will upon written notification by the Company with no penalty. Pursuant to the Sales Agreement, the Company was entitled to issue and sell, from time to time, through or to Citigroup, shares of its common stock having an aggregate offering price of up to $200,000 in an "at-the-market" offering program (the "ATM Program"). The ATM Program commenced on November 11, 2015 when the Company and Citigroup entered into the original equity distribution agreement, which was amended and restated on September 9, 2016 and again on December 21, 2016 prior to its termination.

The following table summarizes the activity under the ATM Program for the periods presented:

	Three Months Ended September 30,	Three Months Ended September 30,	Nine Months Ended September 30,	Nine Months Ended September 30,
(in 000s, except per-share amounts)	2016	2017	2016	2017
Gross proceeds	$ 16,066	$ —	$ 69,113	$ 10,767
Fees and issuance costs	386	—	1,728	311
Net proceeds	$ 15,680	$ —	$ 67,385	$ 10,456
Shares issued	3,824,144	—	21,325,587	3,802,500

Note 15—Stock-Based Compensation

The following table summarizes the compensation expense and related income tax benefit related to the Company's stock-based compensation arrangements recognized in the condensed consolidated statements of operations during the periods:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2017	2016	2017
Stock-based compensation expense, net of $0 tax in 2016 and 2017 (1)	$ 2,077	$ 2,216	$ 6,533	$ 6,904

(1) $300 of stock-based compensation expense for the three and nine months ended September 30, 2017 is recorded in asset impairments and other charges in the condensed consolidated statements of operations and is reported in non-cash portion of asset impairments and other charges in the condensed consolidated statements of cash flows. See Note 2 for more information.

At September 30, 2017, there was $7,194 of total unrecognized compensation costs related to non-vested shares subject to outstanding stock options and restricted stock units, which is expected to be expensed over a weighted-average period of approximately 1.60 years.

Note 16—Income Taxes

The Company’s income tax benefit (expense) was $(416) and $44 for the three months ended September 30, 2016 and 2017, respectively, and $(1,229) and $2,183 for the nine months ended September 30, 2016 and 2017, respectively. Tax benefit (expense) for all periods was comprised of taxes due on the Company’s U.S. and foreign operations. The increase in the Company’s income tax benefit for the three months ended September 30, 2017 as compared to the three months ended September 30, 2016 was primarily due to a decrease in the deferred tax expense attributed to the reduction of goodwill amortization following the Asset Sale (see Note 3). The increase in the Company's income tax benefit for the nine months ended September 30, 2017 as compared to the nine months ended September 30, 2016 was primarily due to a deferred tax benefit from the Asset Sale. The effective tax rates for the three and nine months ended September 30, 2016 and 2017 are different from the federal statutory tax rate primarily as a result of losses for which no tax benefit has been recognized.

Following the Asset Sale, the Company also benefited from the utilization of federal and state net operating loss ("NOL") carryovers that offset all of the Company's federal and the majority of its state taxes. In addition to the decrease in its deferred tax liability of $2,493 attributed to the reduction in goodwill following the Asset Sale, the utilization of NOLs also resulted in a decrease of $29,768 in the Company's deferred tax assets attributed to NOLs and a corresponding decrease in the Company's deferred tax asset valuation allowance.

The Company did not record a change in its liability for unrecognized tax benefits or penalties in the three and nine months ended September 30, 2016 or 2017. The net interest incurred was immaterial for both the three and nine months ended September 30, 2016 and 2017, respectively.

Note 17—Commitments and Contingencies

Environmental Matters

The Company is subject to federal, state, local and foreign environmental laws and regulations. The Company does not anticipate any expenditures to comply with such laws and regulations that would have a material impact on the Company's consolidated financial position, results of operations or liquidity. The Company believes that its operations comply, in all material respects, with applicable federal, state, local and foreign environmental laws and regulations.

Litigation, Claims and Contingencies

The Company may become party to various legal actions that arise in the ordinary course of its business. The Company is also subject to audit by tax and other authorities for varying periods in various federal, state, local and foreign jurisdictions, and disputes may arise during the course of these audits. It is impossible to determine the ultimate liabilities that the Company may incur resulting from any of these lawsuits, claims, proceedings, audits, commitments, contingencies and related matters or the timing of these liabilities, if any. If these matters were to ultimately be resolved unfavorably, it is possible that such an outcome could have a material adverse effect upon the Company’s consolidated financial position, results of operations, or liquidity. The Company, does not, however, anticipate such an outcome and it believes the ultimate resolution of these matters will not have a material adverse effect on the Company’s consolidated financial position, results of operations, or liquidity.

Note 18—Alternative Fuels Excise Tax Credit

In December 2015, the U.S. Congress passed the Consolidated Appropriations Act, which included an alternative fuels tax credit referred to in these condensed consolidated financial statements as "VETC." The credit was made retroactive to January 1, 2015 and extended through December 31, 2016, except that the alternative fuels tax credit for LNG sold as a vehicle fuel in 2016 was based on the diesel gallon equivalent of LNG sold, rather than the liquid gallon of LNG sold as it was in 2015. As a result, the Company was eligible to receive a credit of $0.50 per gasoline gallon equivalent of CNG sold as a vehicle fuel in 2016 and $0.50 per diesel gallon equivalent of LNG sold as a vehicle fuel in 2016.

Based on the service relationship with its customers, either the Company or its customers claimed the credit. The Company records its VETC credits, if any, as revenue in its condensed consolidated statements of operations because the credits are fully payable and do not need to offset income tax liabilities to be received. As such, the credits are not deemed income tax credits under the accounting guidance applicable to income taxes.

VETC revenue for the three and nine months ended September 30, 2016 was $6,693 and $19,609, respectively. VETC ceased to be available after it expired on December 31, 2016 and may not be available for any subsequent period.

Note 19—Recently Issued and Adopted Accounting Standards

In May 2017, the FASB issued Accounting Standards Update (“ASU”) 2017-09, *Compensation - Stock Compensation (Topic 718): Scope Modification Accounting*. This ASU allows entities to make certain changes to awards without accounting for them as modifications. It does not change the accounting for modifications. Specifically, an entity will not apply modification accounting if all of the following are the same immediately before and after the change: (1) the award's fair value (or calculated value or intrinsic value if those measurement methods are used), (2) the award's vesting conditions, and (3) the award's classification as an equity or liability instrument. The new standard is effective for fiscal years beginning after December 15, 2017, which for the Company is the first quarter of 2018. The Company does not expect the adoption of the guidance to have a material impact on its consolidated financial statements.

In January 2017, the FASB issued ASU 2017-03, *Accounting Changes and Error Corrections (Topic 250) and Investments - Equity Method and Joint Ventures (Topic 323): Amendments to SEC Paragraphs Pursuant to Staff Announcements at the September 22, 2016 and November 17, 2016 EITF Meetings*. This ASU requires registrants to disclose the effect that ASU 2014-09 (*Revenue from Contracts with Customers (Topic 606*), ASU 2016-02 (*Leases (Topic 842*), and ASU 2016-13 (*Financial Instruments--Credit Losses* (*Topic 326*) will have on their financial statements when adopted in a future period. In cases where a registrant cannot reasonably estimate the impact of the adoption, additional qualitative disclosures should be considered to assist the reader in assessing the significance of the standard’s impact on its financial statements. This guidance was effective upon issuance and other than enhancements to the qualitative disclosures regarding the future adoption of the referenced ASUs above, adoption of this ASU is not expected to have any impact on the Company’s consolidated financial statements and related disclosures.

In October 2016, the FASB issued ASU No. 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory.* Under the new standard, the selling (transferring) entity is required to recognize a current tax expense or benefit upon transfer of the asset. Similarly, the purchasing (receiving) entity is required to recognize a deferred tax asset or liability, as well as the related deferred tax benefit or expense, upon purchase or receipt of the asset. The Company early adopted the standard as of January 1, 2017. This election was implemented under the modified retrospective approach, resulting in a $302 increase in accumulated deficit representing the cumulative recognition of the income tax consequences of intra-entity transfers of assets other than inventory that occurred before the adoption date.

In March 2016, the FASB issued ASU No. 2016-09, *Compensation – Stock Compensation (Topic 718): Improvements to Employee Share-Based Payments Accounting*. The new standard was issued to simplify the accounting for share-based payment transactions, including income tax consequences, the classification of awards as either equity or liabilities, and the classification on the statement of cash flows. The Company adopted the standard as of January 1, 2017 and in connection with the adoption, the Company elected to recognize forfeitures when they occur. Previously, the Company estimated a forfeiture rate in accordance with prior guidance. This election was implemented under the modified retrospective approach with a cumulative effect of an increase in accumulated deficit of $194, net of tax. This adjustment represents the cumulative additional compensation expense that would have been amortized through the date of adoption had this accounting policy election been in place. This ASU also eliminates the requirement to defer recognition of an excess tax benefit until the benefit is realized through a reduction to taxes payable. As a result, the Company’s deferred tax asset relating to its net operating loss carryovers increased by $8,600 with a corresponding increase in the deferred tax asset valuation allowance. The Company also adopted, on a prospective basis, (1) the classification of excess tax benefits as an operating activity in the condensed consolidated statements of cash flows and (2) the exclusion of the amount of excess tax benefits when applying the treasury stock method for the Company’s diluted loss per share calculation. Neither of these adoptions had a material impact on the Company's cash flows or diluted loss per share calculation for the nine months ended September 30, 2017. Additionally, the Company continues to (1) classify cash paid by the Company for directly withholding shares for tax withholding purposes as a financing activity in the condensed consolidated statements of cash flows and (2) withhold the statutory minimum taxes for participants in the Company’s stock-based compensation plans.

In May 2014, the FASB issued ASU 2014-09 related to revenue from contracts with customers, which, along with amendments issued in 2015, 2016, and 2017 will provide a single, comprehensive revenue recognition model for all contracts with customers. The underlying principle is to recognize revenue when promised goods or services are transferred to customers in amounts that reflect the consideration that is expected to be received for those goods or services. The new standard also requires entities to enhance disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. This ASU, as amended, will be effective for annual reporting periods after December 15, 2017, which for the Company is the first quarter of 2018. The new revenue standard may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized in retained earnings as of the date of adoption ("modified retrospective basis"). The Company expects to adopt this ASU on a modified retrospective basis and is currently evaluating the impact of this ASU on its consolidated financial statements and related disclosures. While the Company has not yet identified any material changes in the timing of revenue recognition for our various revenues streams, our evaluation is ongoing and not complete.

Note 20—Subsequent Events

On October 23, 2017, the Company paid $5,486 to settle an obligation to deliver LCFS Credits to a third party. The Company took this action because it did not at that time have access to LCFS Credits it generates due to restrictions imposed on the Company's LCFS Credit account pending completion of an ongoing administrative review by the California Air Resources Board ("CARB"). If CARB's administrative review results in the retirement of any of the Company's LCFS Credits, such that the Company cannot recover any portion of its cash payment through sales of such credits, then the Company may be required to recognize a charge equal to the value of the portion of its cash payment that cannot be recovered.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following Management's Discussion and Analysis of Financial Condition and Results of Operations (the "MD&A") should be read together with the unaudited condensed consolidated financial statements and the related notes included in this report. For additional context with which to understand our financial condition and results of operations, refer to the MD&A for the fiscal year ended December 31, 2016 included in our Annual Report on Form 10-K for our fiscal year ended December 31, 2016, which was filed with the Securities and Exchange Commission ("SEC") on March 7, 2017, as well as the audited consolidated financial statements and notes included therein (collectively, our "2016 Form 10-K"). Unless the context indicates otherwise, all references to "Clean Energy," the "Company," "we," "us," or "our" in this MD&A and elsewhere in this report refer to Clean Energy Fuels Corp. together with its majority and wholly owned subsidiaries.

Cautionary Statement Regarding Forward Looking Statements

This Management's Discussion and Analysis of Financial Condition and Results of Operations (the "MD&A") and other sections of this report contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements relate to future events or circumstances or our future financial performance and are based upon our current assumptions, expectations and beliefs concerning future developments and their potential effect on our business. In some cases, you can identify forward-looking statements by the following words: "if," "may," "might," "shall," "will," "can," "could," "would," "should," "expect," "intend," "plan," "goal," "objective," "initiative," "anticipate," "believe," "estimate," "predict," "project," "forecast," "potential," "continue," "ongoing" or the negative of these terms or other comparable terminology, although the absence of these words does not mean that a statement is not forward-looking. We believe the statements we make in this MD&A about our future financial and operating performance, our growth strategies and anticipated trends in our industry and our business are forward-looking by their nature. Although the forward-looking statements in this MD&A reflect our good faith judgment, based on currently available information, they are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Factors that might cause or contribute to such differences include, among others, those discussed under "Risk Factors" in this report and in our 2016 Form 10-K. As a result of these and other potential risk factors, the forward-looking statements in this MD&A may not prove to be accurate. All forward-looking statements in this MD&A are made only as of the date of this document and, except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason, including to conform these statements to actual results or to changes in our expectations.

Overview

We are the leading provider of natural gas as an alternative fuel for vehicle fleets in the United States and Canada, based on the number of stations operated and the amount of gasoline gallon equivalents ("GGEs") of renewable natural gas ("RNG"), compressed natural gas ("CNG") and liquefied natural gas ("LNG") delivered. Our principal business is supplying RNG, CNG and LNG (RNG can be delivered in the form of CNG or LNG) for light, medium and heavy-duty vehicles and providing operation and maintenance ("O&M") services for vehicle fleet customer stations. As a comprehensive solution provider, we also design, build, operate and maintain fueling stations; manufacture, sell and service non-lubricated natural gas fueling compressors and other equipment used in CNG stations and LNG stations; offer assessment, design and modification solutions to provide operators with code-compliant service and maintenance facilities for natural gas vehicle fleets; transport and sell CNG and LNG to industrial and institutional energy users who do not have direct access to natural gas pipelines; procure and sell RNG; sell tradable credits we generate by selling natural gas and RNG as a vehicle fuel, including credits under the California and Oregon Low Carbon Fuel Standards (collectively, "LCFS Credits") and Renewable Identification Numbers ("RIN Credits" or "RINs") under the federal Renewable Fuel Standard Phase 2; help our customers acquire and finance natural gas vehicles; and obtain federal, state and local tax credits, grants and incentives.

We serve fleet vehicle operators in a variety of markets, including heavy-duty trucking, airports, refuse, public transit, government fleets, and industrial and institutional energy users. We believe these fleet markets will continue to present a growth

opportunity for natural gas vehicle fuel for the foreseeable future. As of September 30, 2017, we serve nearly 1,000 fleet customers operating over 46,000 natural gas vehicles, and we currently own, operate or supply more than 575 natural gas fueling stations in 42 states in the United States and four provinces in Canada (although we will close certain underperforming stations) by the end of 2017, as discussed under "Recent Developments" below and Note 2 to the condensed consolidated financial statements included in this report).

Performance Overview

The following performance overview discusses matters on which our management focuses in evaluating our financial condition and operating performance and results.

Sources of Revenue

The following table represents our sources of revenue:

Revenue (in millions)	Three Months Ended September 30, 2016	Three Months Ended September 30, 2017	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2017
Volume -Related (1)	$ 71.3	$ 63.1	$ 210.8	$ 200.0
Compressor Sales	5.3	5.9	22.4	17.6
Station Construction Sales	13.7	12.5	48.0	34.1
VETC (2)	6.7	—	19.6	—
Other	—	0.3	—	0.6
Total	$ 97.0	$ 81.8	$ 300.8	$ 252.3

(1) Our volume-related revenue primarily consists of sales of CNG, LNG and RNG fuel, sales of RINs and LCFS Credits and performance of O&M services.

(2) Represents a federal alternative fuels tax credit that we refer to as "VETC," which expired December 31, 2016.

Key Operating Data

In evaluating our operating performance, our management focuses primarily on: (1) the amount of CNG, LNG and RNG gasoline gallon equivalents delivered (which we define as (i) the volume of gasoline gallon equivalents we sell to our customers, plus (ii) the volume of gasoline gallon equivalents dispensed at facilities we do not own but where we provide O&M services on a per-gallon or fixed fee basis, plus (iii) our proportionate share of the gasoline gallon equivalents sold as CNG by our joint venture with Mansfield Ventures, LLC called Mansfield Clean Energy Partners, LLC ("MCEP"), plus (iv) our proportionate share (as applicable) of the gasoline gallon equivalents of RNG produced and sold as pipeline quality natural gas by the RNG production facilities we owned or operated), (2) our station construction cost of sales, (3) our gross margin (which we define as revenue minus cost of sales), and (4) net loss attributable to us. The following tables, which should be read in conjunction with the condensed consolidated financial statements and notes included in this report and the consolidated financial statements and notes included in our 2016 Form 10-K, present our key operating data for the years ended December 31, 2014, 2015, and 2016 and for the three and nine months ended September 30, 2016 and 2017:

Gasoline gallon equivalents delivered (in millions)	Year Ended December 31, 2014	Year Ended December 31, 2015	Year Ended December 31, 2016	Three Months Ended September 30, 2016	Three Months Ended September 30, 2017	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2017
CNG (1)	182.6	229.2	259.2	66.7	73.5	191.7	213.1
RNG (2)	12.2	8.8	3.0	0.7	0.7	2.3	1.9
LNG	70.3	70.5	66.8	17.1	17.3	50.9	50.0
Total	265.1	308.5	329.0	84.5	91.5	244.9	265.0

Gasoline gallon equivalents delivered (in millions)	Year Ended December 31, 2014	Year Ended December 31, 2015	Year Ended December 31, 2016	Three Months Ended September 30, 2016	Three Months Ended September 30, 2017	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2017
O&M	137.3	159.3	176.6	45.7	53.2	130.4	150.2
Fuel (1)	108.2	130.1	128.5	32.3	32.3	96.8	96.7
Fuel and O&M (3)	19.6	19.1	23.9	6.5	6.0	17.7	18.1
Total	265.1	308.5	329.0	84.5	91.5	244.9	265.0

Other operating data (in millions)	Year Ended December 31, 2014	Year Ended December 31, 2015	Year Ended December 31, 2016	Three Months Ended September 30, 2016	Three Months Ended September 30, 2017	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2017
Station construction cost of sales	$ 56.3	$ 32.3	$ 57.0	$ 12.3	$ 11.6	$ 41.3	$ 31.3
Gross margin (4) (5)	$ 120.2	$ 125.8	$ 147.1	$ 35.2	$ 8.5	$ 111.0	$ 60.8
Net loss attributable to Clean Energy Fuels. Corp (4)	$ (89.7)	$ (134.2)	$ (12.2)	$ (12.6)	$ (94.1)	$ (8.3)	$ (50.9)

(1) As noted above, amounts include our proportionate share of the GGEs sold as CNG by our joint venture MCEP. GGEs sold by this joint venture were 0.0 million, 0.4 million, and 0.5 million, for the years ended December 31, 2014, 2015, and 2016, respectively, 0.1 million and 0.1 million for the three months ended September 30, 2016 and 2017, respectively, and 0.4 million and 0.4 million for the nine months ended September 30, 2016 and 2017, respectively.

(2) Represents RNG sold as non-vehicle fuel. RNG sold as vehicle fuel, also known as Redeem™, is included in CNG and LNG.

(3) Represents gasoline gallon equivalents at stations where we provide both fuel and O&M services.

(4) Includes the following amounts of VETC: $28.4 million, $31.0 million, and $26.6 million for the years ended December 31, 2014, 2015, and 2016, respectively, $6.7 million and $0.0 million for the three months ended September 30, 2016 and 2017, respectively, and $19.6 million and $0.0 million for the nine months ended September 30, 2016 and 2017, respectively. See the discussion under "Recent Developments—VETC Expiration" below.

(5) For the three months ended September 30, 2017, gross margin includes an inventory valuation provision of $13.2 million. See Recent Developments and Note 2 for more details.

Recent Developments

Asset Impairments, Other Charges, and Inventory Valuation Provision. During the three months ended September 30, 2017, we undertook an evaluation of our operations with the intent of minimizing and eliminating assets we believe are underperforming. As a result of this evaluation, we identified 42 fueling stations where the current and projected natural gas volume and profitability levels are not expected to be sufficient to support our investment in the fueling station assets, and we determined to close these stations by the end of 2017. We also reduced our workforce and took other steps to reduce overhead costs in the third quarter of 2017 as a result of this evaluation, in an effort to lower our operating expenses going forward. In addition, we are seeking a strategic partner and position our compressor business, Clean Energy Compression Corp. ("CECC"), to benefit from consolidation in the natural gas compressor sector, in an effort to increase its scale and reach and improve the financial prospects of our investment.

As a result of these decisions and the steps taken to implement them, we determined that impairment indicators were present for CECC's assets and the closed station assets, and we recorded asset impairment charges of $32.3 million related to CECC and $20.4 million related to the station closures in the three and nine months ended September 30, 2017. We also recorded during these periods an additional $4.9 million of other charges relating to the station closures, consisting of lease termination fees, write-offs of deferred losses, and an increase in asset retirement obligations. In addition, we incurred $3.0 million during these periods related to our workforce reduction and $13.2 million during these periods related to a non-cash inventory valuation provision. As a result of these steps, we incurred, on a pre-tax basis, aggregate cash and non-cash charges of $73.8 million during the three and nine months ended September 30, 2017. For more information, see Note 2 to the condensed consolidated financial statements included in this report.

Purchase of Natural Gas Heavy -Duty Trucks. On July 25, 2017, we entered into an arrangement to purchase used natural gas heavy -duty trucks by December 29, 2017, with the intention of selling the trucks to our customers. As of September 30, 2017, this arrangement represented an outstanding commitment to purchase 136 natural gas heavy - duty trucks valued at $8.8 million.

NG Advantage. In June 2017, our subsidiary NG Advantage, LLC ("NG Advantage") entered into an arrangement with one of its customers for the purchase, sale and transportation of CNG over a five-year period. The arrangement is customary and ordinary course, and provides for the payment by the customer of a nonrefundable amount of $13.36 million to reserve a specified

volume of CNG transportation capacity under the arrangement. This amount was paid to NG Advantage in two installments, with $8.35 million paid on July 3, 2017 and $5.01 million paid on October 2, 2017.

Contribution of Milton CNG Station. On July 14, 2017, we contributed to NG Advantage all of its right, title and interest in and to a CNG station located in Milton, Vermont. We had purchased this CNG station from NG Advantage in October 2014 in connection with our initial investment in NG Advantage, and at that time, we entered into a lease agreement with NG Advantage to lease the station back to NG Advantage. This lease agreement was terminated contemporaneously with the contribution of the station to NG Advantage in July 2017. As consideration for the contribution, NG Advantage issued to us Series A Preferred Units with an aggregate value of $7.5 million. The Series A Preferred Units provide for an accrued return in the event of a liquidation event with respect to NG Advantage and will convert into common units of NG Advantage if and when it completes a future equity financing that satisfies certain specified conditions, but the Series A Preferred Units do not, in themselves, increase our controlling interest in NG Advantage. As a result, following the contribution, our controlling interest in NG Advantage remains at 53.3%.

Termination of ATM Program. On May 31, 2017, we terminated our equity distribution agreement (the “Sales Agreement”) with Citigroup Global Markets Inc. (“Citigroup”), as sales agent and/or principal. The Sales Agreement was terminable at will upon written notification by us with no penalty. Pursuant to the Sales Agreement, we were entitled to issue and sell, from time to time, through or to Citigroup shares of our common stock having an aggregate offering price of up to $200.0 million in an “at-the-market” offering program (the “ATM Program”). The ATM Program commenced on November 11, 2015 when we and Citigroup entered into the original equity distribution agreement, which was amended and restated on September 9, 2016 and again on December 21, 2016 prior to its termination.

Asset Sale. On February 27, 2017, Clean Energy Renewable Fuels ("Renewables"), our subsidiary, entered into an asset purchase agreement (the “APA”) with BP Products North America, Inc. (“BP”), pursuant to which Renewables agreed to sell to BP certain assets relating to its RNG production business (the “Asset Sale”), consisting of Renewables’ two existing RNG production facilities, Renewables’ interest in the RNG Ventures and Renewables’ third-party RNG supply contracts (the “Assets”). The Asset Sale was completed on March 31, 2017 for a sale price of $155.5 million, plus BP assumed the obligations under the Canton Bonds (as defined in Note 13 to the condensed consolidated financial statements included in this report) which totaled $8.8 million as of March 31, 2017.

On March 31, 2017, BP paid Renewables $30.0 million in cash and delivered to Renewables a promissory note with a principal amount of $123.5 million, which was paid in full on April 3, 2017. In addition, on June 22, 2017, BP paid Renewables an additional $2.0 million related to the determination of certain post-closing adjustments. Renewables recognized a gain of $69.9 million as of September 30, 2017 from the Asset Sale. Pursuant to the APA, the valuation date of the Asset Sale was January 1, 2017, and the APA included certain adjustments to the purchase price to reflect a determination of the amount of cash accumulated by Renewables from the valuation date to the closing date, net of permitted cash outflows. Control of the Assets was not transferred until the Asset Sale was completed on March 31, 2017. Accordingly, the full operating results of Renewables are included in the condensed consolidated statement of operations through March 31, 2017.

In addition, under the APA, BP is required, following the closing of the Asset Sale, to pay Renewables up to an additional $25.0 million in cash over a five-year period if certain performance criteria relating to the Assets are met.

We incurred $3.7 million in transaction fees in connection with the Asset Sale, and paid all such fees in the nine months ended September 30, 2017. Also, we paid $8.6 million in cash and issued 770,269 shares of common stock to holders of Renewables Option Awards (as defined and discussed below). The net proceeds from the Asset Sale, net of $1.0 million cash transferred to BP were $142.2 million.

Following completion of the Asset Sale, we are continuing to procure RNG from BP under a long-term supply contract and from other RNG suppliers, and resell such RNG through our natural gas vehicle fueling infrastructure as Redeem™, our RNG vehicle fuel. We collect royalties from BP on gas purchased from BP and sold as Redeem™ at our stations, which royalty is in addition to any payment obligation of BP under the APA.

Renewables Options. In September 2013, Renewables established the 2013 Unit Option Plan (the “Renewables Plan”) and granted unit option awards thereunder (the “Renewables Option Awards”) to certain of its service providers. In connection with the closing of the Asset Sale, all holders of outstanding Renewables Option Awards entered into a surrender agreement with us and Renewables, pursuant to which (i) all Renewables Option Awards held by holders who were not members of Renewables’ Board of Managers were surrendered and canceled in full in exchange for, upon the closing of the Asset Sale and Renewables’ receipt of any future cash payment pursuant to the terms of the APA, a cash payment in an amount determined based on such holder’s percentage ownership of Renewables following a cashless “net exercise” of such holder’s Renewables Option Awards, and (ii) all Renewables Option Awards held by members of Renewables’ Board of Managers were surrendered and canceled in

full in exchange for, upon the closing of the Asset Sale and Renewables' receipt of any future cash payment pursuant to the terms of the APA, awards of shares of our common stock (the "Company Stock Awards"). The number of shares of our common stock subject to each Company Stock Award was calculated by dividing the cash payment to which the applicable holder would have been entitled as described in (i) above by the closing price of our common stock on March 31, 2017, the closing date of the Asset Sale. All Company Stock Awards were granted under our 2016 Performance Incentive Plan and are fully vested upon grant, and the shares subject to such awards are freely tradable upon issuance, subject to applicable securities laws relating to shares held by our affiliates.

Debt Repurchase. In February 2017, we purchased from one of our directors and significant stockholders, T. Boone Pickens ("Mr. Pickens"), the 7.5% Convertible Note due July 2018 having an outstanding principal amount of $25.0 million held by Mr. Pickens for a cash purchase price of $21.75 million. See Note 13 to the condensed consolidated financial statements included in this report for more information about our outstanding debt.

VETC Expiration. On December 31, 2016, the VETC alternative fuels tax credit expired and ceased to be available and may not be available in any subsequent period. Under VETC, we were eligible to receive credits of $0.50 per gasoline gallon equivalent of CNG and $0.50 per diesel gallon equivalent of LNG that we sold as a vehicle fuel from January 1, 2016 through December 31, 2016.

Business Risks and Uncertainties

Our business and prospects are exposed to numerous risks and uncertainties. For more information, see "Risk Factors" in Part II, Item 1A of this report.

Key Trends

Market for Natural Gas. CNG and LNG are generally less expensive than gasoline and diesel on an energy equivalent basis. Additionally, according to studies conducted by the California Air Resources Board ("CARB") and Argonne National Laboratory, a research laboratory operated by the University of Chicago for the U.S. Department of Energy, CNG and LNG are cleaner than gasoline and diesel fuel. According to the U.S. Energy Information Administration, demand for natural gas fuels in the United States has increased in recent years and is expected to continue to increase. We believe this growth in demand is attributable primarily to the higher prices of gasoline and diesel relative to CNG and LNG, increasingly stringent environmental regulations affecting vehicle fleets and increased supply of natural gas.

Since approximately mid-2014, however, the prices of oil, gasoline, diesel and natural gas have been significantly lower and volatile, and these trends of lower prices and volatility may continue. We believe these conditions have contributed to slower and more limited growth in the demand for natural gas as a vehicle fuel, both in general and in certain of our key markets, such as heavy-duty trucking, because the pricing advantage when comparing natural gas prices to diesel and gasoline prices has decreased. We believe this decreased pricing advantage has also contributed to our lower revenue levels in recent periods. In addition, these conditions have also caused us to reduce the prices we have been charging our customers for CNG and LNG in some instances, which has reduced our profit margins. Further, to the extent these conditions have contributed to curtailed demand or slowed growth in the market for natural gas as a vehicle fuel, we believe they have also contributed to decreases in compressor sales and station construction activity in certain periods, as the success of these aspects of our operations is dependent upon the success of the natural gas vehicle fuels market generally. Due to these and other factors, during the three months ended September 30, 2017, we identified for closure certain underperforming stations in our fueling station network, which resulted in an impairment of the associated assets and certain other cash and non-cash charges, and we also determined the assets related to our compressor business were impaired. See "Our Performance" below for more information. In addition, we believe these factors have materially contributed to the volatility and overall decline in our stock price and market capitalization in recent years, which has and could in the future lead to decreased cash flows and/or indications of asset or goodwill impairment. If these volatile and low price conditions and other uncertainties persist, our financial results and stock price may continue to be adversely affected.

Our Performance. In light of continuing low oil prices and the current state of natural gas vehicle adoption as described above, during the three months ended September 30, 2017, we took steps to minimize and eliminate assets we believe are underperforming in an effort to better align our activities with current and anticipated natural gas fueling demand, and to try to lower our operating expenses going forward by streamlining our operations. These steps included a workforce reduction and other measures to reduce overhead costs, which resulted in cash severance costs and certain non-cash stock-based compensation charges; our decision to close certain of our natural gas fueling stations by the end of 2017, which resulted in an impairment of these station assets and certain other cash and non-cash charges; a determination that the assets of CECC, which operates our natural gas fueling compressor business, were impaired, which resulted in a non-cash charge; and positioning CECC to benefit from consolidation in the natural gas compressor sector. See "Recent Development" above and Note 2 to the condensed consolidated financial statements included in this report for more information.

Our gross revenue mostly consists of volume -related revenue, compressor and other equipment sales, station construction sales, and historically, VETC revenue. Our revenue can vary between periods due to a variety of factors, including, among others, the amount and timing of station construction sales, sales of RINs and LCFS Credits, recognition of any other government credits and, compressor and other equipment sales; fluctuations in commodity costs; and natural gas prices and sale activity. Our volume-related revenue, which is further discussed below, increased from 2014 to 2016 due largely to the increase in gallons delivered across this period; however, volume-related revenue declined in the three and nine months ended September 30, 2017 compared to the same periods in 2016, primarily due to decreased revenue from sales of RINs and LCFS Credits as a result of the Asset Sale. We expect this trend to continue.

Our cost of sales can also vary between periods due to a variety of factors, including fluctuations in commodity, station construction and labor costs, fluctuations in compressor equipment costs; and the other factors that impact our revenue levels described above.

In addition, our performance in certain recent periods has been materially affected by certain non-cash gains relating to particular transactions or events. For example, our results for the nine months ended September 30, 2016 and 2017 were positively affected by gains related to repurchases and retirements of our outstanding convertible debt, and our results for the nine months ended September 30, 2017 were also positively affected by the gain from the Asset Sale. These or other gains or losses may not recur regularly, in the same amounts or at all in future periods and, with respect to non-cash gains and losses, do not impact our liquidity.

See "Results of Operations" below for a further discussion of our performance.

Volume-Related Revenue. The amount of CNG, LNG and RNG GGEs we delivered increased by 24.1% from 2014 to 2016 and by 8.2% from the first nine months of 2016 compared to the same period in 2017.

In particular, the amount of RNG we sell for vehicle fuel, which is delivered in the form of CNG or LNG and is distributed under the name Redeem™, has experienced rapid growth in recent years, increasing by 190.1% from 20.2 million GGEs in 2014 to 58.6 million GGEs in 2016, and by 22.7% from 43.7 million GGEs in the first nine months of 2016 to 53.6 million GGEs for the same period in 2017.

We believe demand for Redeem™ is largely attributable to the lower greenhouse gas emissions that it produces relative to gasoline and diesel, and we expect our Redeem™ business will continue to grow.

When we sell natural gas and RNG for use as a vehicle fuel, we are eligible to generate RINs and LCFS Credits, which we then seek to sell to third parties. The following table summarizes our revenue from sales of RINs and LCFS Credits in the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2016**	**2017**	**2016**	**2017**
RIN Credits	$ 7.0	$ 3.8	$ 20.0	$ 17.2
LCFS Credits (1)	4.3	—	15.2	2.9
Total	$ 11.3	$ 3.8	$ 35.2	$ 20.1

(1) We recognized no revenue from sales of LCFS Credits during the three months ended September 30, 2017 primarily because the majority of the LCFS Credits we had generated were sold to BP pursuant to the APA and we temporarily stopped sales of our remaining LCFS Credits due to restrictions imposed on our credit account pending completion of ongoing administrative review by CARB. We continue to generate LCFS Credits and we expect to recognize revenue from sales of such credits during the three months ending December 31, 2017. However, if CARB's administrative review results in the retirement of any of our LCFS Credits or is otherwise unfavorable, we may be required to recognize a charge equal to the value of the retired credits or we may experience other negative effects.

Although we continue to generate revenue from the sale of RINs and LCFS Credits in connection with our continued sales of CNG, LNG and our Redeem™ RNG vehicle fuel, the amount of revenue we receive from sales of these credits has decreased as a result of our sale of certain of our former RNG assets in the Asset Sale, which has adversely affected our results of operations, in particular our volume -related revenue, and reduced our effective price per gallon. Pursuant to the terms of the APA, $5.1 million of revenue attributable to sales of RINs and LCFS Credits in the first quarter of 2017 served as an adjustment to the purchase price and was recorded as a reduction of the gain from the Asset Sale (see Note 3 to the condensed consolidated financial statements included in this report).

The markets for RINs and LCFS Credits have historically been volatile, and the prices for these credits have been subject to significant fluctuations. Additionally, the value of RINs and LCFS Credits, and consequently the revenue levels we may receive from our sale of these credits, may be adversely affected by changes to the federal and state programs under which such credits are generated and sold. In addition, our ability to generate revenue from sales of these credits depends upon our strict compliance with these federal and state programs, which are complex and can involve a significant degree of judgment. If the agencies that administer and enforce these programs disagree with our judgments, otherwise determine we are not in compliance or conduct reviews of our activities, then our ability to generate or sell these credits could be temporarily restricted pending completion of reviews or as a penalty, permanently limited or lost entirely, and we could also be subject to fines or other sanctions, any of which could force us to purchase credits in the open market to cover any credits we have contracted to sell, retire credits we may have generated but not yet sold, or eliminate or reduce a significant revenue stream.

Anticipated Future Trends

Although natural gas continues to be less expensive than gasoline and diesel in most markets, the price of natural gas vehicle fuel has been closer to the prices of gasoline and diesel in recent years due in part to lower oil prices, thereby reducing the price advantage of natural gas as a vehicle fuel. We anticipate that, over the long term, the prices for gasoline and diesel will continue to be higher than the price of natural gas as a vehicle fuel and will increase overall, which would improve the cost savings of natural gas compared to gasoline and diesel. This belief is based in large part on the growth in recent years of natural gas production in the United States, as well as increasingly stringent environmental regulations affecting vehicle fleets, which we believe drives the market for alternative vehicle fuels generally.

It is uncertain, however, whether and when the prices for gasoline and diesel will increase, and we expect that adoption of natural gas as a vehicle fuel and growth in our customer base and revenue will be negatively affected while oil and diesel prices remain low. Other factors also create potential uncertainties about the future market for natural gas as a vehicle fuel, including growing favor by lawmakers, regulators, other policymakers, environmental organizations or other powerful groups for non-natural gas fuels and vehicles, including long-standing support for gasoline and diesel-powered vehicles and growing favor for electric and/or hydrogen-powered vehicles, and the availability and effect on our business of environmental and other regulations, programs or incentives. These and other factors make it challenging to accurately predict natural gas vehicle fuel demand, in general and in any specific geographic and customer markets. As a result, our timing and level of investment in particular markets may not be consistent with any growth in demand in these markets.

We have made efforts we believe will better align our activities and assets with current and anticipated market demand. For instance, we plan to close 42 natural gas fueling stations by the end of 2017 and are positioning our compressor business to benefit from consolidation in the natural gas sector. We expect these actions will have a number of effects on our financial condition and performance, including primarily decreased revenue and decreased costs from the closed assets and our related operations in the near term. We also anticipate the measures we implemented in the third quarter of 2017 to reduce our operating costs, including a workforce reduction and other measures to reduce overhead costs, will contribute to decreased expenses going forward, particularly selling, general and administrative expenses.

We believe natural gas fuels are well-suited for use by vehicle fleets that consume high volumes of fuel, refuel at centralized locations or along well-defined routes and/or are increasingly required to reduce emissions. As a result, we believe there will be growth in the consumption of natural gas as a vehicle fuel among vehicle fleets, and our goal is to capitalize on this trend if and when it materializes. Our business plan calls for expanding our sales of natural gas vehicle fuel in the markets in which we operate, including heavy-duty trucking, airports, refuse, public transit, government fleets and industrial and institutional energy users, and pursuing additional markets as opportunities arise. Additionally, we expect that the lower greenhouse gas emissions associated with our Redeem™ vehicle fuel will result in increased demand for this fuel, resulting in our delivery of increasing volumes of Redeem™ to our vehicle fleet customers. If these projections materialize and our business grows as we anticipate, then our operating costs and capital expenditures could increase. We also may pursue strategic partnerships or similar arrangements or seek to invest in or acquire assets and/or businesses that are in the natural gas fueling infrastructure, which may require us to spend additional capital.

We expect competition in the market for natural gas vehicle fuel to remain steady in the near-term, but we expect competition in the vehicle fuels market generally to increase. Any such increased competition may reduce our customer base and revenue and may lead to amplified pricing pressure, reduced operating margins and fewer expansion opportunities.

Several factors create potential uncertainties relating to the future market for natural gas as a vehicle fuel. These factors include growing favor by lawmakers, regulators, other policymakers, environmental organizations or other powerful groups for non-natural gas fuels and vehicles, including long-standing for gasoline and diesel-powered vehicles and growing favor for electric and/or hydrogen-powered vehicles, and the availability and effect on our business of environmental and other regulations, programs

or incentives. Subsequent to December 31, 2016, our stock price has declined due to adverse macroeconomic conditions surrounding the energy industry which could also lead to decreased cash flows which may indicate the carrying value of our goodwill or long lived assets is impaired. As a result of the recent volatility of our market capitalization and possible decrease in cash flows, it is possible that our goodwill or long lived assets could become impaired, which could result in a material charge and adversely affect our results of operations. See “Risk Factors” in Part II, Item 1A of this report for additional information.

Debt Compliance

Certain of the agreements governing our outstanding debt, which are discussed in Note 13 to our condensed consolidated financial statements included in this report, have certain non-financial covenants with which we must comply. As of September 30, 2017, we were in compliance with all of these covenants.

Risk Management Activities

Our risk management activities are discussed in the MD&A of our 2016 Form 10-K. In the nine months ended September 30, 2017, there were no material changes to our risk management activities.

Critical Accounting Policies

We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our condensed consolidated financial statements.

- Revenue recognition;
- Impairment of goodwill and long-lived assets;
- Income taxes; and
- Fair value estimates.

Our critical accounting policies and estimates are discussed in the MD&A of our 2016 Form 10-K. For the nine months ended September 30, 2017, there were no material changes to our critical accounting policies.

Recently Issued and Adopted Accounting Standards

For a description of recently issued and adopted accounting standards, see Note 19 to the condensed consolidated financial statements included in this report.

Results of Operations

Three Months Ended September 30, 2016 Compared to Three Months Ended September 30, 2017

The table below presents our results of operations as a percentage of total revenue and the narrative that follows provides a detailed discussion of certain line items for the periods presented.

	Three Months Ended September 30,	
	2016	2017
Statement of Operations Data:		
Revenue:		
Product revenue	87.1 %	82.7 %
Service revenue	12.9	17.3
Total revenue	100.0	100.0
Operating expenses:		
Cost of sales (exclusive of depreciation and amortization shown separately below):		
Product cost of sales	57.2	64.7
Service cost of sales	6.6	8.9
Inventory valuation provision	—	16.1
Selling, general and administrative	26.7	30.3
Depreciation and amortization	15.3	17.2
Asset impairments and other charges	—	74.2
Total operating expenses	105.8	211.4
Operating loss	(5.8)	(111.4)
Interest expense	(6.6)	(5.2)
Interest income	0.1	0.6
Other income (expense), net	(0.1)	0.0
Loss from equity method investments	0.0	0.0
Gain (loss) from extinguishment of debt	(0.7)	—
Gain from sale of certain assets of subsidiary	—	—
Loss before income taxes	(13.1)	(116.0)
Income tax benefit (expense)	(0.4)	0.1
Net loss	(13.5)	(115.9)
Loss attributable to noncontrolling interest	0.4	0.9
Net loss attributable to Clean Energy Fuels Corp.	(13.1)%	(115.0)%

Revenue. Revenue decreased by $15.2 million to $81.8 million in the three months ended September 30, 2017, from $97.0 million in the three months ended September 30, 2016. This decrease was primarily due to the expiration of VETC in addition to lower volume -related revenue and station construction sales partially offset by an increase in compressor revenue.

Volume -related revenue decreased by $8.2 million between periods primarily due to reduced revenue received from sales of RINs and LCFS Credits, due in large part to the effects of the Asset Sale and, for the three months ended September 30, 2017, the impact of temporarily stopping sales of LCFS Credits due to restrictions imposed on our LCFS Credit account. See "Key Trends" and Note 3 to the condensed consolidated financial statements included in this report for more information about RINs and LCFS Credits and the Asset Sale, respectively. The decrease in volume -related revenue between periods was partially offset by an increase of 7.0 million gallons delivered.

This increase in gallons delivered was due to a 6.8 million and 0.2 million gallon increase in CNG and LNG gallons delivered, respectively, which was primarily attributable to 26 new refuse customers and nine new transit customers. Our effective price per gallon charged was $0.69 for the three months ended September 30, 2017, a $0.16 per gallon decrease from $0.85 per gallon for the three months ended September 30, 2016. Our effective price per gallon is defined as revenue generated from selling CNG, LNG, RNG, and any related RINs and LCFS Credits and providing O&M services to our vehicle fleet customers at stations

we do not own and for which we receive a per-gallon or fixed fee, all divided by the total GGEs delivered less GGEs delivered by non-consolidated entities, such as entities that are accounted for under the equity method. The decrease in our effective price per gallon between periods was primarily due to lower revenue from sales of RINs and LCFS Credits.

Compressor revenue from CECC, remained relatively comparable between periods, with an increase of $0.6 million.

Station construction sales decreased by $1.2 million between periods, principally due to fewer station upgrade projects.

VETC revenue decreased by $6.7 million between periods due to the expiration of VETC on December 31, 2016.

Cost of sales. Cost of sales increased by $11.4 million to $73.3 million in the three months ended September 30, 2017, from $61.9 million in the three months ended September 30, 2016. This increase was primarily due to a $13.2 million inventory valuation provision recorded in the three months ended September 30, 2017 which comprised of $7.8 million related to station construction inventory and $5.4 million related to compressor inventory (see "Recent Developments" and Note 2 to the condensed consolidated financial statements included in this report). This increase was partially offset by a $0.6 million decrease in between periods in station construction cost due to lower construction sales and a $1.6 million decrease between periods primarily due to reduced costs of natural gas delivered from our facilities.

Our effective cost per gallon decreased by $0.06 per gallon between periods, to $0.46 per gallon in the three months ended September 30, 2017 from $0.52 per gallon in the three months ended September 30, 2016, excluding the $7.8 million inventory valuation provision discussed above. Our effective cost per gallon is defined as the total costs associated with delivering natural gas, including gas commodity costs, transportation fees, liquefaction charges, and other site operating costs, plus the total cost of providing O&M services at stations that we do not own and for which we receive a per-gallon or fixed fee, including direct technician labor, indirect supervisor and management labor, repair parts and other direct maintenance costs, all divided by the total GGEs delivered less GGEs delivered by non-consolidated entities, such as entities that are accounted for under the equity method. The decrease in our effective cost per gallon was primarily due to the sale of Renewables' two RNG production facilities in the Asset Sale, resulting in no costs to operate these facilities incurred in the three months ended September 30, 2017.

Selling, general and administrative. Selling, general and administrative expenses decreased by $1.1 million to $24.8 million in the three months ended September 30, 2017, from $25.9 million in the three months ended September 30, 2016. This decrease was primarily driven by continued cost reduction efforts and reduced administrative costs due to the Asset Sale in 2017.

Depreciation and amortization. Depreciation and amortization decreased by $0.7 million to $14.1 million in the three months ended September 30, 2017, from $14.8 million in the three months ended September 30, 2016, primarily due to the sale of Renewables' two RNG production facilities in the Asset Sale.

Asset impairments and other charges. During the three months ended September 30, 2017, we recorded employee terminations, asset impairments and other charges of $60.7 million related to our station closures and our natural gas fueling compressor business. For more information, see "Recent Developments" and Note 2 to the condensed consolidated financial statements included in this report.

Interest expense. Interest expense decreased by $2.1 million to $4.3 million in the three months ended September 30, 2017, from $6.4 million in the three months ended September 30, 2016. This decrease was primarily due to a reduction of outstanding indebtedness between periods.

Income tax benefit (expense). Income tax benefit (expense) increased by $0.5 million between periods, which was primarily attributable to the reduction of goodwill amortization following the Asset Sale.

Loss from noncontrolling interest. During the three months ended September 30, 2016 and 2017, we recorded a $0.4 million and $0.7 million loss, respectively, for the noncontrolling interest in the net loss of NG Advantage. The noncontrolling interest in NG Advantage represents a 46.7% minority interest that was held by third parties during the applicable periods.

Gain from extinguishment of debt. In the three months ended September 30, 2016, we recorded a gain of $0.7 million related to the extinguishment of debt. We recorded no comparable gain in the three months ended September 30, 2017.

Nine Months Ended September 30, 2016 Compared to Nine Months Ended September 30, 2017

The table below presents our results of operations as a percentage of total revenue and the narrative that follows provides a detailed discussion of certain line items for the periods presented.

	Nine Months Ended September 30,	
	2016	2017
Statement of Operations Data:		
Revenue:		
Product revenue	87.5 %	83.9 %
Service revenue	12.5	16.1
Total revenue	100.0	100.0
Operating expenses:		
Cost of sales (exclusive of depreciation and amortization shown separately below):		
Product cost of sales	56.8	62.7
Service cost of sales	6.3	8.0
Inventory valuation provision	—	5.2
Selling, general and administrative	25.5	28.5
Depreciation and amortization	14.9	17.3
Asset impairments and other charges	—	24.0
Total operating expenses	103.5	145.7
Operating loss	(3.5)	(45.7)
Interest expense	(7.9)	(5.3)
Interest income	0.2	0.5
Other income (expense), net	0.0	0.0
Loss from equity method investments	0.0	0.0
Gain (loss) from extinguishment of debt	8.4	1.3
Gain from sale of certain assets of subsidiary	—	27.7
Loss before income taxes	(2.8)	(21.5)
Income tax benefit (expense)	(0.4)	0.9
Net loss	(3.2)	(20.6)
Loss attributable to noncontrolling interest	0.4	0.7
Net loss attributable to Clean Energy Fuels Corp.	(2.8)%	(19.9)%

Revenue. Revenue decreased by $48.5 million to $252.3 million in the nine months ended September 30, 2017, from $300.8 million in the nine months ended September 30, 2016. This decrease was primarily due to the expiration of VETC in addition to lower volume -related revenue, compressor revenue and station construction sales.

Volume -related revenue decreased by $10.8 million between periods, primarily due to reduced revenue received from sales of RINs and LCFS Credits, due in large part to the effects of the Asset Sale and, for the three months ended September 30, 2017, the impact of temporarily stopping sales of LCFS Credits due to restrictions imposed on our LCFS Credit account. See "Key Trends" and Note 3 to the condensed consolidated financial statements included in this report for more information about RINs and LCFS Credits and the Asset Sale, respectively. The decrease in volume -related revenue between periods was partially offset by an increase of 20.1 million gallons delivered.

This increase in gallons delivered was due to a 21.4 million gallon increase in CNG gallons delivered, which was primarily attributable to 29 new refuse customers, 16 new transit customers, and two new trucking customers. This increase was partially offset by a 0.9 million decrease in LNG gallons delivered as non-vehicle fuel and a 0.4 million decrease in RNG gallons delivered as non-vehicle fuel. Our effective price per gallon charged was $0.76 for the nine months ended September 30, 2017, a $0.10 per gallon decrease from $0.86 per gallon for the nine months ended September 30, 2016. The decrease in our effective price per gallon between periods was primarily due to lower revenue from sales of RINs and LCFS Credits.

Compressor revenue from CECC, decreased by $4.8 million between periods due to lower compressor sales, which we believe was primarily due to continued low global demand.

Station construction sales decreased by $13.9 million between periods, principally due to a decrease in large, full -station projects and station upgrade projects.

VETC revenue decreased by $19.6 million between periods due to the expiration of VETC on December 31, 2016.

Cost of sales. Cost of sales increased by $1.7 million to $191.5 million in the nine months ended September 30, 2017, from $189.8 million in the nine months ended September 30, 2016. This increase was primarily due to a $4.6 million increase in cost of sales primarily due to increased natural gas volumes delivered between periods and a $13.2 million inventory valuation provision charge recorded in the nine months ended September 30, 2017 which comprised of $7.8 million related to station construction inventory and $5.4 million related to compressor inventory (see "Recent Developments" and Note 2 to the condensed consolidated financial statements included in this report). This increase was offset by a $10.0 million decrease between periods in station construction costs due to lower station construction sales and a $6.1 million decrease between periods in compressor costs due to lower compressor sales.

Our effective cost per gallon decreased by $0.02 per gallon between periods, to $0.49 per gallon in the nine months ended September 30, 2017 from $0.51 per gallon in the nine months ended September 30, 2016, excluding the $7.8 million inventory valuation provision discussed above. The decrease in our effective cost per gallon was primarily due to the sale of Renewables' two RNG production facilities in the Asset Sale, resulting in no costs to operate these facilities incurred in the last six months of the nine months ended September 30, 2017.

Selling, general and administrative. Selling, general and administrative expenses decreased by $4.8 million to $71.9 million in the nine months ended September 30, 2017, from $76.7 million in the nine months ended September 30, 2016. This decrease was primarily driven by continued cost reduction efforts and reduced administrative costs due to the Asset Sale in 2017.

Depreciation and amortization. Depreciation and amortization decreased by $0.9 million to $43.8 million in the nine months ended September 30, 2017, from $44.7 million in the nine months ended September 30, 2016, primarily due to the sale of Renewables' two RNG production facilities in the Asset Sale.

Asset impairments and other charges. During the nine months ended September 30, 2017, we recorded employee terminations, asset impairments and other charges of $60.7 million related to our station closures and our natural gas fueling compressor business. For more information, see "Recent Developments" and Note 2 to the condensed consolidated financial statements included in this report.

Interest expense. Interest expense decreased by $10.3 million to $13.5 million in the nine months ended September 30, 2017, from $23.8 million in the nine months ended September 30, 2016. This decrease was primarily due to a reduction of outstanding indebtedness between periods.

Income tax benefit (expense). Income tax benefit (expense) increased by $3.4 million to $2.2 million of tax benefit in the nine months ended September 30, 2017, compared to $(1.2) million of tax expense in the nine months ended September 30, 2016. The increase in income tax benefit was primarily due to the deferred tax benefit attributable to the reduction of goodwill amortization following the Asset Sale.

Loss from noncontrolling interest. During the nine months ended September 30, 2016 and 2017, we recorded a $1.3 million and $1.8 million loss, respectively, for the noncontrolling interest in the net loss of NG Advantage. The noncontrolling interest in NG Advantage represents a 46.7% minority interest that was held by third parties during the applicable periods.

Gain from extinguishment of debt. Gain from extinguishment of debt decreased by $22.2 million to $3.2 million in the nine months ended September 30, 2017, from $25.4 million in the nine months ended September 30, 2016. This decrease was primarily due to our repurchase of a lower principal amount of debt at higher prices in the nine months ended September 30, 2017 compared to the comparable 2016 period.

Gain from sale of certain assets of subsidiary. In the nine months ended September 30, 2017, we recorded a gain of $69.9 million related to the Asset Sale. We recorded no comparable gain in the nine months ended September 30, 2016.

Seasonality and Inflation

To some extent, we experience seasonality in our results of operations. Natural gas vehicle fuel amounts consumed by some of our customers tend to be higher in summer months when buses and other fleet vehicles use more fuel to power their air conditioning systems. Natural gas commodity prices tend to be higher in the fall and winter months due to increased overall demand for natural gas for heating during these periods.

Historically, inflation has not significantly affected our operating results; however, costs for construction, repairs, maintenance, electricity and insurance are all subject to inflationary pressures, which could affect our ability to maintain our stations adequately, build new stations, expand our existing facilities or pursue additional facilities, and could materially increase our operating costs.

Liquidity and Capital Resources

Liquidity

Liquidity is the ability to meet present and future financial obligations through operating cash flows, the sale or maturity of investments or the acquisition of additional funds through capital management. Our financial position and liquidity are, and will continue to be, influenced by a variety of factors, including the level of our outstanding indebtedness and the principal and interest we are obligated to pay on our indebtedness, our capital expenditure requirements and any merger, divestiture or acquisition activity, as well as our ability to generate cash flows from our operations. We expect cash provided by our operating activities to fluctuate as a result of a number of factors, including our operating results, and the timing and amount of our billing, collections and liability payments, completion of our station construction projects and receipt of government grants and tax and other fuel credits.

Cash Flows

Cash used in operating activities was $(4.9) million in the nine months ended September 30, 2017, compared to $44.2 million provided by operating activities in the comparable 2016 period. The $49.1 million decrease in cash provided by operating activities was primarily due to payment of transaction fees related to the Asset Sale and a reduction in operating results due to the decreased revenue from sales of RINs and LCFS Credits, as discussed under "Key Trends" and "Results of Operations" above and the expiration of VETC.

Cash provided by investing activities was $57.2 million in the nine months ended September 30, 2017, compared to $9.5 million provided by investing activities in the comparable 2016 period. The $47.7 million increase in cash provided by investing activities was primarily attributable to $154.5 million in cash received, net of cash transferred, in connection with the Asset Sale (see "Recent Developments" and Note 3 to the condensed consolidated financial statements included in this report for more information) and an $8.4 million payment made to NG Advantage related to an arrangement with one of its customers for the purchase, sale and transportation of CNG over a five-year period (see "Recent Developments" for more information). The increase was partially offset by incremental purchases of short-term investments, net of maturities, of $103.4 million in the nine months ended September 30, 2017, compared to the comparable 2016 period and a $10.9 million increase in purchases of equipment, primarily related to deposits by NG Advantage for CNG trailers and equipment.

Cash used in financing activities in the nine months ended September 30, 2017 was $43.9 million, compared to $57.2 million used in financing activities in the comparable 2016 period. The $13.3 million decrease in cash used in financing activities was primarily due to a $79.3 million decrease in cash used in debt repurchases, net of borrowings. This decrease was partially offset by a $57.4 million decrease in cash provided by the ATM Program, net of fees, which was terminated on May 31, 2017, and an $8.6 million payment to holders of Renewables Option Awards associated with the Asset Sale in the nine months ended September 30, 2017.

Capital Expenditures and Other Uses of Cash

We require cash to fund our capital expenditures, operating expenses and working capital requirements, including costs associated with fuel sales, outlays for the design and construction of new fueling stations, additions or other modifications to existing fueling stations, debt repayments and repurchases, purchases of CNG tanker trailers and natural gas heavy-duty trucks, maintenance of LNG production facilities, manufacturing natural gas fueling compressors and other equipment , mergers and acquisitions (if any), financing natural gas vehicles for our customers and general corporate purposes, including geographic expansion (domestically and internationally), pursuing new customer markets and supporting our sales and marketing activities, including supporting legislative and regulatory initiatives.

Our business plan called for approximately $29.0 million in capital expenditures for all of 2017, although as of September 30, 2017 we estimate actual capital expenditures will approximate $23.0 million for 2017. Our capital expenditures primarily relate to the construction of CNG and LNG fueling stations, additional investments in fueling stations to add CNG fueling, the purchase of natural gas heavy-duty trucks, the purchase of additional CNG trailers and equipment by NG Advantage to support its transport and sale of CNG to industrial and institutional energy users, and LNG plant maintenance costs.

In addition, NG Advantage planned to spend $24.0 million to purchase other equipment to support a customer arrangement established in June 2017. As of September 30, 2017, NG Advantage has spent $13.6 million related to this customer arrangement.

We had total indebtedness of approximately $255.8 million in principal amount as of September 30, 2017, of which approximately $1.2 million, $139.5 million, $53.7 million, $53.8 million, $3.3 million and $4.3 million is expected to become due in 2017, 2018, 2019, 2020, 2021 and thereafter, respectively. Additionally, we expect our total interest payment obligations relating to our indebtedness to be approximately $20.0 million in 2017, $14.4 million of which had been paid when due as of September 30, 2017. We generally intend to make payments under our various debt instruments when due and pursue opportunities for earlier repayment and/or refinancing if and when these opportunities arise.

We may also elect to invest additional amounts in companies, assets or joint ventures in the natural gas fueling infrastructure, vehicle or services industries or use capital for other activities or pursuits, in addition to those described above.

Sources of Cash

Historically, our principal sources of liquidity have consisted of cash on hand, cash provided by our operations, including, if available, grants, VETC and other credits, cash provided by financing activities and sales of assets. As of September 30, 2017, we had total cash and cash equivalents and short-term investments of $196.8 million, compared to $109.8 million at December 31, 2016.

We expect cash provided by our operating activities to fluctuate depending on our operating results, which can be affected by the amount and timing of station construction sales, sales of RINs and LCFS Credits and recognition of any other government credits and, compressor and other equipment sales; fluctuations in commodity costs and natural gas prices and sale activity; and the amount and timing of our billing, collections and liability payments, among other factors. See "Risk Factors" in Part II, Item 1A of this report for more information.

From the commencement of the ATM Program in November 2015 until our termination of the Sales Agreement on May 31, 2017, we received aggregate net proceeds of $117.9 million from sales of our common stock under the Sales Agreement.

The following table summarizes the activity under the ATM Program for the periods presented:

(in millions)	Nine Months Ended September 30, 2016	Nine Months Ended September 30, 2017	Inception through May 31, 2017
Gross proceeds	$ 69.1	$ 10.8	$ 121.3
Fees and issuance costs	1.7	0.3	3.4
Net proceeds	$ 67.4	$ 10.5	$ 117.9
Shares issued	21.3	3.8	36.4

On February 29, 2016, we entered into a loan and security agreement with, and issued a related promissory note to PlainsCapital Bank ("Plains"), pursuant to which Plains agreed to lend us up to $50.0 million on a revolving basis for a term of one year (the "Credit Facility"). Simultaneously, we drew $50.0 million under the Credit Facility, which we repaid in full on August 31, 2016. On October 31, 2016, the Credit Facility's maturity date was extended from February 28, 2017 to September 30, 2018. On December 22, 2016, we drew $23.5 million under the Credit Facility, which we repaid in full on March 31, 2017.

See Note 13 to the condensed consolidated financial statements included in this report for more information about our outstanding debt.

On March 31, 2017, Renewables completed the Asset Sale. The net proceeds to us from the Asset Sale were approximately $142.2 million. See “Recent Developments” and Note 3 to the condensed consolidated financial statements included in this report for more information.

We believe our current cash and cash equivalents and short-term investments and cash provided by our operating and financing activities will satisfy our business requirements for at least the 12 months following the date of this report; however, we would need to raise additional capital to fund any planned or unanticipated capital expenditures, investments or debt repayments that we cannot fund through available cash, cash provided by our operations or other sources, such as with our common stock.

The timing and necessity of any future capital raise would depend on various factors, including our rate and volume of natural gas sales and other volume-related activity, new station construction, debt repayments (either prior to or at maturity) and any potential merger, acquisition, investment or divestiture activity, as well as the other factors that affect our revenue levels.

We may seek to raise additional capital through one or more sources, including, among others, selling assets, obtaining new or restructuring existing debt, obtaining equity capital, or any combination of these or other potential sources of capital. We may not be able to raise capital when needed, on terms that are favorable to us or our stockholders or at all. Any inability to raise necessary capital may impair our ability to develop natural gas fueling infrastructure, maintain our stations, invest in strategic transactions or acquisitions or repay our outstanding indebtedness and may reduce our ability to build our business and generate sustained or increased revenue.

Off-Balance Sheet Arrangements

As of September 30, 2017, we had the following off-balance sheet arrangements that had, or are reasonably likely to have, a material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources:

- Outstanding surety bonds for construction contracts and general corporate purposes totaling $28.9 million;
- Two long-term take-or-pay contracts for the purchase of natural gas;
- An outstanding commitment to purchase 136 natural gas heavy -duty trucks valued at $8.8 million; and
- Operating leases where we are the lessee.

We provide surety bonds primarily for construction contracts in the ordinary course of our business, as a form of guarantee. No liability has been recorded in connection with our surety bonds as we do not believe, based on historical experience and information currently available, that it is probable that any amounts will be required to be paid under these arrangements for which we will not be reimbursed.

We have two long-term take-or-pay contracts that require us to purchase minimum volumes of natural gas at index based prices which expire in March 2020 and December 2020, respectively.

We have entered into an arrangement to purchase 136 used natural gas heavy-duty trucks valued at $8.8 million by December 31, 2017, with the intention of selling the trucks to our customers.

We have entered into operating lease arrangements for certain equipment and for our office and field operating locations in the ordinary course of our business. The terms of our leases expire at various dates through 2038. Additionally, in November 2006, we entered into a ground lease for 36 acres in California on which we built our California LNG liquefaction plant. The lease is for an initial term of 30 years and requires payments of $0.2 million per year, plus up to $0.1 million per year for each 30 million gallons of production capacity utilized, subject to adjustment based on consumer price index changes. We must also pay a royalty to the landlord for each gallon of LNG produced at the facility, as well as a fee for certain other services that the landlord provides.

Item 3.—Quantitative and Qualitative Disclosures about Market Risk

In the ordinary course of our business, we are exposed to various market risks, including commodity price risks and risks related to foreign currency exchange rates.

Commodity Price Risk

We are subject to market risk with respect to our sales of natural gas, which have historically been subject to volatile market conditions. Our exposure to market risk is heightened when we have a fixed-price sales contract with a customer that is not covered by a futures contract, or when we are otherwise unable to pass through natural gas price increases to customers. Natural gas prices and availability are affected by many factors, including, among others, drilling activity, supply, weather conditions, overall economic conditions and foreign and domestic government regulations.

Natural gas costs represented $72.8 million of our cost of sales in 2016 and $62.9 million of our cost of sales for the nine months ended September 30, 2017.

To reduce price risk caused by market fluctuations in natural gas, we may enter into exchange traded natural gas futures contracts. These arrangements expose us to the risk of financial loss in situations where the other party to the contract defaults on the contract or there is a change in the expected differential between the underlying price in the contract and the actual price of natural gas we pay at the delivery point. We did not have any natural gas futures contracts outstanding at September 30, 2017.

Foreign Currency Exchange Rate Risk

Because we have foreign operations, we are exposed to foreign currency exchange gains and losses. Since the functional currency of our foreign subsidiaries is their local currency, the currency effects of translating the financial statements of those foreign subsidiaries, which operate in local currency environments, are included in the accumulated other comprehensive loss component of consolidated equity in our consolidated financial statements and do not impact earnings. Foreign currency transaction gains and losses not in our subsidiaries' functional currency, however, do impact earnings and resulted in approximately $0.2 million of losses in the nine months ended September 30, 2017. In this period, our primary exposure to foreign currency exchange rates related to our Canadian operations that had certain outstanding accounts receivable and accounts payable denominated in the U.S. dollar, which were not hedged.

We have prepared a sensitivity analysis to estimate our exposure to market risk with respect to our monetary transactions denominated in a foreign currency. If the exchange rates on these assets and liabilities were to fluctuate by 10% from the rates as of September 30, 2017, we would expect a corresponding fluctuation in the value of the assets and liabilities of approximately $1.0 million.

Item 4.—Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of our disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer (our principal executive and principal financial officers, respectively) of the effectiveness of our disclosure controls and procedures. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in Internal Control over Financial Reporting

We regularly review and evaluate our internal control over financial reporting and make changes to our processes and systems to improve controls and increase efficiency, while ensuring that we maintain an effective internal control environment. Changes may include such activities as implementing new, more efficient systems, consolidating activities, and migrating processes.

There were no changes in our internal control over financial reporting that occurred during our most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II.—OTHER INFORMATION

Item 1. —Legal Proceedings

We are or may become party, and our property may become subject, to various legal actions that arise in the ordinary course of our business. We are also subject to audit by tax and other authorities for varying periods in various federal, state, local and foreign jurisdictions, and disputes have arisen, and may arise, during the course of these audits. It is impossible to determine the liabilities that we may incur resulting from any of these lawsuits, claims, proceedings, audits, commitments, contingencies and related matters or the timing of these liabilities, if any. If these matters were to ultimately be resolved unfavorably, it is possible that such an outcome could have a material adverse effect upon our consolidated financial position, results of operations or liquidity. We do not, however, anticipate such an outcome and we believe the ultimate resolution of these matters will not have a material adverse effect on our consolidated financial position, results of operations or liquidity.

Item 1A.—Risk Factors

An investment in our Company involves a high degree of risk of loss. You should carefully consider the risk factors discussed below and all of the other information included in this report and our 2016 Form 10-K before you make any investment decision regarding our securities. We believe the risks and uncertainties described below are the most significant we face. The occurrence of any of these risks could harm our business, financial condition, results of operations, prospects and reputation and could cause the trading price of our common stock to decline. Additional risks and uncertainties not known to us or that we deem immaterial may also impair our business.

We have a history of losses and may incur additional losses in the future.

In 2014, 2015 and 2016, we incurred pre-tax losses of $89.8 million, $133.8 million, and $12.4 million respectively. During these periods our losses were substantially decreased by revenue from a federal alternative fuels tax credit ("VETC"), totaling $28.4 million, $31.0 million, and $26.6 million in 2014, 2015 and 2016, respectively. On December 31, 2016, however, VETC expired, and it may not be available for any period after that date. We may continue to incur losses, the amount of our losses may increase, and we may never sustain profitability, any of which would adversely affect our business, prospects and financial condition and may cause the price of our common stock to fall. In addition, to try to achieve or sustain profitability, we may take actions that result in material costs or material asset impairments. For instance, in the three months ended September 30, 2017, we recorded significant charges in connection with our closure of certain fueling stations, our natural gas fueling compressor business, our determination of an impairment of assets as a result of the foregoing, and certain other actions. Any such actions could have material adverse consequences, including material negative effects on our financial condition, our results of operations or the trading price of our common stock.

Our success is dependent upon the willingness of fleets and other consumers to adopt natural gas as a vehicle fuel, which may not occur in a timely manner, at expected levels or at all.

Our success is highly dependent upon the adoption by fleets and other consumers of natural gas as a vehicle fuel. To date, adoption and deployment of natural gas vehicles have been slower and more limited than we anticipated. If the market for natural gas as a vehicle fuel continues to develop at this rate and level, or if a market develops but we are not able to capture a significant share of the market or the market subsequently declines, our business, prospects, financial condition and operating results would be harmed.

The market for natural gas as a vehicle fuel is a relatively new and developing market characterized by competition, evolving government regulation and industry standards and changing consumer demands and behaviors.

Factors that may influence the adoption of natural gas as a vehicle fuel include, among others:

- Increases, decreases or volatility in the supply, demand, use and prices of crude oil, gasoline, diesel, natural gas and other vehicle fuels, such as electricity, hydrogen, renewable diesel, biodiesel and ethanol;
- Perceptions about the need for alternative vehicle fuels generally;
- Perceptions about the benefits of conventional and renewable natural gas relative to gasoline and diesel and other alternative vehicle fuels, including with respect to factors such as cost savings, supply and environmental and safety benefits;
- The availability or perceived availability of, consumer acceptance of or preference for, or favor by lawmakers, regulators, other policymakers, environmental organizations or other powerful groups for non-natural gas fuels and

vehicles, including long-standing support for gasoline and diesel-powered vehicles and growing favor for electric and/or hydrogen-powered vehicles;

- Advances or improvements in non-natural gas vehicle fuels or engines powered by these fuels, including improvements in the efficiency, fuel economy or greenhouse gas emissions of these engines;
- Natural gas vehicle cost, fuel usage, availability (including for heavy, medium and light-duty applications), quality, safety, design and performance, all relative to comparable vehicles powered by other fuels;
- The existence of environmental, tax or other government regulations, programs or incentives that promote natural gas or other alternatives as a vehicle fuel, including, among others, tax credits, grants, renewable fuel standards and low carbon fuel standards;
- Changes to emissions requirements applicable to vehicles powered by gasoline, diesel, natural gas or other vehicle fuels, as well as the impact of emissions and other environmental regulations and pressures on crude oil and natural gas drilling, production, importing and transportation methods and fueling stations for these fuels;
- The environmental consciousness of fleets and consumers;
- Access to natural gas fueling stations and the convenience and cost to fuel and service natural gas vehicles, all relative to comparable vehicles powered by other fuels; and
- The other risks discussed in these risk factors.

If there are advances or improvements in non-natural gas vehicle fuels or engines powered by these fuels, demand for natural gas vehicles may decline.

Use of electric heavy-duty trucks, buses and refuse trucks, or the perception that such vehicles may soon be widely available and provide satisfactory performance at an acceptable cost, may reduce demand for natural gas vehicles in these applications, which are key customer markets for our business. In addition, renewable diesel, hydrogen and other alternative fuels in development may prove to be, or may be perceived to be, cleaner, more cost-effective, more readily available or otherwise more beneficial alternatives to gasoline and diesel than renewable natural gas ("RNG"), compressed natural gas ("CNG") or liquefied natural gas ("LNG") (RNG can be delivered in the form of CNG or LNG). Further, technological advances in the production, delivery and use of gasoline, diesel or other alternative vehicle fuels, or the failure of natural gas vehicle fuel technology to advance at an equal pace, could slow or limit adoption of natural gas vehicles. For example, advances in gasoline and diesel engine technology, including efficiency improvements and further development of hybrid engines, may offer a cleaner, more cost-effective option and reduce the likelihood that fleet customers convert their vehicles to natural gas. Additionally, technological advances related to ethanol or biodiesel, which are used as an additive to or substitute for gasoline and diesel fuel, may influence the market's perception of the need to diversify fuels and, as a result, negatively affect the growth of the natural gas vehicle fuel market.

Increases, decreases and general volatility in oil, gasoline, diesel and natural gas prices could adversely affect our business.

Prices for crude oil, the commodity used to make gasoline and diesel, today's most prevalent vehicle fuels, have been low in recent years, due in part to over-production and increased supply without a corresponding increase in demand. Market adoption of natural gas as a vehicle fuel could be slowed or limited if the over-supply and resulting low prices of crude oil, gasoline and diesel continue or worsen, or if the price of natural gas increases without equal and corresponding increases in the prices of crude oil, gasoline and diesel. Any of these circumstances could decrease the market's perception of a need for alternative vehicle fuels generally, which could cause the success or perceived success of our industry and our business to materially suffer. In addition, if prices of gasoline and diesel decrease or prices of natural gas increase, we may not be able to offer our customers an attractive pricing advantage for CNG and LNG and maintain an acceptable margin on our sales. Any such failure could result in an inability to attract new customers or a loss of demand from existing customers, or could directly and negatively impact our results of operations if we are forced to reduce the prices at which we sell natural gas to try to avoid such an effect on our customer base.

Pricing conditions also exacerbate the cost differential between natural gas vehicles and gasoline or diesel- powered vehicles, which may lead operators to delay or refrain from purchasing or converting to natural gas vehicles. Generally, natural gas vehicles cost more initially than gasoline or diesel-powered vehicles, as the components needed for a vehicle to use natural gas add to the vehicle’s base cost. Operators then seek to recover the additional cost of acquiring or converting to natural gas vehicles over time, through the lower cost of fueling natural gas vehicles. Operators may, however, perceive an inability to timely recover th

ese additional initial costs if CNG and LNG fuel are not available at prices sufficiently lower than gasoline and diesel. Such an outcome would decrease our potential customer base and harm our business prospects.

Additionally, the price of natural gas, as well as the prices of crude oil, gasoline and diesel, has been volatile in recent years, and this volatility may continue. Fluctuations in natural gas prices affect the cost to us of the natural gas commodity. High natural gas prices adversely impact our operating margins when we cannot pass the increased costs through to our customers. Conversely, lower natural gas prices reduce our revenue when the commodity cost is passed through to our customers. As a result, these fluctuations in natural gas prices can have a significant and adverse impact on our operating results.

Factors that can cause fluctuations in gasoline, diesel and natural gas prices include, among others, changes in supply and availability of crude oil and natural gas, government regulations and political conditions, inventory levels, consumer demand, price and availability of alternative fuels, weather conditions, negative publicity about crude oil or natural gas drilling, production or importing techniques and methods, economic conditions and the price of foreign imports.

With respect to natural gas supply, there have been efforts in recent years to impose new regulatory requirements on the production of natural gas by hydraulic fracturing of shale gas reservoirs and other means and on transporting, dispensing and using natural gas. Hydraulic fracturing and horizontal drilling techniques have resulted in a substantial increase in the proven natural gas reserves in the United States. Any changes in regulations that make it more expensive or unprofitable or otherwise impose additional burdens to produce natural gas through these techniques or others, as well as any changes to the regulations relating to transporting, dispensing or using natural gas, could lead to further volatility in, and generally increased, natural gas prices. If all or some combination of these factors cause continued or further volatility in natural gas, gasoline and diesel prices, our business and our industry could be materially harmed.

Vehicle and engine manufacturers produce very few natural gas vehicles and engines in our key markets, which limits our customer base and our sales of CNG, LNG and RNG.

Original equipment manufacturers produce a relatively small number of natural gas engines and vehicles in the U.S. and Canadian markets. Further, these manufacturers may not decide to expand, or they may decide to discontinue or curtail, their natural gas engine or vehicle product lines. The limited production of natural gas engines and vehicles increases the cost to purchase these vehicles and limits their availability, which restricts their large-scale introduction and adoption. As a result of these and other factors, the limited supply of natural gas vehicles could reduce our potential customer base and natural gas fuel sales, which would harm our business and prospects.

Our business is influenced by environmental, tax and other government regulations, programs and incentives that promote natural gas or other alternatives as a vehicle fuel, and their adoption, modification or repeal could negatively impact our business.

Our business is influenced by federal, state and local government tax credits, rebates, grants and similar programs and incentives that promote the use of CNG, LNG and RNG as a vehicle fuel, including the VETC, which expired on December 31, 2016 and may not be available for any period after that date, and various government programs that make available grant funds for the purchase and construction of natural gas vehicles and fueling stations. Additionally, our business is influenced by laws, rules and regulations that require reductions in carbon emissions and/or the use of renewable fuels, such as the California and Oregon Low Carbon Fuel Standards and the federal Renewable Fuel Standard Phase 2, under which we generate credits ("LCFS Credits" and "RIN Credits" or "RINs," respectively) by selling CNG, LNG and RNG as a vehicle fuel.

These programs and regulations, which have the effect of encouraging the use of CNG, LNG or RNG as a vehicle fuel, could expire or be repealed or amended for a variety of reasons. For example, parties with an interest in gasoline and diesel or other alternative vehicle fuels, including lawmakers, regulators, other policymakers, environmental organizations or other powerful groups, many of which have substantially greater resources and influence than we have, invest significant time and money in efforts to delay, repeal or otherwise negatively influence regulations and programs that promote natural gas as a vehicle fuel. Further, changes in federal, state or local political, social or economic conditions could result in the modification or repeal of these programs or regulations. Any failure to adopt, delay in implementing, expiration, repeal or modification of these programs and regulations, or the adoption of any such programs and regulations that encourage the use of other alternative fuels or alternative vehicles over natural gas, could harm our operating results and financial condition.

We face increasing competition from a variety of businesses, many of which have far greater resources, experience, customer bases and brand awareness than we have, and we may not be able to compete effectively with these businesses.

The market for vehicle fuels is highly competitive. The biggest competition for CNG and LNG use as a vehicle fuel is gasoline and diesel, as the vast majority of vehicles in our markets are powered by these fuels. We also compete with suppliers of

other alternative vehicle fuels, including renewable diesel, biodiesel and ethanol, as well as producers and fuelers of alternative vehicles, including hybrid, electric and hydrogen-powered vehicles. Additionally, our stations compete directly with other natural gas fueling stations and indirectly with electric vehicle charging stations and fueling stations for other alternative vehicle fuels. Further, for certain of our key customer markets, such as airports, we indirectly compete with companies such as Uber and Lyft that provide transportation methods serving as alternatives to taxi cabs. We also face high levels of competition with respect to our other business activities, including our current manufacture and sale of natural gas fueling compressors and other equipment, our procurement and sale of RNG and our sale of CNG and LNG to industrial and institutional energy users or for other non-vehicle purposes.

A significant number of established businesses, including oil and gas companies, alternative vehicle and alternative fuel companies, refuse collectors, utilities and their affiliates, industrial gas companies, truck stop and fuel station owners, fuel providers and other organizations have entered or may enter the market for natural gas and other alternatives for use as a vehicle fuel. Many of these competitors have longer operating histories, more experience, larger customer bases, greater brand recognition and market penetration and substantially greater financial, marketing, research and other resources than we have. As a result, they may be able to respond more quickly to changes in customer preferences, legal requirements or other industry trends, devote greater resources to the development, promotion and sale of their products, adopt more aggressive pricing policies, dedicate more effort to infrastructure and systems development in support of their business or product development activities or exert more influence on the regulatory landscape that impacts the vehicle fuels market. Additionally, utilities and their affiliates typically have additional and unique competitive advantages, including a lower cost of capital, substantial and predictable cash flows, long-standing customer relationships, greater brand awareness and large and well-trained sales and marketing organizations. We may not be able to compete effectively against any of these organizations.

We expect competition to increase in the alternative vehicle fuels market generally and, if the demand for natural gas vehicle fuel increases, in the market for natural gas vehicle fuel. Any such increased competition may reduce our customer base and revenue and may lead to pricing pressure, reduced operating margins and fewer expansion opportunities.

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our debt.

As of September 30, 2017, our total indebtedness was approximately $255.8 million in principal amount. As of September 30, 2017, approximately $1.2 million, $139.5 million, $53.7 million, $53.8 million, $3.3 million and $4.3 million of the principal amount of our indebtedness matures in 2017, 2018, 2019, 2020, 2021, and thereafter, respectively. We expect our total interest payment obligations relating to our indebtedness to be approximately $20.0 million in 2017, $14.4 million of which had been paid when due as of September 30, 2017.

We generally intend to make payments under our various debt instruments when due and pursue opportunities for earlier repayment and/or refinancing if and when these opportunities arise.

Our ability to make payments of the principal and interest on our indebtedness, whether at or prior to their due dates, depends on our future performance, which is subject to economic, financial, competitive, industry and other factors, including those described in these risk factors, many of which may be beyond our control. Our business may not generate cash flow from operations sufficient to service our debt.

In that case, we may be required to pursue one or more alternatives to meet our debt obligations. For instance, as of the date of this report, we are permitted to repay up to $125.0 million of our outstanding indebtedness at maturity with shares of our common stock rather than cash, with a number of shares to be determined by the then-current trading price of our common stock. Any repayment of our debt with equity would increase the number of our outstanding shares and may significantly dilute the ownership interests of our existing stockholders. Additionally, any shortfall of cash from operations to service our debt may lead us to seek capital from other sources, such as selling assets, restructuring or refinancing our debt or obtaining additional equity capital or debt financing. Our ability to engage in any of these activities, should we decide to do so, would depend on the capital markets, the state of our industry and our business and financial condition at the time, and we may not be successful in obtaining additional capital on desirable terms, at a desirable time or at all. Any failure to make payments on our debt when due, either in cash or stock, could result in a default on our debt obligations.

Additionally, certain of the agreements governing our indebtedness contain restrictive covenants, and any failure by us to comply with any of these covenants could also cause us to be in default under the agreements governing the indebtedness. In the event of any default on our debt obligations, the holders of the indebtedness could, among other things, elect to declare all amounts owed immediately due and payable, which could require that we use all or a large portion of our available cash flow to pay such amounts and thereby reduce the amount of cash available to pursue our business plans or force us into bankruptcy or liquidation. In addition, the substantial amount of our indebtedness, combined with our other financial obligations and contractual

commitments, could have other important consequences. For example, it could make us more vulnerable to adverse changes in general U.S. and worldwide economic, regulatory and competitive conditions, limit our flexibility to plan for or react to changes in our business and industry, place us at a disadvantage compared to our competitors that have less debt or limit our ability to borrow or otherwise raise additional amounts as needed.

We may need to raise additional capital to continue to fund our business or repay our debt, which may not be available when needed, on acceptable terms or at all.

As of September 30, 2017, we had total liquidity of $196.8 million, consisting of cash and cash equivalents of $45.3 million and short-term investments of $151.5 million. Our business plan calls for approximately $29.0 million in capital expenditures for all of 2017, plus an additional $24.0 million by one of our subsidiaries in connection with a specific customer arrangement entered into in June 2017, as well as additional capital expenditures thereafter. We will also require capital to make principal and interest payments on our indebtedness, for any unanticipated expenses, and for any mergers, acquisitions or strategic investments, transactions or relationships. If we cannot fund any of these activities with cash provided by our operations, then we may seek to obtain additional capital from other sources, such as by selling assets or pursuing debt or equity financing.

Asset sales and equity or debt financing options may not be available when needed, on terms favorable to us or at all. Any sale of our assets may limit our operational capacity and could limit or eliminate any revenue streams or business plans that are dependent on the sold assets. Additional issuances of our common stock or securities convertible into our common stock would increase the number of our outstanding shares and dilute the ownership interest of our existing stockholders. We may also pursue debt financing, as the agreements governing much of our existing indebtedness do not restrict our ability to incur additional secured or unsecured debt or require us to maintain financial ratios or specified levels of net worth or liquidity. Debt financing options that we may pursue include, among others, equipment financing, sales of convertible notes, high-yield debt, asset-based loans, term loans, municipal bond financing, loans secured by receivables or inventory or commercial bank financing. Any debt financing we obtain may require us to make significant interest payments and to pledge some or all of our assets as security. In addition, higher levels of indebtedness could increase our risk of non-repayment, adversely affect our creditworthiness and amplify the other risks associated with our existing debt, which are discussed elsewhere in these risk factors and include a limited ability to obtain further financing as needed and restricted flexibility in responding to any changes in business, industry or economic conditions. Further, we may incur substantial costs in pursuing any capital-raising transactions, including investment banking, legal and accounting fees. On the other hand, if we are unable to obtain capital in amounts sufficient to fund our contractual obligations, business plans, unanticipated expenses, capital expenditures and any mergers, acquisitions or strategic investments, transactions or relationships, we could be forced to suspend, delay or curtail these plans, expenditures or other activities, which could negatively affect our business and prospects.

If America's Natural Gas Highway fails or we are not able to fuel a greater number of natural gas heavy-duty trucks, our financial results and business would be materially and adversely affected.

We are seeking to fuel a greater number of natural gas heavy-duty trucks, and in connection with this effort, we have built a nationwide network of natural gas-truck friendly fueling stations, which we refer to as "America's Natural Gas Highway" or "ANGH." Our ability to successfully execute these initiatives is subject to substantial risks, including, among others:

- The adoption of natural gas engines that are well-suited for heavy-duty trucks is essential to the success of these initiatives. We have no influence over the development, production, sales and marketing, cost or availability of natural gas trucks powered by these engines. Currently, Cummins Westport is the only natural gas engine manufacturer for the heavy -duty truck market in the United States, and we have no control over whether and the extent to which Cummins Westport will remain in the natural gas engine business or whether other manufacturers will enter this business.

- These initiatives depend upon the development and expansion of the U.S. natural gas heavy-duty truck market. Operators may not adopt heavy-duty natural gas trucks due to cost, actual or perceived performance issues or other factors that may be beyond our control. To date, adoption and deployment of natural gas trucks have been slower and more limited than we anticipated.

- Truck and other vehicle operators may not fuel at our stations due to lack of access or convenience, fuel prices or other factors.

- Most of our ANGH stations were initially built to provide LNG, which costs more than CNG on an energy-equivalent basis. We have been spending, and expect to continue to spend, additional capital to add CNG fueling capability to many of our ANGH stations, and we may not have sufficient capital in the future for this purpose, which could limit the revenue-generating capacity of certain of these stations.

- Our ANGH stations may experience mechanical or operational difficulties, which could require significant costs to repair and could reduce customer confidence in our stations.

- We may fail to accurately predict demand in any of the locations in which we build and open ANGH stations. As a result, we may open stations that fail to generate the volume or profitability levels we anticipate and we may build stations that we do not open for fueling operations, either or both of which could occur due to a lack of sufficient customer demand to fuel at the stations or for other reasons. For any stations that are open and underperforming, we may decide to close the stations, which could result in substantial costs, such as lease termination, severance or other similar fees and non-cash asset impairments or other charges, and could harm our reputation and reduce our customer base and prospects for future growth. For any stations that are completed but unopened, we will continue to have substantial investments in assets that do not produce revenue.

We must effectively manage these risks in order to obtain the anticipated benefits from ANGH and achieve our objective of fueling additional natural gas heavy-duty trucks. If we are not able to successfully execute these initiatives, our financial results, operations and business, including our ability to repay our debt, would be materially and adversely affected.

Compliance with greenhouse gas emissions regulations affecting our LNG plants, LNG and CNG fueling stations or CNG, LNG and RNG fuel sales may prove costly and negatively affect our financial performance.

California has enacted laws that require statewide reductions of greenhouse gas emissions to 1990 levels by 2020, 40% below 1990 levels by 2030, and 80% below 1990 levels by 2050. As of January 1, 2015, California's AB 32 law began regulating the greenhouse gas emissions from transportation fuels, including the emissions associated with LNG and CNG vehicle fuel.

Under AB 32, the LNG vehicle fuel provider is the regulated party with respect to LNG vehicle fuel use. We will incur costs to comply with AB 32 based on how much LNG vehicle fuel we sell that is regulated, the requirements of the California Air Resources Board ("CARB") relating to the regulation of LNG vehicle fuel, any applicable regulatory changes and the cost of carbon credits we purchase to comply with AB 32. We anticipate that we will try to pass the costs we incur to comply with this law through to our LNG customers. With respect to CNG vehicle fuel, the regulated party under AB 32 is the utility that owns the pipe through which the fossil fuel natural gas is sold. We anticipate that, over time, as the utilities' compliance costs increase, we or, to the extent we pass these costs through to our customers, our CNG customers will be required to pay more for CNG vehicle fuel to cover the increased AB 32 compliance costs of the utility. The amount of these costs that we or our CNG customers will be required to pay will be determined by the amount the utility spends to buy any carbon credits needed to comply with AB 32 and the amount of natural gas we or our customers buy through a utility’s pipeline. These increased costs of LNG and CNG vehicle fuel as a result of AB 32 could diminish the attractiveness of LNG and CNG as a vehicle fuel for existing and potential future California customers, which could reduce our customer base and fuel sales. Additionally, to the extent we are not able to pass costs through to our customers, these increased costs could increase our direct expenses and reduce our margins, which would cause our performance to suffer.

Although our Redeem™ RNG vehicle fuel may qualify for an exemption from AB 32 when sold as LNG or CNG, the availability of any such exemption is uncertain at this time due to the complexity of the requirements that must be met in order to qualify for an exemption and the possibility of changes to the law. Any Redeem™ volumes that are not exempt would incur compliance costs commensurate with sales of CNG and LNG derived from fossil fuel natural gas.

The federal and other state governments are also considering measures to regulate and reduce greenhouse gas emissions. Any of these regulations, if and when adopted and implemented, may regulate the greenhouse gas emissions produced by or associated with our LNG production plants, our CNG and LNG fueling stations or the CNG, LNG and RNG we sell, and could require us to obtain emissions credits or invest in costly emissions prevention technology. We cannot estimate the costs that may be required to comply with potential federal, state or local regulation of greenhouse gas emissions, and these unknown costs are not contemplated by our existing customer agreements or our budgets and cost estimates. If any of these regulations are adopted and implemented, any associated compliance costs that we are not able to pass through to our customers may have a negative impact on our financial performance, reduce our margins, impair our ability to fulfill customer contracts and reduce our cash available for other aspects of our business, including operating costs, investments and debt repayments. Further, these regulations and any increased customer costs may discourage consumers from adopting natural gas as a vehicle fuel.

Clean Energy Compression's manufacturing operations could subject us to significant costs and other risks, including product liability claims.

Clean Energy Compression designs, manufactures, sells and services non-lubricated natural gas fueling compressors and related equipment used in CNG and LNG fueling stations. The equipment manufactured by Clean Energy Compression may fail to perform as expected or according to legal or contractual specificatio

ns. Additionally, Clean Energy Compression may incur significant and unexpected costs during or after the manufacture of these products, including costs incurred to repair product failures or malfunctions. The scope and likelihood of these risks may increase if Clean Energy Compression makes efforts to expand services to new geographic and other markets. Further, the success of the compressor business is dependent upon the success of the natural gas vehicle fuels market generally, and is thus subject to many of the other risks described in these risk factors. The occurrence of any of these risks may reduce sales of compressor products and services, delay the launch of new compressor products or services, damage customer relationships and reputation, force product recalls or result in product liability claims. The occurrence of any of these risks could negatively affect our performance and financial condition.

The global scope of Clean Energy Compression's operations exposes us to additional risks and uncertainties.

Clean Energy Compression manufactures its natural gas fueling compression equipment primarily in Canada and sells this equipment globally through its operations in Canada, the People's Republic of China, Colombia, Bangladesh and Peru. The global scope of these operations exposes us to a number of risks and uncertainties that can arise from international trade transactions, local business practices and cultural considerations, including, among others:

- Failure to comply with the United States Foreign Corrupt Practices Act and other applicable anti-bribery laws;
- Political unrest, terrorism, war, natural disasters and economic and financial instability;
- Low local prices for crude oil, gasoline, diesel, natural gas or other alternative fuels;
- Differing environmental and other regulatory requirements;
- Uncertainty related to developing legal and regulatory systems and standards for economic and business activities, real property ownership and application of contract rights;
- Trade restrictions or barriers, including tariffs or other charges, and import-export regulations, which are subject to increased uncertainty as a result of the outcome of the 2016 U.S. presidential election and the trade policies of the current administration regarding existing and proposed trade agreements and the ability to import goods into the United States;
- Difficulties enforcing agreements and collecting receivables;
- Difficulties complying with the laws and regulations of multiple jurisdictions;
- Difficulties ensuring that health, safety, environmental and other working conditions are properly implemented and/or maintained by local offices;
- Differing employment practices and/or labor issues, including wage inflation, labor unrest and unionization policies;
- Limited intellectual property protection;
- Longer payment cycles by international customers;
- Inadequate local infrastructure and disruptions of service from utilities or telecommunications providers, including electricity shortages;
- Difficulties forecasting demand and sales trends in foreign markets;
- Risks associated with currency exchange and convertibility, including vulnerability to appreciation and depreciation of foreign currencies against the U.S. dollar;
- Uncertain repatriation of funds as a result of economic, monetary and regulatory factors in some countries that may affect our ability to convert funds to U.S. dollars or move funds from accounts in these countries; and
- Potentially adverse tax consequences.

These risks and uncertainties could limit our operations, increase our costs or expose us to fines or other legal sanctions or damages, any of which would negatively impact our business and financial condition.

Our RNG business may not be successful.

On March 31, 2017, we completed the sale of certain assets related to our RNG business, including our former RNG production facilities, to BP Products North America, Inc. ("BP"). Following this sale, our RNG business consists of purchasing RNG from BP and other third-party producers and reselling this RNG through our natural gas fueling infrastructure as Redeem™, our RNG vehicle fuel.

The success of our RNG business depends on our ability to secure, on acceptable terms, a sufficient supply of RNG from BP and other third parties, and to either sell this RNG at a substantial premium to conventional natural gas prices or to sell, at favorable prices, credits we may generate under applicable federal or state laws, rules and regulations, including RINs and LCFS Credits. If we are not successful at one or more of these activities, our RNG business could fail and our performance and financial condition could be materially harmed.

Our ability to maintain an adequate supply of RNG may be subject to risks affecting RNG production. Projects that produce pipeline-quality RNG often experience unpredictable production levels or other difficulties due to a variety of factors, including, among others, problems with key equipment, severe weather, construction delays, technological difficulties and high costs associated with operations, limited availability or unfavorable composition of collected landfill gas, and plant shutdowns caused by upgrades, expansion or required maintenance. If any of our RNG suppliers experience these or other difficulties, then our supply of, and ability to resell, RNG as a vehicle fuel could be jeopardized.

In addition, our ability to generate revenue from our sale of RNG or our generation and sale of RINs and LCFS Credits depends on a number of factors, including the markets for RNG as a vehicle fuel and for these credits. In the past, the market for RINs and LCFS Credits has been volatile and unpredictable, and the prices for such credits have been subject to significant fluctuations. Additionally, the value of RINs and LCFS Credits, and consequently the revenue levels we may receive from our sale of these credits, may be adversely affected by changes to federal and state programs under which these credits are generated and sold. In addition, our ability to generate revenue from sales of these credits depends upon our strict compliance with these federal and state programs, which are complex and can involve a significant degree of judgment. If the agencies that administer and enforce these programs disagree with our judgments, otherwise determine we are not in compliance or conduct reviews of our activities, then our ability to generate or sell these credits could be temporarily restricted pending completion of reviews or as a penalty, permanently limited or lost entirely, and we could also be subject to fines or other sanctions, any of which could force us to purchase credits in the open market to cover any credits we have contracted to sell, retire credits we may have generated but not yet sold, or eliminate or reduce a significant revenue stream. , and we could also be subject to fines or other sanctions. Further, following our sale to BP of certain assets related to our RNG business, the amount of revenue we generate from sales of RINs and LCFS Credits has decreased, which has and will continue, for at least the near term, to adversely affect our financial results. Moreover, in the absence of federal and state programs that support premium prices for RNG or that allow the generation and sale of LCFS Credits and RINs or other credits, or if our customers are not willing to pay a premium for RNG, we may be unable to operate our RNG business profitably or at all.

We are subject to risks associated with station construction and similar activities, including difficulties identifying suitable station locations, zoning and permitting issues, local resistance, cost overruns, delays and other contingencies.

In connection with our station construction operations, we may not be able to identify suitable locations for the stations we or our customers seek to build. Additionally, even if preferred sites can be located, we may encounter land use or zoning difficulties, challenges obtaining and retaining required permits and approvals or other local resistance, any of which could prevent us or our customers from building new stations on these sites or limit or restrict the use of new or existing stations. Any such difficulties, resistance or limitations or any failure to comply with local permit, land use or zoning requirements could restrict our station construction activity or expose us to fines, reputational damage or other liabilities, which would harm our business and results of operations. In addition, we act as the general contractor and construction manager for station construction and facility modification projects and typically rely on licensed subcontractors to perform the construction work. We may be liable for any damage we or our subcontractors cause or for injuries suffered by our employees or our subcontractors' employees during the course of our projects. Additionally, shortages of skilled subcontractor labor could significantly delay a project or otherwise increase our costs. Further, our profit from our projects is based in part on assumptions about the cost of the projects, and cost overruns, delays or other execution issues may, in the case of projects we complete and sell to customers, result in our failure to achieve our expected margins or cover our costs, and in the case of projects we build and own, result in our failure to achieve an acceptable rate of return.

We have significant contracts with government entities, which are subject to unique risks.

We have, and expect to continue to seek, long-term CNG, LNG and RNG station construction, maintenance and fuel sales contracts with various government bodies, which accounted for approximately 20% of our revenue for the nine months ended September 30, 2017 and approximately 18%, 18% and 16% of our revenue in 2014, 2015 and 2016, respectively. In addition to normal business risks, including the other risks discussed in these risk factors, our contracts with government entities are often subject to unique risks, some of which may be beyond our control. For example, long-term government contracts and related orders are subject to cancellation if adequate appropriations for subsequent performance periods are not made. Further, the termination of funding for a government program supporting any of our government contracts could result in a loss of anticipated future revenue attributable to the contract, which could have a negative impact on our operations.

In addition, government entities with which we contract are often able to modify, curtail or terminate contracts with us at their convenience and without prior notice and would only be required to pay for work completed and commitments made at the time of termination. Modification, curtailment or termination of significant government contracts could have a material adverse effect on our results of operations and financial condition. Further, government contracts are frequently awarded only after competitive bidding processes, which are often protracted. In many cases, unsuccessful bidders for government contracts are provided the opportunity to formally protest the contract awards through various agencies or other administrative and judicial channels. The protest process may substantially delay a successful bidder's contract performance, result in cancellation of the contract award entirely and distract management. As a result, we may not be awarded contracts for which we bid and substantial delays or cancellation of contracts may follow any successful bids as a result of these protests.

Our operations entail inherent safety and environmental risks that may result in substantial liability to us.

Our operations entail inherent safety risks, including risks associated with equipment defects, malfunctions, failures and misuses, any of which could result in uncontrollable flows of natural gas, fires, explosions or other damage, including death or serious injury. For example, operation of LNG pumps requires special training because of the extremely low temperatures of LNG. Also, LNG tanker trailers and CNG fuel tanks and trailers, if involved in accidents or improper maintenance or installation, could rupture. Further, refueling of natural gas vehicles or operation of natural gas vehicle fueling stations could result in venting of methane gas, which is a potent greenhouse gas, and such methane emissions are regulated by some state regulatory agencies and may in the future be regulated by the U.S. Environmental Protection Agency and/or additional state regulators. These safety and environmental risks may expose us to liability for personal injury, wrongful death, property damage, pollution and other environmental damage. We may incur substantial liability and costs if damages are not covered by insurance or are in excess of policy limits or if environmental damage causes us to violate applicable greenhouse gas emissions or other environmental laws. Additionally, the occurrence of any of these events with respect to our fueling stations or our other operations could materially harm our business and reputation. Moreover, the occurrence of any of these events to any other organization in the natural gas vehicle fuel business could harm our industry generally by negatively affecting perceptions about and adoption levels of natural gas as a vehicle fuel.

Our business is subject to a variety of government regulations that may restrict our operations and result in costs and penalties.

We are subject to a variety of federal, state and local laws and regulations relating to the environment, health and safety, labor and employment, building codes and construction, zoning and land use, the government procurement process, any political activities or lobbying in which we may engage, foreign business practices, public reporting and taxation, among others. It is difficult and costly to manage the requirements of every authority having jurisdiction over our various activities and to comply with their varying standards. These laws and regulations are complex, change frequently and in many cases have become more stringent over time. Any changes to existing regulations or adoption of new regulations may result in significant additional expense to us or our customers. Further, from time to time, as part of the regular evaluation of our operations, including newly acquired or developing operations, we may be subject to compliance audits by regulatory authorities, which may distract management from our revenue-generating activities and involve significant costs and use of other resources. Also, in connection with our operations, we often need to obtain facility permits or licenses to address, among other things, storm water or wastewater discharges, waste handling and air emissions, which may subject us to onerous or costly permitting conditions or delays if permits cannot be timely obtained.

Our failure to comply with any applicable laws and regulations may result in a variety of administrative, civil and criminal enforcement measures, including assessment of monetary penalties, imposition of corrective requirements or prohibition from providing services to government entities, any of which could negatively affect our business and performance.

We may from time to time pursue acquisitions, divestitures, investments or other strategic relationships or transactions, which could fail to meet expectations or otherwise harm our business.

We may acquire or invest in other companies or businesses or pursue other strategic transactions or relationships, such as joint ventures, collaborations or other similar arrangements. For example, in March 2017 we sold certain assets related to our RNG business, including our former RNG production facilities. These transactions involve numerous risks, any of which could harm our business, including, among others:

- Difficulties integrating the technologies, operations, contracts, personnel and service providers of an acquired company or partner;
- Diversion of financial and management resources from existing operations or alternative acquisition, investment or other opportunities;
- Failure to realize the anticipated benefits or synergies of a transaction or relationship;
- Failure to identify all of the problems, liabilities, shortcomings or challenges of a company or technology we may partner with, invest in or acquire, including issues related to intellectual property rights, regulatory compliance practices, revenue recognition or other accounting practices or employee, customer or vendor relationships;
- Risks of entering new customer or geographic markets in which we may have limited or no experience;
- Potential loss of an acquired company's, business' or partners' key employees, customers or vendors in the event of an acquisition or investment, or potential loss of our assets, employees or customers in the event of a divestiture or other similar strategic transaction;
- Risks associated with any joint venture or other collaboration relationship we may pursue, including as a result of our relinquishment of some degree of control over the assets, technologies or businesses that are the subject of the joint venture or collaboration, or as a result of our partners having business goals and interests that are not aligned with ours or being unable or unwilling to fulfill their obligations in the relationship;
- Inability to generate sufficient revenue to offset costs related to an acquisition, investment or other transaction or relationship;
- Additional costs, incurrence of debt or equity dilution associated with funding an acquisition, investment or other transaction or relationship; and
- Possible write-offs or impairment charges relating to any businesses we partner with, invest in or acquire.

Our results of operations fluctuate significantly and are difficult to predict.

Our results of operations have historically experienced, and may continue to experience, significant fluctuations as a result of a variety of factors, including, among others, the amount and timing of station construction sales, sales of RINs and LCFS Credits, recognition of any other government credits and, compressor and other equipment sales; fluctuations in commodity costs and natural gas prices and sale activity; and the amount and timing of our billing, collections and liability payments, as well as the other factors described in these risk factors.

The significant fluctuations of our operating results in certain periods may render period-to-period comparisons less meaningful, and investors in our securities should not rely on the results of any one period as an indicator of future performance. For example, our results for the nine months ended September 30, 2016 and 2017 were positively affected by gains related to repurchases or retirements of our outstanding convertible debt, and our results for the nine months ended September 30, 2017 were also positively affected by a gain related to our sale of certain assets related to our RNG business, but our results for the nine months ended September 30, 2017 were also negatively affected by significant charges in connection with our closure of certain fueling stations, the decreased operating performance of our natural gas fueling compressor business, our determination of an impairment of assets as a result of the foregoing, and certain other actions.

These or other gains or losses may not recur regularly, in the same amounts or at all in future periods.

We depend on key people to generate our strategies and operate our business, and our business could be harmed if we are unable to retain these key people.

We believe our future success is dependent upon the contributions of our officers and directors and certain other key managerial, sales, technical and finance personnel. All of our officers and other United States employees may terminate their employment relationships with us at any time. Additionally, our directors may resign at any time or fail to be re-elected by our stockholders on an annual basis. In many cases, we believe these individuals’ knowledge of our business and experience in our industry would be extremely difficult to replace. Qualified individuals are in high demand, and we may incur significant costs to attract and retain our key people. If we are unable to retain our officers, directors and other key employees, or if these individuals leave our Company and we are unable to attract and successfully integrate quality replacements in a timely manner, our business, operating results and financial condition could be harmed.

Natural gas purchase commitments may exceed demand, which could cause our costs relative to our revenue to increase.

We are a party to two long-term natural gas purchase agreements with a take-or-pay commitment, and we may enter into additional similar contracts in the future. Take-or-pay commitments require us to pay for the natural gas we have agreed to purchase, irrespective of whether we sell the gas. If the market for natural gas as a vehicle fuel declines or fails to develop as we anticipate, if we lose significant natural gas vehicle fueling customers, or if demand under any existing or future sales contract does not maintain its volume levels or grow, these take-or-pay commitments may exceed our natural gas demand. In that case, our operating and supply costs could increase without a corresponding increase in revenue, which could cause our margins and performance to be negatively impacted.

We provide financing to fleet customers for natural gas vehicles, which exposes our business to credit risks.

We lend to certain qualifying customers a portion, and occasionally all, of the purchase price of natural gas vehicles they agree to purchase. These financing activities involve a number of risks, including, among others, that the equipment financed consists mostly of vehicles, which are mobile and easily damaged, lost or stolen; and the borrower may default on payments, enter bankruptcy proceedings and/or liquidate. As of September 30, 2017, we had $8.3 million outstanding in loans provided to customers to finance natural gas vehicle purchases.

Our warranty reserves may not adequately cover our warranty obligations, which could result in unexpected costs.

We provide product warranties with varying terms and durations for the stations we build and sell and, the natural gas fueling compressors Clean Energy Compression manufactures and sells, and we establish reserves for the estimated liability associated with these product warranties. Our warranty reserves are based on historical trends as well as our understanding of specifically identified warranty issues, and the amounts estimated for these reserves could differ materially from the warranty costs that may actually be realized. We would be adversely affected by an increase in the rate of warranty claims or the amounts involved in warranty claims or by the occurrence of unexpected warranty claims, any of which could increase our costs beyond our established reserves and cause our cash position and financial condition to suffer.

Increased global IT security threats and more sophisticated and targeted computer crime pose a risk to our systems, networks, products, solutions and services.

Increased global IT security threats and more sophisticated and targeted computer crime pose a risk to the security of our systems and networks and the confidentiality, availability and integrity of our data. Implementing security measures designed to prevent, detect, rectify or correct these threats involves significant costs, and any such measures could fail. Depending on their nature and scope, such threats could potentially lead to the compromise of confidential information, improper use of our systems and networks, manipulation and destruction of data, operational disruptions and substantial financial outlays. The occurrence of any of these risks could materially harm our business, reputation and performance.

Risks Related to Our Common Stock

Sales of our common stock, or the perception that such sales may occur, could cause the market price of our stock to drop significantly, regardless of the state of our business.

As of September 30, 2017, there were 151,009,700 shares of our common stock outstanding, 9,648,613 shares underlying outstanding stock options, 2,403,266 shares underlying outstanding restricted stock units, and 14,991,521 shares underlying outstanding convertible notes (assuming conversion at the stated conversion price). All outstanding shares of our common stock are eligible for sale in the public market, subject in certain cases to the requirements of Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"). Also, shares issued upon the exercise, vesting and settlement or conversion of outstanding stock options, restricted stock units and convertible notes may be eligible for sale in the public market, to the extent permitted by Rule 144 and the provisions of the applicable stock option, restricted stock unit and convertible note agreements or if such shares have been

registered under the Securities Act. If these shares are sold, or if it is perceived that they may be sold, in the public market, the trading price of our common stock could decline.

As of September 30, 2017, 13,010,978 shares of our common stock held by our co-founder and board member T. Boone Pickens were pledged as security for loans made to Mr. Pickens. We are not a party to these loans. If the price of our common stock declines, Mr. Pickens may be forced to provide additional collateral for the loans or to sell shares of our common stock in order to remain within the margin limitations imposed under the terms of the loans. Any sales of our common stock following such a margin call that is not satisfied, or any other large sales of our common stock by our officers or directors, may cause the price of our common stock to decline.

A significant portion of our common stock is beneficially owned by a single stockholder whose interests may differ from yours and who is able to exert significant influence over our corporate decisions, including a change of control.

As of September 30, 2017, Mr. Pickens beneficially owned approximately 10.6% of our common stock (including 13,010,978 outstanding shares of common stock, 725,000 shares underlying outstanding stock options and 2,531,645 shares underlying outstanding convertible notes). As a result, Mr. Pickens is able to influence or control matters requiring approval by our stockholders, including the election of directors and mergers, acquisitions or other extraordinary transactions. Mr. Pickens may have interests that differ from yours and may vote in ways with which you disagree and that may be adverse to your interests. This concentration of ownership may also have the effect of delaying, preventing or deterring a change of control of our Company, which could deprive our stockholders of an opportunity to receive a premium for their shares of our common stock as part of a sale of our Company and could affect the market price of our common stock. Conversely, this concentration of ownership may facilitate a change of control at a time when you and other investors may prefer not to sell.

The price of our common stock may fluctuate significantly, and you could lose all or part of your investment.

The market price of our common stock has experienced, and may continue to experience, significant volatility. This volatility may be in response to factors that are beyond our control. Factors that may cause volatility in the price of our common stock include, among others:

- Implementation of our business plans and initiatives, including our initiatives to build ANGH and fuel a greater number of natural gas heavy-duty trucks;
- Failure to meet or exceed financial estimates and projections of the investment community;
- Increasing competition in the market for natural gas and other alternatives for use as vehicle fuels;
- Other competitive developments, including advances or improvements in non-natural gas vehicle fuels or engines powered by these fuels;
- Changes to the availability or effect on our business of environmental, tax or other regulations, programs or incentives that promote natural gas as a vehicle fuel, including, among others, VETC and the programs under which we generate and sell LCFS Credits and RINs;
- Adoption of government policies or programs that favor vehicles or vehicle fuels other than natural gas, including long-standing support for gasoline and diesel-powered vehicles and growing support for electric and hydrogen-powered vehicles;
- Changes to emissions requirements applicable to vehicles powered by gasoline, diesel, natural gas or other vehicle fuels, as well as the impact of emissions and other environmental regulations and pressures on crude oil and natural gas drilling, production, importing or transportation methods and fueling stations for these fuels;
- The market's perception of the success and importance of any acquisitions, divestitures, investments or other strategic relationships or transactions we may announce;
- Changes in political, regulatory, economic and market conditions;
- Changes to our management, including officer or director departures or other changes;
- Sales of our common stock by us or our officers, directors or significant stockholders;

- A decline in the trading volume of our common stock; and
- The other risks described in these risk factors, including the factors that may influence the adoption of natural gas as a vehicle fuel generally.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies, but which have affected the market prices of these companies' securities. These market fluctuations may also materially and adversely affect the market price of our common stock. Moreover, volatility or declines in the market price of our common stock could have other negative consequences, including, among others, potential impairments to our assets or goodwill or a reduced ability to use our common stock for capital-raising, acquisition or other purposes, which could materially and adversely affect our financial condition, results of operations and liquidity and could cause further declines in the market price of our common stock.

Item 2.—Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3.—Defaults upon Senior Securities

None.

Item 4.—Mine Safety Disclosures

None.

Item 5.—Other Information

As previously reported, on September 15, 2017, Peter J. Grace retired from his position as our Senior Vice President, Sales & Finance. In connection with Mr. Grace's retirement, on September 15, 2017, we entered into a retirement agreement with Mr. Grace, pursuant to which, among other things, (a) Mr. Grace's Amended and Restated Employment Agreement dated December 31, 2015 (the "Prior Employment Agreement") was terminated, subject to the survival of certain confidentiality, non-solicitation and other similar provisions, and (b) subject to Mr. Grace's delivery of a release of claims (subject to his statutory rights) and agreement to comply with certain additional non-disparagement, confidentiality and other similar covenants, we agreed: (i) to pay to Mr. Grace retirement compensation in the amounts set forth in Section 5(d)(i), (ii) and (iii) of the Prior Employment Agreement, generally consisting of a cash payment of $675,000, equal to 150% of Mr. Grace's annual base salary as of the effective date of his retirement, a cash payment of $540,000, equal to 150% of Mr. Grace's annual performance bonus for 2016, a cash payment equal to Mr. Grace's annual performance bonus for 2017, which amount will be determined in 2018 by the Compensation Committee of our Board of Directors consistent with its customary practice; (ii) to transfer to Mr. Grace title to the compressed natural gas vehicle we had furnished to Mr. Grace during the term of his employment; (iii) to accelerate the vesting of all of Mr. Grace's restricted stock units that were outstanding and unvested as of the effective date of his retirement, covering 94,985 shares, and (iv) to accelerate the vesting of all of Mr. Grace's stock options that were outstanding and unvested as of the effective date of his retirement, totaling options to purchase up to 187,867 shares of our common stock at exercise prices ranging from $2.83 to $6.33 per share, and extend the post-termination exercise period for these options to the original termination date for each such stock option.

Item 6.—Exhibits

The information required by this Item 6 is set forth on the Exhibit Index that immediately follows the signature page to this report and is incorporated herein by reference.

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CLEAN ENERGY FUELS CORP.

Date: November 2, 2017

By: /s/ ROBERT M. VREELAND

Robert M. Vreeland

Chief Financial Officer

(Principal financial officer and duly authorized to sign on behalf of the registrant)

EXHIBIT INDEX

Exhibit Number	Description
10.121*	Contribution Agreement dated July 14, 2017, by and between Clean Energy and NG Advantage LLC.
10.122*	Series A Preferred Units Issuance Agreement dated July 14, 2017, by and between Clean Energy and NG Advantage LLC.
10.123*	Retirement Agreement dated September 15, 2017, by and between the Registrant and Peter J. Grace.
31.1*	Certification of Andrew J. Littlefair, President and Chief Executive Officer, pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Robert M. Vreeland, Chief Financial Officer, pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, executed by Andrew J. Littlefair, President and Chief Executive Officer, and Robert M. Vreeland, Chief Financial Officer.
101*	The following materials from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2017, formatted in XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets at December 31, 2016 and September 30, 2017; (ii) Condensed Consolidated Statements of Operations for the Three and Nine Months Ended September 30, 2016 and 2017; (iii) Condensed Consolidated Statements of Comprehensive Income for the Three and Nine Months Ended September 30, 2016 and 2017; (iv) Condensed Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2016 and 2017; and (v) Notes to Condensed Consolidated Financial Statements.

* Filed herewith.
** Furnished herewith.

CONTRIBUTION AGREEMENT

THIS CONTRIBUTION AGREEMENT ("Agreement") is dated as of July 14, 2017, by and between CLEAN ENERGY, a California corporation ("Member"), and NG ADVANTAGE LLC, a Delaware limited liability company ("Company").

WHEREAS, Company desires to receive from Member and Member desires to contribute to Company, subject to the terms and conditions contained in this Agreement, certain real property, improvements, appurtenances, and personal property owned by Member.

WHEREAS, concurrently with the execution of this Agreement, Company and Member will enter into a certain Series A Preferred Unit Issuance Agreement (the "Unit Issuance Agreement") pursuant to which Company will issue to Member Series A preferred units ("Units") of Company having a face value equal to the Contribution Value (as defined herein).

IN CONSIDERATION of the respective agreements hereinafter set forth, Member and Company agree as follows:

1. Property Included in Transfer. Member hereby agrees to contribute and convey to Company, and Company hereby agrees to receive from Member, subject to the terms and conditions set forth herein, the following:

(a) that certain real property consisting of approximately 6.30 acres, more or less, located in the Town of Milton, Vermont, and being more particularly described in Exhibit A attached hereto (the "Real Property");

(b) all rights, privileges and easements appurtenant to the Real Property, including, without limitation, all minerals, oil, gas and other hydrocarbon substances on and under the Real Property , as well as all development rights, air rights, water, water rights, riparian rights and water stock relating to the Real Property and any rights-of-way or other appurtenances used in connection with the beneficial use and enjoyment of the Real Property and all of Member's right, title and interest in and to all roads and alleys adjoining or servicing the Real Property (collectively, the "Appurtenances");

(c) all of Member's right, title and interest in and to all improvements and fixtures located on the Real Property, all apparatus, equipment and appliances used in connection with the operation or occupancy of the Real Property, including all pipes, pipelines, compressors, dispensers, dryers, chillers, systems, facilities and equipment used in connection with the operation of a compressed natural gas distribution facility and fueling station on the Real Property (collectively, the "Improvements");

(d) all personal property owned by Member located on or in the Real Property and Improvements as of the Closing Date (as defined in Paragraph 4 below) including, without limitation, those items described in Exhibit B attached hereto (the "Personal Property"); and

(e) subject to Member’s rights with respect to the Reserved Property, any warranties, guarantees or sureties relating to the Real Property or the Personal Property (collectively, the “Intangible Property”).

All of the items referred to in subparagraphs (a), (b), (c), (d) and (e) above are collectively referred to as the “Property.”

Notwithstanding anything to the contrary set forth in this Agreement, the Property being conveyed pursuant to this Agreement does not include (and Member expressly reserves all rights with respect thereto) (collectively, the “Excluded Property”) any existing claims or causes of action with respect to the Property to the extent attributable to the period prior to the Closing Date.

EXCEPT AS EXPLICITY SET FORTH HEREIN, MEMBER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER. COMPANY ACKNOWLEDGES AND AGREES THAT IT IS RECEIVING THE REAL AND PERSONAL PROPERTY “AS-IS WHERE-IS” WITHOUT REPRESENTATION, WARRANTY OR COVENANT (EXPRESS OR IMPLIED) BY MEMBER, EXCEPT AS EXPRESSLY SET FORTH HEREIN, AND IN EACH CASE SUBJECT TO ANY STATE OF FACTS REGARDING ITS PHYSICAL CONDITION. MEMBER HAS NOT MADE AND SHALL NOT BE DEEMED TO HAVE MADE ANY REPRESENTATION, WARRANTY OR COVENANT (EXPRESS OR IMPLIED) NOR SHALL BE DEEMED TO HAVE ANY LIABILITY WHATSOEVER AS TO THE TITLE, VALUE, HABITABILITY, USE, CONDITION, DESIGN, COMPLIANCE WITH SPECIFICATIONS, QUALITY, OPERATION, MERCHANTABILITY OR FITNESS FOR USE OF THE PROPERTY (OR ANY PART THEREOF), OR AS TO THE ABSENCE OF LATENT OR OTHER DEFECTS (WHETHER OR NOT DISCOVERABLE), OR AS TO THE LACK OF INFRINGEMENT ON ANY PATENT, TRADEMARK OR COPYRIGHT, THE CONFORMITY OF THE PROPERTY TO THE DESCRIPTION THEREOF IN THIS AGREEMENT, OR ANY OTHER REPRESENTATION, WARRANTY OR COVENANT WHATSOEVER, EXPRESS OR IMPLIED WITH RESPECT TO THE PROPERTY (OR ANY PART THEREOF), AND MEMBER SHALL NOT BE LIABLE FOR ANY LATENT, HIDDEN, OR PATENT DEFECT THEREON OR THE FAILURE OF THE PROPERTY, OR ANY PART THEREOF, TO COMPLY WITH ANY LAW. MEMBER SHALL NOT BE DEEMED TO HAVE MADE, BE BOUND BY OR LIABLE FOR, ANY REPRESENTATION, WARRANTY OR PROMISE MADE BY THE SUPPLIER, MANUFACTURER, DISTRIBUTOR OR OTHER MEMBER (OR ANY TRANSFER REPRESENTATIVE OR AGENT THEREOF) OF ANY PORTION OF THE PROPERTY. IN NO EVENT SHALL MEMBER BE LIABLE FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES. COMPANY EXPRESSLY ASSUMES THE RISK THAT ADVERSE PHYSICAL, ENVIRONMENTAL, FINANCIAL AND LEGAL CONDITIONS MAY NOT BE REVEALED BY COMPANY’S INSPECTION OF THE PROPERTY. WITHOUT LIMITING THE SCOPE OR GENERALITY OF THE FOREGOING, COMPANY EXPRESSLY ASSUMES THE RISK THAT THE PROPERTY DOES NOT OR WILL

NOT COMPLY WITH ANY ENVIRONMENTAL REQUIREMENTS OR OTHER LAWS NOW OR HEREAFTER IN EFFECT. The provisions of this paragraph have been negotiated by Member and Company after due consideration for the Contribution Value, and are intended to be a complete exclusion and negation of any representations or warranties of Member, express or implied, with respect to the Property that may arise pursuant to any law now or hereafter in effect, or otherwise. As such, this subsection shall survive the Closing.

2. Contribution Value.

(a) The contribution value of the Property is Seven Million Seven Hundred Fifty Thousand Dollars ($7,514,297.00) (the "Contribution Value"). The Contribution Value shall be paid by Company to Member through the issuance of the Units pursuant to the Unit Issuance Agreement upon the closing of the contribution contemplated hereunder (the "Closing"). For purposes of determining the transfer taxes, real property transfer taxes, and real property taxes, as may be applicable, Member and Company anticipate that the Contribution Value shall be allocated among the components of the Property as follows:

CONTRIBUTION VALUE ALLOCATION

Personal Property Subtotal	$3,914,297
Real Property, Building & Improvements	$3,600,000
Total:	$7,514,297

Promptly following the Closing, Member and Company will mutually agree to any necessary changes to the Contribution Value allocation set forth above. The allocation described in this Subparagraph 2(a) shall be conclusive and binding upon Company and Member.

3. Title to the Property.

(a) At the Closing, Member shall convey to Company marketable and insurable fee simple title to the Real Property, the Appurtenances and the Improvements, by a duly executed and acknowledged warranty deed substantially in the form attached hereto as Exhibit C (the "Deed").

(b) At the Closing, Member shall transfer title to the Personal Property by a bill of transfer in the form attached hereto as Exhibit D (the "Bill of Transfer"), such title to be free of any liens, encumbrances or interests.

(c) At the Closing, Member shall transfer title to the Intangible Property by such instruments as Company may determine to be reasonably necessary, including, without limitation, an assignment of Intangible Property in the form attached hereto as Exhibit E (the "Assignment of Intangible Property").

4. Closing and Escrow.

(a) Upon mutual execution of this Agreement, the parties hereto shall deposit an executed counterpart of this Agreement with Member's local counsel, Robert H. Rushford of Gravel & Shea PC ("Escrow Agent"), and this Agreement shall serve as instructions to Robert H. Rushford as the escrow holder for consummation of the contribution contemplated hereby substantially concurrently with the execution and delivery of this Agreement. Member and Company agree to execute such additional escrow instructions as may be appropriate to enable the escrow holder to comply with the terms of this Agreement; provided, however, that in the event of any conflict between the provisions of this Agreement and any supplementary escrow instructions, the terms of this Agreement shall control.

(b) The parties shall endeavor to conduct an escrow closing pursuant to Subparagraph 4(a) above. If, however, an escrow Closing is not practical, the Closing hereunder shall be held and delivery of all items to be made at the Closing shall be made at the offices of Member in Newport Beach, California. The Closing shall occur substantially concurrently with the execution and delivery of this Agreement, and not later than June 30, 2017, time being of the essence (date on which the Closing occurs is referred to herein as the "Closing Date").

(c) At or before the Closing, Member shall deliver to Company or the Escrow Agent, as appropriate, the following:

(i) a duly executed and acknowledged Deed;

(ii) a duly executed Bill of Transfer;

(iii) a duly executed Assignment of Intangible Property;

(iv) closing statement in form and content satisfactory to Company and Member;

(v) a duly executed Unit Issuance Agreement; and

(vi) any other instruments, records or correspondence called for hereunder which have not previously been delivered.

Company may waive compliance on Member's part under any of the foregoing items by an instrument in writing.

(d) At or before the Closing, Company shall deliver to Member or the Escrow Agent, as appropriate, the following:

(i) a duly executed Assignment of Intangible Property;

(ii) a duly executed Contract Assignment;

(iii) a duly executed Unit Issuance Agreement; and

(iv) a closing statement in form and content satisfactory to Company and Member.

(e) Company shall be responsible for the following:

(i) Utility Charges. Company shall be responsible for the payment of all utility charges and other operating expenses relating to the Property with respect to any period.

(ii) Real Estate Taxes and Special Assessments. Company shall be responsible for the payment of all real property taxes and other assessments relating to the Property with respect to any period.

(iii) Survival. The provisions of this Subparagraph 4(e) shall survive the Closing.

(f) Closing Costs. Company shall pay one hundred percent (100%) of:

(i) the fees and disbursements of Gravel & Shea PC;

(ii) the cost of any transfer taxes or documentary stamp taxes applicable to the transfer, the cost of recording all documents to remove encumbrances or defects in title to the Property, if any;

(iii) the escrow fees;

(iv) the premium for any title policy relating to the Property;

(v) any transfer taxes;

(vi) recording the Deed; and

(vii) all other costs and charges of the escrow for the transfer not otherwise provided for in this Subparagraph 4(f) or elsewhere in this Agreement.

(g) Bulk Transfers. The parties waive compliance with the applicable provisions of the bulk transfer law of the State of Vermont in connection with the transfer of the Property to Company.

5. Representations and Warranties of Member. Member hereby represents and warrants to Company as follows: Member is a corporation, duly organized and validly existing under the laws of the State of California; this Agreement and all documents executed by Member which are to be delivered to Company at the Closing are and at the time of Closing will be duly authorized, executed and delivered by Member, are and at the time of Closing will be legal, valid and binding obligations of Member enforceable against Member in accordance with their respective terms, are and at the time of Closing will be sufficient to convey title (if they purport to do so), and do not and at the time of Closing will not violate any provision of any agreement or judicial order to which Member or the Property is subject.

6. Representations and Warranties of Company. Company hereby represents and warrants to Member as follows: Company is a limited liability company, duly organized and validly existing under the laws of the State of Delaware; this Agreement and all documents executed by Company which are to be delivered to Member at the Closing are or at the time of Closing will be duly authorized, executed and delivered by Company, and are or at the Closing will be legal, valid and binding obligations of Company, and do not and at the time of Closing will not violate any provisions of any agreement or judicial order to which Company is subject.

7. Indemnification.

(a) Each party hereby agrees to indemnify the other party and defend and hold it harmless from and against any and all claims, demands, liabilities, costs, expenses, penalties, damages and losses, including, without limitation, attorneys' fees, resulting from any misrepresentation or breach of warranty or breach of covenant made by such party in this Agreement or in any document, certificate, or exhibit given or delivered to the other pursuant to or in connection with this Agreement.

(b) Upon demand by any party entitled to indemnification hereunder, the indemnifying party shall diligently defend the claim for which indemnification has been asserted, all at the indemnifying party's sole cost and expense and by counsel to be approved by the party entitled to indemnification in the exercise of its reasonable judgment. In the alternative, at any time any party entitled to indemnification may elect to conduct its own defense through counsel selected by such party and at the cost and expense of the indemnifying party.

(c) The indemnification provisions of this Section 7 shall survive beyond the Closing, or, if the Closing does not occur pursuant to this Agreement, beyond any termination of this Agreement.

8. Possession. Possession of the Property shall be delivered to Company on the Closing Date.

9. Operation and Maintenance of the Property following the Closing Date. Subject to the last sentence of this Section 9, from and after the Closing Date, Company shall be solely responsible for (and shall bear all capital expenses and other costs relating to) (i) the operation, maintenance, upgrade, expansion and upkeep (including without limitation trash collection, pavement, curb and gutter repairs, landscaping, utilities and telephone) of the Property and (ii)

ensuring that the Property (and the use and operation thereof) complies in all respects with all applicable building codes, environmental, zoning and land use laws, and other applicable local, state and federal laws and regulations (collectively, "Laws"). Further, from the Closing Date, Company maintain canopy signage at the Property consistent with that in place on the Closing Date. Notwithstanding any other provision of this Agreement, if Member determines, in its sole and absolute discretion, that it is not permitted to consolidate the financial results of Company, then Member will have the right to maintain the equipment used to compress and dispense natural gas at the Property. In the event Member exercises the right set forth in the foregoing sentence, the Company shall pay Member an amount for maintaining such equipment that allows Member to cover its commercially reasonable costs and receive a commercially reasonable margin for such services.

10. Vehicle Fuel Dispenser. Company grants Member the sole and exclusive right to market and sell compressed natural gas ("CNG") as a vehicle fuel at the Property for a period of ten (10) years following the Closing Date (the "Vehicle Fuel Term"). Subject to Company's consent (which shall not be unreasonably withheld, conditioned or delayed), Member may construct one or more CNG dispenser(s) at the Property for the purpose of Member marketing and selling CNG as a vehicle fuel (the "Vehicle Fuel Dispenser"); provided that Member shall be under no obligation to construct any Vehicle Fuel Dispenser. Member shall, during the Vehicle Fuel Term, be responsible for providing operation and maintenance services for the Vehicle Fuel Dispenser. Company shall procure natural gas for the entirety of the Property and, with respect to the Vehicle Fuel Dispenser only, the natural gas shall be contributed by Member from Company, title to the CNG shall transfer to Member and Member shall be solely responsible for the transfer of the CNG to vehicle fuel users. Member shall be responsible for all applicable excise, transfers and use taxes related to contributions of CNG from the Vehicle Fuel Dispenser, except in the event a vehicle fuel contributor qualifies for an exemption from one or all of these taxes and furnishes to Member an appropriate certification authorizing non-payment of the applicable tax or taxes. Member shall retain the rights to: (i) any federal or state tax credits associated with the collection, production, transfer or use of CNG from the Vehicle Fuel Dispenser; (b) any emission reduction credits required or available with respect to the transfer or use of CNG from the Vehicle Fuel Dispenser; and (c) any credits or payments associated with the reduction in or avoidance of Greenhouse Gas emissions with respect to the transfer or use of the CNG from the Vehicle Fuel Dispenser, including emission reduction credits, low-carbon fuel standard credits, any renewable fuel incentives, including but not limited to Renewable Identification Numbers (as defined in 40 CFR §80.1401 and also referred to as "RINs") generated under the Renewable Fuel Standard, verified emission reductions, voluntary emission reductions, offsets, allowances, voluntary carbon units, avoided compliance costs, emission rights and authorizations and CO2 reduction and sequestration. For purposes hereof "Greenhouse Gas" means carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydroflourocarbons, perflourocarbons, sulpher hexafluoride, or any other substance or combination of substances that may become regulated or designated as Greenhouse Gases under any federal, state or local law or regulation, or any emission reduction registry, trading system, or reporting or reduction program for Greenhouse Gas emission reductions that is established, certified, maintained or recognized by any international, governmental (including U.N., federal, state or local agencies) or non-governmental agency from time to time. Without limiting the

foregoing, subject to the availability of the alternative fuel credit allowable under the Internal Revenue Code ("Code") Section 6426 and 6427, Member shall during the Vehicle Fuel Term be considered the Alternative Fueler as defined in Proposed Treasury Regulation Section 48.6426-1 for all the CNG sold from the Vehicle Fuel Dispenser and be entitled to claim and retain one hundred percent (100%) of the credit provided for in Code Section 6426(e)(1) for each Gasoline Gallon Equivalent (as hereinafter defined) of CNG dispensed from the Vehicle Fuel Dispenser. For purposes of this Agreement, "Gasoline Gallon Equivalent" of CNG means 5.66 pounds of CNG, or such other number or units of measure as may now or in the future be prescribed by the federal government of the United States (also referred to as a "GGE"). Member shall, within fifteen (15) days following the end of each calendar month during the Vehicle Fuel Term, provide to Company a report of the volume of CNG dispensed through the Vehicle Fuel Dispenser during the preceding month.

11. Member Fee. Beginning on the Closing Date and through and including December 31, 2024, Company shall pay Member a "Member Fee" equal to $0.08 per thousand cubic feet (or "MCF") of natural gas dispensed by, through or at the Property; provided that the Member Fee shall not apply to natural gas dispensed to vehicles through the Vehicle Fuel Dispenser. Company shall make payments to Member as required by this Section 11 on a monthly basis in arrears within thirty (30) days following the end of each calendar month for which the Member Fee is payable. Along with payment of the Member Fee, Company will provide evidence reasonably satisfactory to Member of the volume of natural gas dispensed by, through or at the Property for the applicable month.

12. Company Royalty. During the Vehicle Fuel Term, Member shall pay Company a "Company Royalty" calculated on a per GGE basis as follows: Company's per GGE cost of natural gas and electricity sold to Member with respect to the Vehicle Fuel Dispenser plus $0.15 per GGE. Company shall, within fifteen (15) days following the end of each calendar month during the Vehicle Fuel Term, provide to Member evidence reasonably satisfactory to Member of Company's per GGE cost of natural gas and electricity sold to Member with respect to the Vehicle Fuel Dispenser during the preceding month. Provided that Company has provided the evidence as required by the previous sentence, Member shall make payments to Company as required by this Section 12 on a monthly basis in arrears within thirty (30) days following the end of each calendar month for which the Company Fee is payable.

13. Cooperation. Member and Company shall cooperate and do all acts as may be reasonably required or requested by the other with regard to the consummation of the transactions contemplated hereby including execution of any documents, applications or permits.

14. Right of First Refusal. From and after the date hereof, Member shall have a right of first refusal to acquire the Property on the terms set forth in this Section 14, and Company shall not consummate the transfer or other disposition or conveyance of all or part of Company's interest in the Property to any unaffiliated third party, until and unless Company shall have obtained a bona fide offer therefor (the "Offer"), delivered written notice to Member, which notice shall contain the name of the offeror, the address of the offeror, and a true and accurate copy of the Offer, and shall include an offer to sell, transfer or otherwise dispose of such interest

to Member for a price equal to 100% of the gross transfer price contained in the Offer and on all of the terms applicable to the Offer (such price and terms, "Company's Offer"). If Member shall either deliver written notice of rejection of the Company's Offer to Company or fail to deliver written notice of acceptance of the Company's Offer within fifteen (15) days after the date of receipt of Company's notice, Member's right of first refusal hereunder shall conclusively be deemed to be waived with respect to any transfer or other disposition of the Property (or applicable portion thereof to which the Offer applied) consummated during the period of ninety (90) days thereafter, provided that the gross transfer price in connection with such transfer is not less than the gross transfer price contained in the Offer as disclosed in writing to Member. Provided that the gross transfer price in connection with such transfer is equal to or greater than the price contained in the Offer as disclosed in writing to Member, Company shall be free to sell, transfer and dispose of the Property or applicable portion thereof during such ninety (90) day period to any person and on any terms whatsoever, and if Company consummates such a transfer or disposition within such ninety (90) day period, the contributor or transferee shall acquire the Property or applicable portion thereof free and clear of the Member's right of first refusal set forth in this Section 14 (which shall be extinguished, null, void and of no further force or effect upon such transfer or disposition with respect to the Property or applicable portion thereof so disposed of). If, however, Company does not consummate any such transfer or other disposition of the Property (or applicable portion thereof to which the Offer applied) within such ninety (90) day period, then Member's right of first refusal provided for in this Section 14 shall once again apply, and if Company proposes to consummate any such transfer or other disposition of the Property (or applicable portion thereof to which the Offer applied) within such ninety (90) day period pursuant to a new Offer under which the gross transfer price is less than the gross transfer price contained in the initial Offer as disclosed in writing to Member, then Company shall not consummate such transfer or other disposition of the Property (or applicable portion thereof to which the Offer applied) without first giving a notice of such new Offer to Member in compliance with the terms of this Section 14. Notwithstanding anything to the contrary contained in the Offer, the closing for the conveyance of the Property or applicable portion thereof to Member shall occur on the date (the "Company's Offer Closing Date") selected by Company upon not less than ten (10) days written notice to Member, provided that the Company's Offer Closing Date shall not be later than the sixtieth (60th) day following the date Member's notice of acceptance of the Offer was received by Company. The closing shall be held at the offices of Company's local counsel in Vermont, or at such other location as the parties shall agree.

15. Miscellaneous.

(a) Lease Termination. Member and Company agree that, on the Closing Date, (i) the Lease Agreement dated October 14, 2014 by and between Member and Company (the "Lease Agreement") shall terminate and be of no further force or effect and (ii) Company shall pay all outstanding amounts, if any, owed to Member pursuant to the Lease Agreement. Notwithstanding the foregoing, Sections 6.1, 6.2, 6.3, 8.5 and 8.6 shall survive termination of the Lease Agreement.

(b) Allocation of Contribution Value. If necessary, Company and Member each agree to file an IRS Form 8594 in compliance with Section 1060 of the Code, as amended, and applicable regulations. The filings shall be made on a consistent basis and in accordance with the allocations in Subparagraph 2(a) of this Agreement.

(c) Notices. Any notices required or permitted to be given hereunder shall be given in writing and shall be delivered (a) in person, (b) by certified mail, postage prepaid, return receipt requested, (c) by United Parcel Service or another reputable commercial overnight courier that guarantees next day delivery and provides a receipt, or (d) by email, and such notices shall be addressed as follows:

If to Company: NG Advantage LLC
480 Hercules Drive
Colchester, VT 05446
Attention: Rico Biasetti
Email: rbiasetti@ngadvantage.com

If to Member: Clean Energy
4675 MacArthur Court, Suite 800
Newport Beach, CA 92660
Attention: Nate Jensen, Vice President & General Counsel
Email: njensen@cleanenergyfuels.com

If to Escrow Agent: Robert H. Rushford
Gravel & Shea PC
76 St. Paul Street, 7th Floor
P.O. Box 369
Burlington, VT 05402
Email: rrushford@gravelshea.com

or to such other address as either party may from time to time specify in writing to the other party. Any notice sent by certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. Notices delivered by United Parcel Service or an overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to United Parcel Service or courier. If any notice is transmitted by email, the notice shall be deemed received on the date of transmission, provided that the sender obtains evidence of transmission acceptance or verification and, if the transmission occurs after 5:00 p.m. (at the destination), then on the next business day. If notice is received on a Saturday, Sunday, or legal holiday, it shall be deemed received on the next business day.

(d) Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors, heirs, administrators and assigns.

(e) Amendments. Except as otherwise provided herein, this Agreement may be amended or modified only by a written instrument executed by Member and Company.

(f) Deadlines on Non-Business Days. In the event any deadline specified herein falls on a day which is not a regular business day, then the deadline shall be extended to the end of the next following regular business day.

(g) Governing Law. This Agreement shall be governed by, construed in accordance with, and enforced pursuant to the laws of the State of Vermont.

(h) Merger of Prior Agreements. This Agreement and the exhibits hereto constitute the entire agreement between the parties and supersede all prior agreements and understandings between the parties relating to the subject matter hereof.

(i) Enforcement. If either party hereto fails to perform any of its obligations under this Agreement or if a dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this Agreement, then the defaulting party or the party not prevailing in such dispute shall pay any and all costs and expenses incurred by the other party on account of such default and/or in enforcing or establishing its rights hereunder, including, without limitation, court costs and attorneys' fees and disbursements. Any such attorneys' fees and other expenses incurred by either party in enforcing a judgment in its favor under this Agreement shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys' fees obligation is intended to be severable from the other provisions of this Agreement and to survive and not be merged into any such judgment. The parties hereto agree that any litigation filed to enforce or interpret this Agreement shall be filed in the County of Chittenden, State of Vermont.

(j) Time of the Essence. Time is of the essence of this Agreement.

(k) Severability. If any provision of this Agreement, or the application thereof to any person, place, or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect.

(l) Effective Date. As used herein, the term "Effective Date" shall mean the first date on which both Member and Company shall have executed this Agreement.

(m) Counterparts. This Agreement may be signed in counterparts and all counterparts so executed shall constitute one contract, binding on all parties hereto, even though all parties are not signatory to the same counterpart.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates set forth below.

MEMBER:CLEAN ENERGY,
a California corporation

Date: July 14, 2017 By: __

Name: __

Title: __

COMPANY: NG ADVANTAGE LLC,
a Delaware limited liability company

Date: July 14, 2017 By: __

Name: __

Title: __

LIST OF EXHIBITS AND SCHEDULES

Exhibit A — Description of Real Property

Exhibit B — Description of Personal Property

Exhibit C — Warranty Deed

Exhibit D — Warranty Bill of Transfer

Exhibit E — Assignment of Intangible Property

EXHIBIT A

REAL PROPERTY

A parcel of land with all improvements thereon, located easterly and southerly of Gonyeau Road and being all and the same lands and premises conveyed to NG Advantage LLC by Warranty Deed of the Greater Burlington Industrial Corporation dated September 26, 2012 and recorded in Volume 425, Page 208 of the Town of Milton Land Records and being more particularly described therein as follows:

> Being a portion of the lands and premises conveyed to Greater Burlington Industrial Corporation by Warranty Deed of Catamount Stadium, Inc., dated October 17, 1983 and recorded in Volume 82, Page 233 of the Milton Land Records, and being more particularly described as follows:
>
> All of Lot 6 as depicted on a plan entitled "Catamount Industrial Park, Route 7, Milton, Vermont," dated April 22, 1983, last revised September 15, 2008, prepared by Trudell Consulting Engineers, Inc. and recorded in Map Slide 271C (the "Plan") of the Town of Milton Land Records (the "Land Records").

Reference is hereby made to the above-mentioned instruments, the records thereof and the references therein contained in further aid of this description.

EXHIBIT B

PERSONAL PROPERTY

Milton Compressor Site Equipment

Vendor	Description
ANGI Energy	ANGI NG300E Ariel JGQ-2 3-Stage
ANGI Energy	ANGI NG300E Ariel JGQ-2 3-Stage
ANGI Energy	ANGI NG300E Ariel JGQ-2 3-Stage
ANGI Energy	ANGI NG300E Ariel JGQ-2 3-Stage
ANGI Energy	Triplex Motor Soft Starter for 250HP with EDS
ANGI Energy	Vale, Flexline, Filter Comp
ANGI Energy	Electronic Priority/Trailer Fill Panel
ANGI Energy	Master Control Panel
ANGI Energy	Trailer Filing Dispenser; single hose, 1/2"x14'; 3/4" process piping; NGV nozzles, CT5000
ANGI Energy	Trailer Filing Dispenser; single hose, 1/2"x14'; 3/4" process piping; NGV nozzles, CT5000
ANGI Energy	Trailer Filing Dispenser; single hose, 1/2"x14'; 3/4" process piping; NGV nozzles, CT5000
ANGI Energy	Communications Box
ANGI Energy	Transit Dispenser Pit Frame
Process Solution	Heat Exchanger
RJ Murray	Chiller/Storage Tank/Vibration Kit
PSB	Dryer

ANGI:

Order:

Item	Price	Qty	Total
1. ANGI NG300E Ariel JGQ-2-3 Stage Compressor	**$221,000**	2	**$442,000**
2. Motor Starter Package, Single Compressor, 250 HP	$21,800	2	$43,600
3. Site Materials- NG300 – Valve, Flex-Line and Filter	$1,100	2	$2,200
4. Upgrade Master Control Panel, Includes Materials and Programming	$9,100	1	$9,100
5. Start-Up and Commissioning based on 1 service tech for two weeks; 1 programmer for two weeks	$36,000	1	$36,000
6. Freight	$4,800	1	$4,800
Total			**$537,700**

For: RJ Murray Co., Inc.
7 Northway Lane
Latham, NY 12110

Order:

Item	Price	Qty	Total
"30RAP1506D-B9360 – Carrier outdoor packaged, air cooled, scroll compressor water chiller nominal 150 Tons (74 ton net) Cooling 460-3-60 using R410-A Non-Fused Disconnect Low Sound Dual Pump, 15HP Low Ambient Head Pressure Control EMM and BACnet Communications	$104,874.00	1	$104,874.00
30RA130-150-RC5 – Compressor Year 2-5 Parts Only warranty	$ 1,578.00	1	$ 1,578.00
30RA130-150-ST1 -- Start-up by Carrier factory service with 1st year labor warranty	$ 1,410.00	1	$ 1,410.00
38AP-900---005 – Wind Baffle (kit)	$ 229.00	1	$ 229.00
30RA-900---005 -- Vibration Isolation Package	$ 100.00	1	$ 100.00
Total			$108,191.00

For: Process Solutions
164 Wheeler Street
Rehoboth, MA 02769

Order:

Item	Price	Qty	Total
"BEM" Size: 10156, 1 Pass Shell & Tube Heat Exchanger	$83,270.00	1	$ 83,270.00
Total			$ 83,270.00

EXHIBIT C

WARRANTY DEED

EXHIBIT D

BILL OF TRANSFER

For good and valuable consideration the receipt of which is hereby acknowledged, Clean Energy, a California corporation ("Member"), does hereby sell, transfer, and convey to NG Advantage LLC, a Delaware limited liability company ("Company"), all Personal Property, other than the Excluded Property, owned by Member and located on or in or used in connection with the Real Property and Improvements (as such terms are defined in that certain Contribution Agreement dated as of July 14, 2017, between Member and Company (or Company's predecessor in interest), including, without limitation, those items described in Schedule A attached hereto subject to Member's rights with respect to the Reserved Property. Capitalized terms used but not defined herein have the meanings set forth in said Contribution Agreement.

Member does hereby represent to Company that Member is the lawful owner of such Personal Property, that such Personal Property is free and clear of all encumbrances, and that Member has good right to sell the same as aforesaid and will warrant and defend the title thereto unto Company, its successors and assigns, against the claims and demands of all persons whomsoever.

DATED this 14th day of July, 2017.

MEMBER: CLEAN ENERGY,
a California corporation

By: __

Name: __

Title: __

Schedule A to
Bill of Transfer

EXHIBIT E

ASSIGNMENT OF INTANGIBLE PROPERTY

THIS ASSIGNMENT (“Assignment”) is made and entered into as of this 14th day of July, 2017, by Clean Energy, a California corporation (“Assignor”), to NG Advantage LLC, a Delaware limited liability company (“Assignee”).

FOR GOOD AND VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, effective as of the Effective Date (as defined below), Assignor hereby assigns and transfers unto Assignee all of its right, title, claim and interest in and under any Intangible Property (as defined in that certain Contribution Agreement dated as of July 14, 2017, between Assignor and Assignee (or Assignee’s predecessor in interest) (the “Contribution Agreement”).

Capitalized terms used but not defined herein have the meanings set forth in said Contribution Agreement.

ASSIGNOR AND ASSIGNEE FURTHER HEREBY AGREE AND COVENANT AS FOLLOWS:

1. If either party hereto fails to perform any of its obligations under this Assignment or if a dispute arises between the parties hereto concerning the meaning or interpretation of any provision of this Assignment, then the defaulting party or the party not prevailing in such dispute shall pay any and all costs and expenses incurred by the other party on account of such default and/or in enforcing or establishing its rights hereunder, including, without limitation, court costs and attorneys’ fees and disbursements. Any such attorneys’ fees and other expenses incurred by either party in enforcing a judgment in its favor under this Assignment shall be recoverable separately from and in addition to any other amount included in such judgment, and such attorneys’ fees obligation is intended to be severable from the other provisions of this Assignment and to survive and not be merged into any such judgment.

2. This Assignment shall be binding on and inure to the benefit of the parties hereto, their heirs, executors, administrators, successors in interest and assigns.

3. This Assignment shall be governed by and construed and in accordance with the laws of the State of Vermont.

4. For purposes of this Assignment, the "Effective Date" shall be the date of the Closing (as defined in the Contribution Agreement).

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment the day and year first above written.

ASSIGNEE: **NG ADVANTAGE LLC,**
a Delaware limited liability company

By: __

Name: Rico Biasetti

Title: CEO

ASSIGNOR: **CLEAN ENERGY,**
a **California corporation**

By: __

Name: __

Title: __

Exhibit A to
Assignment of
Intangible Property

REAL PROPERTY

A parcel of land with all improvements thereon, located easterly and southerly of Gonyeau Road and being all and the same lands and premises conveyed to NG Advantage LLC by Warranty Deed of the Greater Burlington Industrial Corporation dated September 26, 2012 and recorded in Volume 425, Page 208 of the Town of Milton Land Records and being more particularly described therein as follows:

> Being a portion of the lands and premises conveyed to Greater Burlington Industrial Corporation by Warranty Deed of Catamount Stadium, Inc., dated October 17, 1983 and recorded in Volume 82, Page 233 of the Milton Land Records, and being more particularly described as follows:
>
> All of Lot 6 as depicted on a plan entitled "Catamount Industrial Park, Route 7, Milton, Vermont," dated April 22, 1983, last revised September 15, 2008, prepared by Trudell Consulting Engineers, Inc. and recorded in Map Slide 271C (the "Plan") of the Town of Milton Land Records (the "Land Records").

Reference is hereby made to the above-mentioned instruments, the records thereof and the references therein contained in further aid of this description.

NG ADVANTAGE LLC

SERIES A PREFERRED UNITS ISSUANCE AGREEMENT

This Series A Preferred Units Issuance Agreement (this "***Agreement***") is dated as of July 14, 2017, by and between NG Advantage LLC, a Delaware limited liability company (the "***Company***"), and Clean Energy, a California corporation ("***Clean Energy***"). The Company and Clean Energy hereby agree as follows:

SECTION 1
AUTHORIZATION AND ISSUANCE

a. Authorization.

The Company will, prior to the Closing (as defined below), authorize the issuance of such number of the Company's Preferred Units (as defined in the Operating Agreement (as defined below)) as have a value of Seven Million Five Hundred Fourteen Thousand Two Hundred Ninety Seven Dollars ($7,514,297) (the "***Series A Units***"), which Preferred Units shall have the rights, privileges, preferences and restrictions set forth in the Amended and Restated Limited Liability Company Operating Agreement of the Company, in substantially the form attached hereto as Exhibit A (the "***Operating Agreement***").

b. Issuance of Series A Units.

Subject to the terms and conditions of this Agreement, the Company shall issue the Series A Units to Clean Energy, in consideration of Clean Energy's contribution to the Company of the Property (as defined in the Contribution Agreement (as defined below)) pursuant to the terms and conditions of the Contribution Agreement (the "***Contribution***"). The Contribution shall constitute the full consideration and payment for the issuance of the Series A Units hereunder. As used in this Agreement, the "***Contribution Agreement***" means the Contribution Agreement of even date herewith between Clean Energy and the Company in substantially the form attached hereto as Exhibit B.

SECTION 2
CLOSING DATES AND DELIVERY

2.1 Closing.

The issuance of the Series A Units (the "***Closing***") shall take place at the offices of Clean Energy, located at 4675 MacArthur Court, Suite 800, Newport Beach, California 92660, on the Closing Date (as defined in the Contribution Agreement) and substantially concurrently with the closing under the Contribution Agreement.

2.2 Issuance and Delivery.

At the Closing, the Company shall issue to Clean Energy the Series A Units and shall update the Company's unit ledger and all other applicable books and records to reflect such issuance.

SECTION 3
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to Clean Energy, as of the date hereof and as of the Closing (except for the representations and warranties that speak as of a specific date, which shall be made as of such date) as follows:

3.1 Organization, Good Standing and Qualification.

The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. The Company has all requisite limited liability company power and authority to own and operate its properties and assets, to carry on its business as presently conducted and as proposed to be conducted, to execute and deliver this Agreement, to issue the Series A Units and to perform its obligations pursuant to this Agreement and the Operating Agreement. The Company is presently qualified to do business as a foreign corporation in each jurisdiction where the failure to be so qualified could reasonably be expected to have, individually or in the aggregate, a material adverse effect on the Company's condition, assets, properties, operating results, business or prospects, financially or otherwise, as now conducted and as proposed to be conducted (a "***Material Adverse Effect***").

3.2 Capitalization.

After effectiveness of the Operating Agreement and immediately prior to the Closing, the authorized units representing Membership Rights (as defined in the Operating Agreement) in the Company (such units referred to herein as "***membership units***") will consist of 6,215,350 Common Units, of which 4,631,834 Common Units are issued and outstanding, and 492,418 Series A Preferred Units, of which 492,418 Series A Preferred Units are issued and outstanding.

(a) The outstanding Common Units have been duly authorized and validly issued in compliance with applicable laws, are fully paid and nonassessable and were issued in accordance with the registration or qualification provisions of the Securities Act of 1933, as amended (the "***Securities Act***"), and any relevant state securities laws, or pursuant to valid exemptions therefrom.

(b) As of the Closing, the Company has reserved:

(i) the Series A Units for issuance pursuant to this Agreement;

(ii) 239,296 Common Units authorized for issuance to employees, consultants and directors pursuant to the Company's 2013 Unit Option Plan (the "***2013 Plan***"), under which options to purchase 239,296 Common Units are outstanding as of the date of this Agreement (the "***Outstanding Options***");

(iii) 127,200 Common Units authorized for issuance pursuant to certain warrants to purchase Common Units of the Company that are outstanding as of the date of this Agreement (the "***Outstanding Warrants***")[; and

(iv) 715,847 Common Units authorized for issuance upon conversion of the Series A Units pursuant to the terms of the Operating Agreement.

(c) The Series A Units, when issued and delivered and paid for in compliance with the provisions of this Agreement, will be validly issued, fully paid and nonassessable. The Series A Units will be free of any liens or encumbrances, other than any liens or encumbrances created by Clean Energy.

(d) Except for the rights provided pursuant to the Operating Agreement or as otherwise described in this Agreement, the outstanding Options and the Outstanding Warrants, there are no options, warrants, other rights (including conversion or preemptive rights) or agreements to purchase any of the Company's authorized and unissued membership units.

3.3 Authorization.

All limited liability company action on the part of the Company and its managers, officers and members necessary for the authorization, execution, delivery and performance of this Agreement by the Company, the authorization, issuance and delivery of the Series A Units, and the performance of all of the Company's obligations under this Agreement, has been taken or will be taken prior to the Closing. This Agreement, when executed and delivered by the Company, shall constitute the valid and binding obligation of the Company, enforceable in accordance with its terms, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally and (ii) as limited by rules of law governing specific performance, injunctive relief or other equitable remedies and by general principles of equity.

3.4 Governmental Consents.

No consent, approval, order or authorization of or registration, qualification, designation, declaration or filing with any court, governmental authority or third party on the part of the Company is required in connection with the valid execution and delivery of this Agreement by the Company, the offer or issuance of the Series A Units, or the performance by the Company of its obligations under this Agreement, except (i) the filing of such notices as may be required under the Securities Act and (ii) such filings as may be required under applicable state securities laws, which will be timely filed within the applicable periods therefor.

3.1 Offering.

Subject to the accuracy of Clean Energy's representations and warranties in Section 4, the offer and issuance of the Series A Units in conformity with the terms of this Agreement, constitute transactions exempt from the registration requirements of the Securities Act and will not result in

a violation of the qualification or registration requirements of applicable state securities laws, and neither the Company nor any authorized agent acting on its behalf will take any action hereafter that would cause the loss of such exemption.

3.2 Compliance.

The Company is not in violation of its Certificate of Formation as in effect on the date hereof or any term of the Operating Agreement, as amended to date, or, in any material respect, of any term or provision of any mortgage, indebtedness, indenture, contract, agreement, instrument, judgment, order or decree to which it is party or by which it is bound. To the best of the Company's knowledge, the Company is not in violation of any federal, state or local statute, rule, regulation, order or restriction of any domestic or foreign government or any instrumentality or agency thereof applicable to the Company, the conduct of its business or its properties. The execution and delivery of this Agreement by the Company, the performance by the Company of its obligations pursuant to, and consummation of the transactions contemplated by, this Agreement, and the issuance of the Series A Units, will not (a) result in any violation of, or conflict with, or constitute, with or without the passage of time and giving of notice, a default under, or constitute an event that could entitle any counterparty or other third party to exercise any additional rights under or result in the acceleration of the maturity of any material indebtedness of the Company or the performance of any obligation of the Company under, the Company's Certificate of Formation or its Operating Agreement or any such mortgage, indebtedness, indenture, contract, agreement, instrument, judgment order or decree, (b) result in the violation of, or conflict with, any federal or state statute, rule or regulation applicable to the Company or its properties, (c) constitute an event that results in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of the properties or assets of the Company, or (d) constitute an event that results in the suspension, revocation, impairment, forfeiture or nonrenewal of any material franchise, permit, license, authorization or approval applicable to the Company, its business or operations or any of its assets or properties.

3.3 No "Bad Actor" Disqualification Events.

The Company has exercised reasonable care, in accordance with the rules and guidance of the Securities and Exchange Commission ("***SEC***"), to determine whether any Covered Person (as defined below) is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act ("***Disqualification Events***"). To the Company's knowledge, no Covered Person is subject to a Disqualification Event, except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3) under the Securities Act. The Company has complied, to the extent applicable, with any disclosure obligations under Rule 506(e) under the Securities Act. "***Covered Persons***" are those persons specified in Rule 506(d)(1) under the Securities Act, including the Company; any predecessor or affiliate of the Company; any director, executive officer, other officer participating in the offering of the Series A Units, general partner or managing member of the Company; any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power; any promoter (as defined in Rule 405 under the Securities Act) connected with the Company in any capacity at the time of the issuance of the

Series A Units; and any person that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with the issuance of the Series A Units (a "***Solicitor***"), any general partner or managing member of any Solicitor, and any director, executive officer or other officer participating in the offering of any Solicitor or general partner or managing member of any such Solicitor.

3.4 Disclosure.

The Company has fully provided Clean Energy with all the information necessary for Clean Energy to decide whether to acquire the Series A Units. Neither this Agreement, nor any other statements or certificates made or delivered in connection herewith, contains any untrue statement of a material fact or, to the best of the Company's knowledge, omits to state a material fact necessary to make the statements herein or therein not misleading, in light of the circumstances in which they were made.

SECTION 4
REPRESENTATIONS AND WARRANTIES OF CLEAN ENERGY

Clean Energy hereby represents and warrants to the Company, as of the date hereof and as of the Closing (except for the representations and warranties that speak as of a specific date, which shall be made as of such date) as follows:

4.1 No Registration.

Clean Energy understands that the offer of the Series A Units has not been, and will not be, registered under the Securities Act by reason of a specific exemption from the registration provisions of the Securities Act, the availability of which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of Clean Energy's representations as expressed herein or otherwise made pursuant hereto.

4.2 Investment Intent.

Clean Energy is acquiring the Series A Units for investment for its own account, not as a nominee or agent, and not with the view to, or for resale in connection with, any distribution thereof, and the Clean Energy has no present intention of selling, granting any participation in, or otherwise distributing the same. Clean Energy further represents that it does not have any contract, undertaking, agreement or arrangement with any person or entity to sell, transfer or grant participation to such person or entity or to any third person or entity with respect to any of the Series A Units.

4.3 Investment Experience.

Clean Energy has substantial experience in evaluating and investing in private placement transactions of securities in companies similar to the Company and acknowledges that Clean Energy

can protect its own interests. Clean Energy has such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of its investment in the Company.

a. Speculative Nature of Investment.

Clean Energy understands and acknowledges that the Company has a limited financial and operating history and that an investment in the Company is highly speculative and involves substantial risks. Clean Energy can bear the economic risk of Clean Energy's investment and is able, without impairing Clean Energy's financial condition, to hold the Series A Units for an indefinite period of time and to suffer a complete loss of Clean Energy's investment.

b. Accredited Investor.

Clean Energy is an "accredited investor" within the meaning of Rule 501(a) of Regulation D promulgated by the SEC under the Securities Act and shall submit to the Company such further assurances of such status as may be reasonably requested by the Company.

c. Rule 144.

Clean Energy acknowledges that the Series A Units must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. Clean Energy is aware of the provisions of Rule 144 promulgated under the Securities Act which permit resale of securities purchased in a private placement subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of securities being sold during any three-month period not exceeding specified limitations; the sale being effected through a "brokers' transaction," a transaction directly with a "market maker" or a "riskless principal transaction" (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form 144 notice, if applicable. Clean Energy understands that the current public information about the Company referred to above is not now available, and the Company has no present plans to make such information available. Clean Energy acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time Clean Energy wishes to sell the Series A Units, and that, in such event, Clean Energy may be precluded from selling such securities under Rule 144, even if the other applicable requirements of Rule 144 have been satisfied. Clean Energy acknowledges that, in the event the applicable requirements of Rule 144 are not met, registration under the Securities Act or an exemption from registration will be required for any disposition of the Series A Units. Clean Energy understands that, although Rule 144 is not exclusive, the SEC has expressed its opinion that persons proposing to sell restricted securities received in a private offering other than in a registered offering or pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales and that such persons and the brokers who participate in the transactions do so at their own risk.

d. No Public Market.

Clean Energy understands and acknowledges that no public market now exists for any of the securities issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company's securities.

e. Authorization.

(a) Clean Energy has all requisite power and authority to execute and deliver this Agreement and to perform its obligations pursuant to this Agreement. All corporate action on the part of Clean Energy necessary for the authorization, execution, delivery and performance of this Agreement by Clean Energy, and the performance of all of Clean Energy's obligations under this Agreement, has been taken or will be taken prior to the Closing.

(b) This Agreement, when executed and delivered by Clean Energy, will constitute the valid and legally binding obligation of Clean Energy, enforceable in accordance with its terms, except: (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, and (ii) as limited by rules of law governing specific performance, injunctive relief or other equitable remedies or by general principles of equity.

(c) No consent, approval, order or authorization of or registration, qualification, designation, declaration or filing with any court, governmental authority or third party on the part of Clean Energy is required in connection with the valid execution and delivery of this Agreement by Clean Energy or the performance by Clean Energy of its obligations under this Agreement

f. Legends.

Clean Energy understands and agrees that the certificates evidencing the Series A Units, or any other securities issued in respect of the Series A Units upon any unit split, unit dividend, recapitalization, merger, consolidation or similar event, shall bear the following legend (in addition to any legend required by this Agreement or under applicable state securities laws):

> "THE OFFER AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE, AND SUCH SECURITIES MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER SUCH ACT AND/OR APPLICABLE STATE SECURITIES LAWS, UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL OR OTHER EVIDENCE, REASONABLY SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED, OR UNLESS SOLD PURSUANT TO RULE 144 OF SUCH ACT."

SECTION 5
CONDITIONS TO CLEAN ENERGY'S OBLIGATIONS TO CLOSE

Clean Energy's obligation to consummate the transactions contemplated by this Agreement is subject to the fulfillment on or before the Closing of each of the following conditions, in each case unless waived by Clean Energy:

5.1 Representations and Warranties.

The representations and warranties made by the Company in Section 3 shall be true and correct as of the date of the Closing with the same force and effect as though such representations and warranties had been made as of such date.

5.2 Covenants.

The Company shall have performed or complied with all covenants, agreements and conditions contained in this Agreement to be performed or complied with by the Company on or prior to the Closing.

5.3 Blue Sky.

The Company shall have obtained all necessary Blue Sky law permits and qualifications, or have the availability of exemptions therefrom, required by any state for the offer and issuance of the Series A Units.

5.4 Operating Agreement.

The Operating Agreement shall have been duly authorized, executed and delivered by the members holding sufficient membership units to make such agreement effective.

5.5 Closing Deliverables.

The Company shall have delivered to Clean Energy a certificate of the Secretary of State of the State of Delaware dated as of a date within five days of the date of the Closing, with respect to the good standing of the Company.

5.6 Contribution Agreement.

The Company and Clean Energy shall have executed and delivered the Contribution Agreement.

5.7 Permits, Qualifications and Consents.

All permits, authorizations, approvals or consents of, or filings with or notices to, any federal, state or local governmental authority or regulatory body of the United States or any other third party that are required in connection with the lawful issuance of the securities pursuant to this Agreement shall be duly obtained or made and shall be effective as of the Closing, except solely

for those which are to be obtained or made after the Closing, all of which shall be obtained or made by the Company by the applicable deadlines therefor.

5.8 Proceedings and Documents.

All limited liability company and other proceedings in connection with the transactions contemplated at the Closing and all documents incident thereto shall be reasonably satisfactory in form and substance to Clean Energy and its counsel, and Clean Energy or its counsel shall have received all such counterpart original and certified or other copies of such other documents as any of them may reasonably request.

5.9 Waiver of Rights.

At or prior to the Closing, the Company and all then-current members of the Company shall have waived any rights of first offer, preemptive rights or any other rights in connection with the issuance of the Series A Units hereunder.

SECTION 6
CONDITIONS TO COMPANY'S OBLIGATION TO CLOSE

The Company's obligation to issue the Series A Units at the Closing is subject to the fulfillment on or before the Closing of the following conditions, unless waived by the Company:

6.1 Representations and Warranties.

The representations and warranties made by Clean Energy in Section 4 shall be true and correct when made and shall be true and correct as of the date of the Closing with the same force and effect as though such representations and warranties had been made as of such date.

6.2 Covenants.

Clean Energy shall have performed or complied with all covenants, agreements and conditions contained in this Agreement to be performed or complied with by Clean Energy on or prior to the date of the Closing.

SECTION 7
MISCELLANEOUS

7.1 Amendment.

Except as expressly provided herein, neither this Agreement nor any term hereof may be amended or waived other than by a written instrument signed by the Company and Clean Energy.

7.2 Notices.

All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, sent by electronic mail or otherwise delivered by hand, messenger or courier service addressed:

(a) if to Clean Energy, to the attention of the General Counsel of Clean Energy at 4675 MacArthur Court, Suite 800, Newport Beach, California 92660, or at njensen@cleanenergyfuels.com (email address);

(b) if to the Company, to the attention of the Chief Executive Officer of the Company at 480 Hercules Drive, Colchester, Vermont 05446, or at rbiasetti@ngadvantage.com (email address).

Each such notice or other communication shall for all purposes of this Agreement be treated as effective or having been given (i) if delivered by hand, messenger or courier service, when delivered (or if sent via a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier), or (ii) if sent via mail, at the earlier of its receipt or five days after the same has been deposited in a regularly-maintained receptacle for the deposit of the United States mail, addressed and mailed as aforesaid, or (iii) if sent via electronic mail, when directed to the relevant electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day.

7.3 Governing Law.

This Agreement shall be governed in all respects by the internal laws of the State of Delaware as applied to agreements entered into among Delaware residents to be performed entirely within Delaware, without regard to principles of conflicts of law.

7.4 Expenses.

The Company shall pay all fees, expenses and costs incurred by the Company and Clean Energy in connection with the transactions contemplated by this Agreement (including the fees and expenses of counsel to Clean Energy).

7.5 Survival; Indemnification.

(a) The representations, warranties, covenants and agreements made in this Agreement shall survive the execution and delivery of this Agreement and the Closing and shall in no way be effected by any investigation made by or on behalf of any party hereto.

(b) The Company shall indemnify and hold harmless Clean Energy and each of its directors, officers, stockholders, affiliates, agents and representatives from and against and in respect of any and all actions, causes of action, suits, proceedings, claims, appeals, demands, assessments, judgment, losses, damages, liabilities, interest, fines, penalties, costs and expenses

(including, without limitation, attorneys' fees and disbursements incurred in connection therewith and in seeking indemnification therefor, and any amounts or expenses required to be paid or incurred in connection therewith), resulting from, arising out of, or imposed upon or incurred by any person to be indemnified hereunder by reason of any breach of any representation, warranty, covenant or agreement of the Company made in this Agreement or any certificate or other instrument delivered by or on behalf of the Company pursuant hereto or in connection with the transactions contemplated hereby or thereby.

7.6 Successors and Assigns.

This Agreement, and any and all rights, duties and obligations hereunder, shall not be assigned, transferred, delegated or sublicensed by any party without the prior written consent of the other party, except for any such assignment, transfer, delegation or sublicense by Clean Energy to any of its Permitted Transferees (as defined in the Operating Agreement). Subject to the foregoing and except as otherwise provided herein, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors, assigns, heirs, executors and administrators any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

7.7 Entire Agreement.

This Agreement, including the exhibits attached hereto and the other documents referred to herein, constitutes the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof. No party shall be liable or bound to any other party in any manner with regard to the subjects hereof or thereof by any warranties, representations or covenants except as specifically set forth herein or therein.

7.8 No Waiver.

Except as expressly provided herein, no delay or omission to exercise any right, power or remedy accruing to any party to this Agreement upon any breach or default of any other party under this Agreement shall impair any such right, power or remedy of such non-defaulting party, nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing.

7.9 Remedies.

In addition to being entitled to exercise all rights provided herein or granted by applicable law, each party hereto acknowledges and agrees that monetary damages may not adequately compensate an injured party for the breach of this Agreement by any other party, that this Agreement shall be specifically enforceable, and that any breach or threatened breach of this Agreement shall be the proper subject of a temporary or permanent injunction or restraining order. Further, each party waives any claim or defense that there is an adequate remedy at law for any such breach or threatened breach hereunder. All remedies, either under this Agreement or by applicable law or otherwise afforded to any party to this Agreement, shall be cumulative and not alternative and a party's exercise of any such remedy will not constitute a waiver of such party's right to assert any other legal remedy available to it.

7.10 Severability.

If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Agreement, and such court will replace such illegal, void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the greatest extent possible, the same economic, business and other purposes of the illegal, void or unenforceable provision. The balance of this Agreement shall be enforceable in accordance with its terms.

7.11 Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument.

7.12 Telecopy Execution and Delivery.

A facsimile, telecopy or other reproduction of this Agreement may be executed by one or more parties hereto and delivered by such party by facsimile or any similar electronic transmission device pursuant to which the signature of or on behalf of such party can be seen. Such execution and delivery shall be considered valid, binding and effective for all purposes. At the request of any party hereto, all parties hereto shall execute and deliver an original of this Agreement as well as any facsimile, telecopy or other reproduction hereof.

7.13 Jurisdiction; Venue.

Each of the parties hereto hereby submits and consents irrevocably to the exclusive jurisdiction of the courts of the State of Delaware and the United States District Court for the District of Delaware for the interpretation and enforcement of the provisions of this Agreement. Each of the parties hereto also agrees that the jurisdiction over the person of such parties and the subject matter of such dispute shall be effected by the mailing of process or other papers in connection with

any such action in the manner provided for in Section 7.2 or in such other manner as may be lawful, and that service in such manner shall constitute valid and sufficient service of process.

7.14 Titles and Subtitles.

The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement. All references in this Agreement to sections, paragraphs and exhibits shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits attached hereto.

7.15 Further Assurances.

Each party hereto shall execute and deliver, by the proper exercise of its corporate, limited liability company, partnership or other powers, all such other and additional instruments and documents and do all such other acts and things as may be reasonably necessary to more fully effectuate this Agreement.

7.16 Jury Trial.

EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING (WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATED TO THIS AGREEMENT.

(*signature page follows*)

The parties are signing this Series A Preferred Units Issuance Agreement as of the date stated in the introductory clause.

CLEAN ENERGY
a California corporation

By________________________________
Name:
Title:

NG ADVANTAGE LLC
a Delaware limited liability company

By________________________________
Name:
Title:

EXHIBIT A

AMENDED AND RESTATED LIMITED LIABILITY COMPANY OPERATING AGREEMENT

EXHIBIT B

CONTRIBUTION AGREEMENT

RETIREMENT AGREEMENT

1. PARTIES. This Retirement Agreement ("Agreement"), dated September 15, 2017, is entered between Peter J. Grace ("Employee") and Clean Energy Fuels Corp. ("Company").

2. RETIREMENT:

2.1 Company and Employee acknowledge and agree that Employee will retire from his position as Senior Vice President, Sales & Finance, effective as of September 15, 2017.

2.2 Except with respect to Sections 7(f)-(i) of that Amended and Restated Employment Agreement dated December 31, 2015 between Employee and Company (as amended, the "Employment Agreement"), which survive termination of the Employment Agreement, Company and Employee further acknowledge and agree that the Employment Agreement is terminated.

2.3 Employee shall receive all compensation earned through September 15, 2017, including unused accrued vacation compensation and unpaid base salary, subject to normal withholdings and as a W2 payment.

3. COMPANY PROMISES. In consideration of the agreements, covenants and promises contained in this Agreement:

3.1 Company will pay Employee the gross amount of $1,215,000.00. Such amount shall be paid, subject to normal withholdings and as a W2 payment, on the Effective Date.

3.2 Company will pay Employee the Incentive Compensation (as defined in the Employment Agreement) payable in respect of the 2017 fiscal year, subject to normal withholdings and as a W2 payment, on or before March 15, 2018, subject to Employee's non-revocation of the release contained in this Agreement.

3.3 Company will transfer to Employee title to the CNG vehicle Company currently furnishes for Employee's use; such transfer will occur on an "as-is / where-is basis," without representation or warranty of any kind on the Effective Date .

3.4 All unvested and outstanding stock option awards previously granted by Company to Employee and listed below shall remain outstanding through the Effective Date and will become vested on the Effective Date.

3.5 The post-termination exercise period applicable to the stock option awards previously granted by Company to Employee and listed below will be extended to the termination date listed below, with such extension effective on the Effective Date.

3.6 The unvested restricted stock unit awards previously granted by Company to Employee and listed below shall remain outstanding through the Effective Date and will become vested and payable on the Effective Date; provided, however, that any such restricted stock unit awards that are vested pursuant to this provision and that constitute a non-qualified deferred compensation arrangement within the meaning of Code Section 409A shall be paid or settled on the earliest date coinciding with or following the Effective Date that does not result in a violation of or penalties under Code Section 409A.

3.7 Outstanding Options and Restricted Stock Units

- Option #442; termination date: 12/10/18
- Option #583; termination date: 1/2/19
- Option #2058; termination date: 2/27/25
- Option #2396; termination date: 1/5/26
- Option #2668; termination date: 1/13/27
- RSU #2057
- RSU #2397
- RSU #2669

3.8 As long as the Employee pays the full monthly premiums for COBRA coverage, the Company will provide Employee and, as applicable, Employee's eligible dependents with continued medical and dental coverage, on the same basis as provided to the Company's active executives and their dependents until the earlier of: (i) September 15, 2018; or (ii) the date Employee is first eligible for medical and dental coverage (without pre-existing condition limitations) with a subsequent employer. In addition, the Company will pay Employee a lump sum cash payment equal to twelve (12) monthly medical and dental COBRA premiums based on the level of coverage in effect for Employee (e.g., employee only or family coverage) on September 15, 2017. Such amount shall be paid, subject to normal withholdings and as a W2 payment, on the Effective Date.

4. EMPLOYEE PROMISES. In consideration for the promises contained in this Agreement, Employee agrees as follows:

4.1 Employee hereby generally waives, releases and forever discharges the Company and any or all divisions, subsidiaries, officers, directors, agents, employees, affiliates and successors of the Company (hereinafter collectively the "Released Persons"), from any and all claims, causes of action, damages or costs of any type Employee may have, prior to September 15, 2017, against the Released Persons arising from or in any way connected with Employee's employment relationship with Company, any actions during that relationship, Employee's retirement or the cessation of Employee's service as Senior Vice President, Sales & Finance. Employee understands and agrees that Employee is waiving any and all rights Employee may now have, or has ever had, to pursue against any of the Released Persons any and all remedies available to Employee under any employment-related causes of action, including without limitation, claims of wrongful discharge; breach of contract, whether oral or written, express or implied; breach of any employment agreement, including, but not limited to, the Employment Agreement; any claims for Severance Benefits as that term is defined in the Employment Agreement; any rights under section 5(d) of the Employment Agreement; breach of any covenant of good faith and fair dealing, whether express or implied; misrepresentation; fraud; deceit; any form of negligence; violation of public policy; defamation; discrimination; personal injury; physical injury; negligent or intentional infliction of emotional distress; claims under Title VII of the Civil Rights Act of 1964, as amended; the Worker Adjustment and Retraining Notification Act; the Americans With Disabilities Act; the Federal Rehabilitation Act; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974, as amended; the Equal Pay Act of 1963; the California Fair Employment and Housing Act; the Fair Labor Standards Act; the Age Discrimination in Employment Act, as amended, 29 U.S.C. § 621, et seq.; and any other federal, state or local laws and regulations relating to employment, conditions of employment (including wage and hour laws) and/or employment discrimination.

4.2 Employee further understands and agrees that the waiver and release set forth in paragraph 4.1 applies to any and all claims, liabilities and causes of action, of every nature, kind and description, whether known or unknown, in law, equity or otherwise, which have arisen, occurred or existed at any time prior to the signing of this Agreement, including, without limitation, any and all claims, liabilities and causes of action arising out of or relating to Employee's employment with the Company or the cessation of his service as Senior Vice President, Sales & Finance.

4.3 Employee acknowledges that the amount paid as consideration for this Agreement is not wages owing to Employee.

4.4 Employee agrees that Company has no legal or contractual obligation to hire him at any time in the future.

4.5 Other than as stated in this Agreement, Employee agrees that no promise or inducement has been offered for this Agreement.

4.6 The waiver and release set forth in paragraph 4.1 applies to claims of which the Employee does not currently have knowledge and Employee specifically waives the benefit of the provisions of Section 1542 of the Civil Code of the State of California which reads as follows:

> A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

Employee agrees that he has read this Agreement, including the waiver of California Civil Code section 1542, and has had the opportunity to choose whether to consult counsel about the Agreement and specifically about the waiver of section 1542, and that he understands the Agreement and the section 1542 waiver, and so freely and knowingly enters into this Agreement, and waives his rights under said section 1542.

4.7 Employee declares, covenants; and agrees that Employee has not heretofore, and has not and will not hereafter, sue any of the Released Persons before any court or governmental agency, commission, division or department, whether state, federal, or local, upon any claim, demand, or cause of action released herein. This provision does not extend to the federal Equal Employment Opportunity Commission except to the extent it may do so under the Older Workers Benefit Protection Act of 1990 and the regulations issued thereunder.

4.8 Employee agrees not to file any charges, including but not limited to any additional or duplicative charges, based on events occurring prior to his date of execution of this Release with any state or federal administrative agency, and further agrees not to institute a lawsuit in any state or federal court, based upon, arising out of, or relating to any claim, demand, or cause of action released herein. This provision does not extend to the federal Equal Employment Opportunity Commission except to the extent it may do so under the Older Workers Benefit Protection Act of 1990 and the regulations issued thereunder.

4.9 Employee agrees to indemnify and hold harmless Company and each of the Released Persons for and against any and all costs, losses or liability whatsoever, including reasonable

attorneys' fees, caused by any action or proceeding, in any state or federal courts or administrative processes, which is brought by Employee or Employee's successors in interest if such action arises out of, is based upon, or is related to any claim, demand, or cause of action released herein. This provision does not extend to the federal Equal Employment Opportunity Commission except to the extent it may do so under the Older Workers Benefit Protection Act of 1990 and the regulations issued thereunder.

4.10 Both Employee and Company agree not to disparage the other party, the other party's officers, directors, employees, shareholders and agents, in any manner likely to be harmful to them or their business, business reputation, or personal reputation; provided that both Employee and Company will respond accurately and fully to any question, inquiry, or request for information when required by legal process.

4.11 Both Employee and Company acknowledge and agree that the time and expenses involved in proving in any forum the actual damage or loss suffered by the Company if Employee breaches or threatens to breach this Section 4 and Sections 7(f)-(i) of the Employment Agreement would be difficult to determine and is appropriate for an award of liquidated damages. Accordingly, instead of requiring any proof of damages or losses, Employee and Company agree that for any breach of this Section 4 and Sections 7(f)-(i) of the Employment Agreement, Employee shall immediately pay Company $1,000,000 in liquidated damages. Employee also acknowledges and agrees that Company shall be entitled to injunctive or other equitable relief in a court of appropriate jurisdiction to remedy any such breach or threatened breach, and Employee agrees and acknowledges that damages may be inadequate and insufficient. The existence of this right to injunctive and other equitable relief shall not limit any other rights or remedies that Company may have at law or in equity. Employee and Company further agree that in the event of a dispute as to any threatened or actual breach by Employee, Company, at its election, may refer the matter to the courts of the State of California , County of Orange, and that you agree to fully cooperate and participate in any forum (court or mediation) selected by the Company. Employee and Company also agree that in the event of a dispute as to any threatened or actual breach by Employee, the non-prevailing party shall pay the attorneys' fees and costs of the prevailing party, and Employee and Company will cooperate in taking appropriate measures to mitigate any disclosure of information not to be disclosed under this Agreement or the Employment Agreement. Neither the breach of this Section 4 and Sections 7(f)-(i) of the Employment Agreement nor the payment of liquidated damages by Employee shall affect the continuing validity or enforceability of this Agreement.

5. MISCELLANEOUS.

5.1 This Agreement shall be deemed to have been executed and delivered within the State of California, and the rights and obligations of the parties hereunder shall be construed and enforced in accordance with, and governed by, the laws of the State of California.

5.2 Except as specifically provided herein, this Agreement is the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. This Agreement may be amended only by an agreement in writing. Nothing herein modifies, supersedes, voids or otherwise alters Employee's pre-existing contractual obligations set forth in Sections 7(f)-(i) of the Employment Agreement.

5.3 This Agreement is binding upon and shall inure to the benefit of the parties hereof, their respective agents, employees, representatives, officers, directors, divisions, subsidiaries, affiliates, parent company, assigns, heirs, partners, successors in interest and shareholders.

5.4 Employee agrees that he has read this Agreement and has had the opportunity to ask questions, seek counsel and time to consider the terms of the Agreement. Employee has freely and voluntarily entered into this Agreement.

5.5 Employee understands and agrees that the release of claims contained in this Agreement includes any and all claims under the Age Discrimination in Employment Act, as amended, 29 U.S.C. § 621, et seq. ("ADEA"). Employee represents that he is competent to enter into this Agreement and has no physical or mental impairment that has interfered with his ability to read and understand the meaning of this Agreement or its terms, and that no type of coercion has been exerted over him. Employee understands that, by entering into this Agreement, he does not waive rights or claims that may arise after the date of his execution of this Agreement, including without limitation any rights or claims that he may have to secure enforcement of the terms and conditions of this Agreement. Employee agrees and acknowledges that the consideration provided to him under this Agreement is in addition to anything of value to which he is already entitled. The Company hereby advises Employee to consult with an attorney prior to executing this Agreement. Employee acknowledges that he was informed that he had twenty-one (21) days in which to review and consider this Agreement, as well as the information required by ADEA. Nothing in this Agreement shall prevent Employee (or his attorneys) from (i) commencing an action or proceeding to enforce this Agreement or (ii) exercising Employee's right under the Older Workers Benefit Protection Act of 1990 to challenge the validity of the waiver of ADEA claims in this Agreement.

5.6 Employee understands that after executing this Agreement, Employee has the right to revoke it within seven (7) days after Employee's execution of it. Employee understands that this Agreement will not become effective and enforceable unless the seven (7) day revocation period passes and Employee does not revoke the Agreement in writing. Employee understands that this Agreement may not be revoked after the seven (7) day revocation period has passed. Employee understands that any revocation of this Agreement must be made in writing and delivered to J. Nathan Jensen, Vice President and General Counsel, Clean Energy, 4675 MacArthur Court, Suite 800, Newport Beach, CA 92660, not later than midnight on the seventh day following execution of this Agreement by Employee. If Employee revokes this Agreement under this paragraph, the Agreement shall not be effective or enforceable and Employee will not be entitled to receive the benefits described in paragraph 3 herein. If Employee revokes this Agreement after receiving any of the benefits described in paragraph 3, Employee will, within one (1) business day of such revocation, return such benefits to Company. Employee understands that this Agreement shall be null and void if not executed by him within twenty-one (21) days of the date of this Agreement. Employee has seven (7) days after signing this Agreement to revoke it. This Agreement will become effective on the eighth (8th) day after Employee signs this Agreement (the "Effective Date"), so long as it has been signed by Employee and the Company and has not been revoked by Employee before that date.

5.7 Should a court of competent jurisdiction enter a final judgment holding void or unenforceable any portion, word, clause, phrase, sentence or paragraph of this Agreement, such portion shall be considered independent and severable from the remainder, the validity of which shall remain unaffected.

5.8 To the extent applicable, this Agreement will be interpreted in accordance with the Section 409A of the Internal Revenue Code of 1986, as amended ("Code Section 409A") and regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date this Agreement is executed. Notwithstanding any other provision of this Agreement, if Company determines that any provision herein is or may be subject to Code Section 409A, Company may adopt such amendments or modify payments made hereunder or take any other action or actions that Company determines is necessary or appropriate to (i) exempt payments made hereunder from the applicable of Code Section 409A or (ii) comply with the requirements of Code Section 409A.

5.9 This Agreement may be signed in counterparts and said counterparts shall be treated as though signed as one document.

Peter J. Grace

Clean Energy Fuels Corp.

Name:

Title:

Exhibit 31.1

Certifications

I, Andrew J. Littlefair, certify that:

1. I have reviewed this Form 10-Q of Clean Energy Fuels Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2017

/s/ ANDREW J. LITTLEFAIR

Andrew J. Littlefair,
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

Certifications

I, Robert M. Vreeland, certify that:

1. I have reviewed this Form 10-Q of Clean Energy Fuels Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 2, 2017

/s/ ROBERT M. VREELAND

Robert M. Vreeland,
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION REQUIRED BY
SECTION 1350 OF TITLE 18 OF THE UNITED STATES CODE

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned hereby certifies in his capacity as the specified officer of Clean Energy Fuels Corp. (the “Company”) that, to the best of his knowledge, the quarterly report of the Company on Form 10-Q for the fiscal quarter ended September 30, 2017 fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods presented in the financial statements included in such report.

Dated: November 2, 2017

/s/ ANDREW J. LITTLEFAIR

Name:	Andrew J. Littlefair
Title:	*President and Chief Executive Officer* *(Principal Executive Officer)*

Dated: November 2, 2017

/s/ ROBERT M. VREELAND

Name:	Robert M. Vreeland
Title:	*Chief Financial Officer* *(Principal Financial Officer)*

This certification accompanies this quarterly report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Exchange Act. Such certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.