

Clean Energy Fuels Corp.
Form DEF 14A
April 14, 2011

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

CLEAN ENERGY FUELS CORP.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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 - (4) Date Filed:
-

CLEAN ENERGY FUELS CORP.

**3020 Old Ranch Parkway, Suite 400
Seal Beach, CA 90740**

April 14, 2011

Dear Stockholder:

You are cordially invited to attend the annual meeting of stockholders (the "Annual Meeting") of Clean Energy Fuels Corp. (the "Company") to be held at The Island Hotel at 690 Newport Center Drive, Newport Beach, California 92660, on Wednesday, May 25, 2011, at 9:00 a.m. (Pacific Time).

The attached notice of Annual Meeting and proxy statement include the agenda for the Annual Meeting, explain the matters that we will discuss at the meeting and provide general information about our Company.

For our 2011 Annual Meeting, we are pleased to take advantage of the Securities & Exchange Commission rules that allow issuers to furnish proxy materials to their stockholders on the Internet. We believe these rules allow us to provide you with the information you need while lowering the costs of delivery and reducing the environmental impact of the Annual Meeting.

Your vote is very important. Please vote as promptly as possible. Thank you for supporting our Company.

Sincerely,

MITCHELL W. PRATT
Corporate Secretary

CLEAN ENERGY FUELS CORP.

3020 Old Ranch Parkway, Suite 400
Seal Beach, CA 90740

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

May 25, 2011

The annual meeting of stockholders (the "Annual Meeting") of Clean Energy Fuels Corp. (the "Company") will be held at The Island Hotel at 690 Newport Center Drive, Newport Beach, California 92660, on Wednesday, May 25, 2011, at 9:00 a.m. (Pacific Time) for the following purposes:

1. To elect seven directors;
2. To ratify the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011;
3. To hold an advisory, non-binding vote on executive compensation;
4. To hold an advisory, non-binding vote on whether the vote on executive compensation should occur every one, two or three years;
5. To approve an amendment to the Company's Amended and Restated 2006 Stock Incentive Plan ("2006 Plan") to increase the aggregate number of shares available under the 2006 Plan by 3,000,000;
6. To approve an amendment to the Warrant to Purchase Common Shares of Clean Energy Fuels Corp., dated December 28, 2006 (the "Warrant"), to provide Mr. Boone Pickens, the Warrant holder, with an incentive to exercise a portion of the Warrant prior to December 28, 2011 (the "Exercise Period"), the current expiration date of the Warrant; and
7. To transact any other business that may properly come before the meeting or any adjournment or postponement of the meeting.

The foregoing items of business are more fully described in the proxy statement.

The Board has fixed the close of business on March 28, 2011 as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting and at any adjournment or postponement thereof. A list of stockholders entitled to vote at the Annual Meeting will be available for inspection at our offices.

By order of the Board,

Dated: April 14, 2011

MITCHELL W. PRATT
Corporate Secretary

CLEAN ENERGY FUELS CORP.

3020 Old Ranch Parkway, Suite 400
Seal Beach, CA 90740

2011 PROXY STATEMENT

General Information

The board of directors (the "Board") of Clean Energy Fuels Corp., a Delaware corporation (the "Company"), is providing these proxy materials to you in connection with the solicitation of proxies for use at our 2011 annual meeting of stockholders (the "Annual Meeting"). The Annual Meeting will be held at The Island Hotel at 690 Newport Center Drive, Newport Beach, California, 92660, on Wednesday, May 25, 2011, at 9:00 a.m. (Pacific Time) or at any adjournment or postponement thereof, for the purposes stated herein. This proxy statement (the "Proxy Statement") summarizes the information that you will need to know to vote in an informed manner.

Pursuant to rules adopted by the Securities and Exchange Commission (the "SEC"), we have elected to provide access to our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the "Notice") to the Company's stockholders of record and beneficial owners. All stockholders will have the ability to access the proxy materials on the website referred to in the Notice or request to receive a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Notice. In addition, stockholders may request to receive proxy materials in printed form by mail or electronically by e-mail on an ongoing basis. We encourage you to take advantage of the availability of the proxy materials on the Internet in order to help reduce the environmental impact of the Annual Meeting. The Company's proxy materials are available at the following website: www.proxyvote.com.

Voting Rights and Outstanding Shares

We will mail the Notice on or about April 15, 2011, to all stockholders of record that are entitled to vote. Only stockholders that owned our common stock at the close of business on March 28, 2011, the date which has been fixed by the Board as the record date, are entitled to vote at the Annual Meeting. On the record date, 70,259,142 shares of our common stock were outstanding.

Each share of our common stock that you own entitles you to one vote on all matters to be voted upon at the meeting. The proxy card indicates the number of shares of our common stock that you own. We will have a quorum to conduct the business of the Annual Meeting if holders of a majority of the shares of our common stock are present in person or represented by proxy. Abstentions and broker non-votes, discussed below, will be counted as present for purposes of determining whether a quorum is present at the meeting. Generally, broker non-votes occur when shares held by a broker, bank, or other nominee in "street name" for a beneficial owner are not voted with respect to a particular proposal because the broker, bank, or other nominee (1) has not received voting instructions from the beneficial owner and (2) lacks discretionary voting power to vote those shares with respect to that particular proposal.

A broker is entitled to vote shares held for a beneficial owner on "routine" matters, such as the ratification of the appointment of KPMG LLP as our independent registered public accounting firm (Proposal 2), without instructions from the beneficial owner of those shares. On the other hand, absent instructions from the beneficial owner of such shares, a broker is not entitled to vote shares held for a beneficial owner on certain "non-routine" matters, such as the election of directors (Proposal 1), the proposal to approve, on an advisory, non-binding basis, the compensation of our named executive

officers, as disclosed in this proxy statement in accordance with the SEC's rules (Proposal 3), the advisory, non-binding recommendation as to the frequency with which stockholders will vote on executive compensation (every year, every two years or every three years) (Proposal 4), the amendment to our 2006 Plan (Proposal 5) and the amendment to the Warrant (Proposal 6).

If you hold your shares in street name, it is critical that you cast your vote if you want it to count in the election of directors (Proposal 1), the proposal to approve on an advisory, non-binding basis, the compensation of our named executive officers (Proposal 3), the advisory, non-binding recommendation as to the frequency with which stockholders will vote on executive compensation (Proposal 4), the amendment to our 2006 Plan (Proposal 5) or the amendment to the Warrant (Proposal 6). With respect to the election of directors, we note that in the recent past, if you held your shares in street name and you did not indicate how you wanted your shares voted in the election of directors, your broker was allowed to vote those shares on your behalf in the election of directors as they felt appropriate. Regulatory changes, which apply to proxy voting for stockholder meetings held on or after January 1, 2010, took away the ability of your broker to vote your uninstructed shares in the election of directors on a discretionary basis. Thus, if you hold your shares in street name and you do not instruct your broker how to vote in the election of directors, the broker will not vote your shares in the director election.

Broker non-votes are counted for purposes of determining whether or not a quorum exists for the transaction of business, but will not be counted for purposes of determining the number of shares represented and voted with respect to an individual proposal. Thus, if you do not give your broker specific voting instructions, your shares will not be voted on these "non-routine" matters and will not be counted in determining the number of shares necessary for approval.

Directors will be elected by a plurality of votes cast by shares present in person or represented by proxy at the meeting. Abstentions and broker non-votes, if any, will have no impact on the election of directors. The proposals to ratify the appointment of KPMG LLP as our independent registered public accounting firm, to approve on an advisory, non-binding basis, the compensation of our named executive officers, to approve the amendment to our 2006 Plan and to approve the amendment to the Warrant must be approved by the affirmative vote of a majority of the votes cast for each respective proposal by shares present in person or represented by proxy at the meeting. Accordingly, an abstention or broker non-vote, if any, will have no impact on the outcome of the votes for these proposals. The advisory, non-binding recommendation as to the frequency with which stockholders will vote on executive compensation (every year, every two years or every three years) will be determined by a plurality of the votes cast on the proposal by shares present in person or represented by proxy at the meeting, such that the frequency that receives the highest number of votes will be deemed the choice of the stockholders. Abstentions and broker non-votes, if any, will have no impact on the outcome of this proposal.

Attending the Annual Meeting

All stockholders that owned our common stock at the close of business on March 28, 2011, the record date, or their duly appointed proxies, may attend the Annual Meeting. Registration will begin at 8:30 a.m. (PT), and seating will begin immediately thereafter. If you attend, please note that you may be asked to present valid picture identification, such as a driver's license or passport. Please also note that if you hold your shares in "street name" (that is, through a broker or other nominee), you will need to bring a copy of a brokerage statement reflecting your stock ownership as of the record date and check in at the registration desk at the Annual Meeting.

Voting Shares Registered in Your Name

If you are a stockholder of record, you may vote in one of four ways:

You may vote in person at the Annual Meeting. We will provide a ballot when you arrive.

If you request printed copies of the proxy materials by mail, you may vote by proxy by filling out the proxy card and sending it back in the envelope provided.

You may vote by telephone by calling the toll free number found on the proxy card.

You may vote by proxy via the Internet at the website <http://www.proxyvote.com> by following the instructions provided in the Notice.

Votes submitted by telephone or via the Internet must be received by 11:59 p.m. (PT) on Tuesday, May 24, 2011. Submitting your proxy by telephone or via the Internet will not affect your right to vote in person should you decide to attend the Annual Meeting.

Voting Shares Registered in the Name of a Broker, Bank or Other Nominee

Most beneficial owners whose stock is held in street name will receive instructions for voting their shares from their broker, bank or other nominee.

If you wish to vote in person at the Annual Meeting and your stock is held in street name, then you must obtain a legal proxy issued in your name from the broker, bank or other nominee that holds your shares of record.

Tabulation of Votes

The inspector of elections will tabulate the votes. The shares of our common stock represented by proxy will be voted in accordance with the instructions given on the proxy so long as the proxy is properly executed and received by us prior to the close of voting at the Annual Meeting or any adjournment or postponement thereof (or in the case of proxies submitted by telephone or via the Internet, by the deadline specified above). If no instruction is given on a proxy that is properly executed and received by us, then the proxy will be voted "for" the nominees for director; "for" the proposal to ratify the appointment of KPMG LLP as our independent registered public accounting firm; "for" the approval of the compensation of our named executive officers, as disclosed in this proxy statement in accordance with the SEC's compensation disclosure rules; "for" the option of once every two years as the frequency with which stockholders will vote, on an advisory, non-binding basis, on executive compensation; "for" the approval of the amendment to our 2006 Plan; and "for" the approval of the amendment to the Warrant. In addition, the individuals that we have designated as proxies for the meeting will have discretionary authority to vote for or against any other stockholder matter presented at the meeting.

Revocability of Proxies

As a stockholder of record, once you have submitted your proxy by mail, telephone or Internet, you may revoke it at any time before it is voted at the meeting. You may revoke your proxy in any one of three ways:

You may grant another proxy marked with a later date (which automatically revokes the earlier proxy) using any of the methods described above (and until the applicable deadline for each method);

You may notify our Corporate Secretary in writing that you wish to revoke your proxy before it is voted at the Annual Meeting; or

You may vote in person at the Annual Meeting.

Adjourned or Postponed Annual Meeting

In the event that the Annual Meeting is adjourned or postponed, your proxy will still be effective and will be voted at the rescheduled Annual Meeting. You will still be able to change or revoke your proxy until it is voted.

Solicitation

This solicitation is made by our Board and we will bear the entire cost of soliciting proxies. We have retained Broadridge Financial Solutions, Inc. to assist in obtaining proxies by mail, facsimile or e-mail from registered stockholders, brokers, bank nominees and other institutions for the Annual Meeting. The estimated cost for this service is approximately \$83,500. We will also bear the costs of preparation, assembly, printing and mailing of any printed proxy statements requested by stockholders, the proxy card and any additional information furnished to stockholders. We will provide copies of solicitation materials to banks, brokerage houses, fiduciaries and custodians holding in their names shares of our common stock that are beneficially owned by others for forwarding to the beneficial owners that have requested printed materials. We may reimburse persons representing beneficial owners of common stock for their costs of forwarding solicitation materials to the beneficial owners. Solicitations will be made primarily through the Notice and the solicitation materials made available via the Internet, via e-mail or in print to those who request copies, but may be supplemented by telephone, telegram, facsimile or personal solicitation by our directors, executive officers or employees. No additional compensation will be paid to these individuals for these services. In addition, we may engage a proxy solicitation firm to assist us in soliciting proxies. We may pay additional compensation to Broadridge Financial Solutions, Inc. or other proxy solicitation firms to assist us in soliciting proxies.

Results of the Annual Meeting

Preliminary results will be announced at the Annual Meeting. Final results also will be published in a current report on Form 8-K to be filed with the SEC within four business days after the Annual Meeting. If the official results are not available at that time, we will provide preliminary voting results in the Form 8-K and will provide the final results in an amendment to the Form 8-K as soon as they become available.

Stockholder Proposals for 2012 Annual Meeting

Requirements for Stockholder Proposals to be Considered for Inclusion in Our Proxy Materials. Stockholder proposals submitted pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and intended to be presented at our 2012 annual meeting of stockholders must be received by us not later than December 17, 2011, in order to be considered for inclusion in our proxy materials for that meeting.

Requirements for Stockholder Proposals to be Brought Before an Annual Meeting. Our bylaws provide that, for stockholder nominations to the Board or other proposals to be considered at an annual meeting outside the processes of Rule 14a-8, the stockholder must have given timely notice of the proposal or nomination in writing to the Company. To be timely for the 2012 annual meeting, a stockholder's notice must be delivered to or mailed and received by our Corporate Secretary at our principal executive offices between February 25, 2012 and March 26, 2012. A stockholder's notice to the Company must set forth, as to each matter the stockholder proposes to bring before the annual meeting, the information required by our bylaws. We will not entertain any proposals or nominations at the Annual Meeting that do not meet the requirements set forth in our bylaws. If the stockholder does not also comply with the requirements of Rule 14a-4(c)(2) under the Exchange Act, we may exercise

discretionary voting authority under proxies that we solicit to vote in accordance with our best judgment on any such stockholder proposal or nomination.

Separate Copy of Annual Report or Proxy Materials

We have adopted a procedure called "householding," which the SEC has approved. Under this procedure, we are delivering a single copy of the Notice and, if requested, this Proxy Statement and our annual report to stockholders for the year ended December 31, 2010 (the "Annual Report") to multiple stockholders who share the same address unless we have received contrary instructions from one or more of the stockholders. This procedure reduces the Company's printing costs, mailing costs and fees. Stockholders who participate in householding will continue to be able to access and receive separate proxy cards. Upon written or oral request, we will deliver promptly a separate copy of the Notice and, if applicable, this Proxy Statement and the Annual Report to any stockholder at a shared address to which we delivered a single copy of these documents. To receive a separate copy of the Notice and, if applicable, this Proxy Statement or Annual Report, write to Investor Relations at Clean Energy Fuels Corp., 3020 Old Ranch Parkway, Suite 400, Seal Beach, CA 90740 or call 562-493-7215. Stockholders who share an address and receive multiple copies of our Annual Report and proxy materials may also request to receive a single copy following the instructions above.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table shows the amount of common stock beneficially owned on March 28, 2011 (unless otherwise indicated) by holders of more than 5% of the outstanding shares of any class of our voting securities, other than with respect to Mr. Boone Pickens (one of our founders and a member of our Board) whose ownership is included in the second table below.

We have determined beneficial ownership in accordance with the rules of the SEC. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons and entities named in the two tables below have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them, subject to applicable community property laws.

Applicable percentage ownership is based on 70,259,142 shares of common stock outstanding on March 28, 2011. In computing the number of shares of common stock beneficially owned by a person and the percentage ownership of that person, we deemed as outstanding shares of common stock subject to options or warrants held by that person that are currently exercisable or exercisable within 60 days of March 28, 2011. We did not deem these shares outstanding, however, for the purpose of computing the percentage ownership of any other person.

| Name and Address of Beneficial Owner | Common Shares Beneficially Owned | Percent of Common Shares Outstanding |
|---|--|--|
| FMR LLC(1) 82 Devonshire Street Boston, Massachusetts 02109 | 3,924,226 | 5.677% |
| Madeleine Pickens(2) c/o Clean Energy Fuels Corp. 3020 Old Ranch Parkway, Suite 400 Seal Beach, CA 90740 | 34,829,207 | 40.72% |

(1) Based on a Schedule 13G/A filed on February 14, 2011, as of December 31, 2010: (i) FMR LLC reported beneficial ownership of 3,924,226 shares, sole voting power as to 907,918 of the shares, and sole dispositive power as to 3,924,226 of the shares, (ii) Fidelity Management & Research Company ("Fidelity"), a wholly-owned subsidiary of FMR LLC, reported beneficial ownership of 3,016,308 shares, (iii) Edward C. Johnson 3d and FMR LLC, through its control of Fidelity, each has sole dispositive power as to 3,016,308 of the shares and neither has sole voting power with respect to these shares, (iv) Edward C. Johnson 3d has sole voting and dispositive power over 15,661 of the shares and (v) Strategic Advisers, Inc., a wholly-owned subsidiary of FMR LLC, reported beneficial ownership of 892,257 of the shares.

(2) Madeleine Pickens is the wife of Boone Pickens. The beneficial ownership reported in the table includes 33,129,207 shares beneficially owned by Boone Pickens. Ms. Pickens disclaims beneficial ownership over these shares.

The following table presents information concerning the beneficial ownership of the shares of our common stock as of March 28, 2011 by:

each of our named executive officers and current directors that is a beneficial owner of 5% of more of our outstanding shares of common stock, and

all of our named executive officers and directors as a group.

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The address of each beneficial owner listed in the table is c/o Clean Energy Fuels Corp., 3020 Old Ranch Parkway, Suite 400, Seal Beach, CA 90740.

| Name of Beneficial Owner | Common Shares Beneficially Owned | |
|--|--|--------|
| | Number | % |
| Directors and Named Executive Officers: | | |
| Boone Pickens(1) | 34,829,207 | 40.72% |
| Andrew J. Littlefair(2) | 2,082,820 | 2.90% |
| James N. Harger(3) | 1,212,051 | 1.70% |
| Richard R. Wheeler(4) | 620,567 | * |
| Mitchell W. Pratt(5) | 829,020 | 1.17% |
| Barclay F. Corbus(6) | 433,246 | * |
| John S. Herrington(7) | 278,006 | * |
| Warren I. Mitchell(8) | 288,461 | * |
| Kenneth M. Socha(9) | 104,171 | * |
| James C. Miller, III(10) | 30,202 | * |
| Vincent C. Taormina(11) | 92,011 | * |
| All current officers and directors as a group (11 persons)(12) | 40,799,762 | 49.11% |

*

Represents less than 1%.

- (1) Beneficial ownership includes: (a) 269,999 options exercisable within 60 days of March 28, 2011; (b) 1,700,000 shares held by Madeleine Pickens, his wife; (c) 1,319,488 shares held by Boone Pickens Interests Ltd. over which Mr. Pickens possesses voting and investment control; and (d) 15,000,000 shares subject to a warrant exercisable within 60 days of March 28, 2011. Mr. Pickens disclaims beneficial ownership over (a) the 1,319,488 shares held by the Boone Pickens Interests Ltd.; and (b) the 1,700,000 shares held by Madeleine Pickens. As of March 28, 2011, 16,539,720 shares held by Mr. Pickens are pledged as collateral on a loan from a bank.
- (2) Beneficial ownership includes 1,560,371 shares subject to options exercisable within 60 days of March 28, 2011.
- (3) Beneficial ownership includes 870,567 shares subject to options exercisable within 60 days of March 28, 2011.
- (4) Beneficial ownership includes 620,567 shares subject to options exercisable within 60 days of March 28, 2011.
- (5) Beneficial ownership includes 805,567 shares subject to options exercisable within 60 days of March 28, 2011.
- (6) Beneficial ownership includes 420,567 shares subject to options exercisable within 60 days of March 28, 2011.
- (7) Beneficial ownership includes 177,415 shares subject to options exercisable within 60 days of March 28, 2011 held by the J&L Herrington 2002 Family Trust, over which Mr. Herrington possesses voting and investment control.
- (8) Beneficial ownership includes 238,361 shares subject to options exercisable within 60 days of March 28, 2011.
- (9) Beneficial ownership includes 28,561 shares subject to options exercisable within 60 days of March 28, 2011.
- (10) Beneficial ownership includes 30,102 shares subject to options exercisable within 60 days of March 28, 2011.
- (11)

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Beneficial ownership includes 54,111 shares subject to options exercisable within 60 days of March 28, 2011.

- (12) Beneficial ownership includes 20,076,188 shares subject to options and warrants exercisable within 60 days of March 28, 2011.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

Our Board, acting pursuant to our bylaws, has determined that the number of directors constituting the full Board shall be seven at the present time. The Board has, upon recommendation of our nominating and corporate governance committee, nominated Andrew J. Littlefair, Warren I. Mitchell, John S. Herrington, James C. Miller III, Boone Pickens, Kenneth M. Socha and Vincent C. Taormina for reelection as members of the Board.

Each of the nominees is currently a director of our Company. Each newly elected director will serve a one-year term until the next annual meeting of stockholders or until his successor is duly qualified and elected. During the course of a term, the Board may appoint a new director to fill any vacant spot, including a vacancy caused by an increase in the size of the Board. The new director will complete the term of the director he or she replaced. Each person nominated for election has agreed to serve if elected, and we have no reason to believe that any nominee will be unable to serve. However, if any nominee cannot serve, then your proxy will be voted for another nominee proposed by the Board, or if no nominee is proposed by the Board, a vacancy will occur.

We, as a matter of policy, encourage our directors to attend meetings of stockholders and in 2010 all seven directors attended our Annual Meeting. There are no family relationships between any nominees or executive officers of our Company, and there are no arrangements or understandings between any nominee and any other person pursuant to which such nominee was or is selected as a director or nominee.

Nominees for Director

You are being asked to vote on the seven director nominees listed below. Unless otherwise instructed, the proxy holders will vote the proxies received by them for these seven nominees. All of our nominees for director are current members of our Board. The names of the director nominees, their ages as of January 31, 2011, and other information about them are shown below.

| Name of Director Nominee | Age | Position |
|---------------------------------|------------|---|
| Andrew J. Littlefair | 50 | President, Chief Executive Officer and Director |
| Warren I. Mitchell | 73 | Chairman of the Board |
| John S. Herrington | 71 | Director |
| James C. Miller III | 68 | Director |
| Boone Pickens | 82 | Director |
| Kenneth M. Socha | 64 | Director |
| Vincent C. Taormina | 55 | Director |

Andrew J. Littlefair, one of our founders, has served as our President, Chief Executive Officer and a director since June 2001. From 1996 to 2001, Mr. Littlefair served as President of Pickens Fuel Corp. From 1987 to 1996, Mr. Littlefair served in various management positions at Mesa, Inc., an energy company of which Boone Pickens was Chief Executive Officer. From 1983 to 1987, Mr. Littlefair served in the Reagan Administration as a Staff Assistant to the President. Mr. Littlefair served as Chairman of NGV America, the leading U.S. advocacy group for natural gas vehicles from March 1993 to March 2011. Mr. Littlefair earned a B.A. from the University of Southern California. Mr. Littlefair served on the board of directors of Westport Innovations Inc., a Canadian company publicly traded on the Nasdaq Global Market, from 2007 to June 2010, and has served on the board of directors of PlainsCapital Corporation, a reporting company under the Exchange Act, since 2009.

Warren I. Mitchell has served as our Chairman of the Board and a director since May 2005. For over 40 years until his retirement in 2000, Mr. Mitchell worked in various positions at Southern

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California Gas Company, including as President beginning in 1990 and Chairman beginning in 1996. Mr. Mitchell currently serves on the board of directors of The Energy Coalition, a non-profit organization devoted to education on energy management, and on the board of directors of a privately held technology company. Mr. Mitchell earned a B.S. and an M.B.A. from Pepperdine University.

John S. Herrington has served as a director of our Company since November 2005. For over a decade, Mr. Herrington has been a self-employed businessman and attorney-at-law. From 1985 to 1989, Mr. Herrington served as the U.S. Secretary of Energy, and from 1983 to 1985, Mr. Herrington served as Assistant to the President for presidential personnel in the Reagan Administration. From 1981 to 1983, Mr. Herrington served as Deputy Assistant to the President and Assistant Secretary of the Navy. Mr. Herrington earned an A.B. from Stanford University and a J.D. and an LL.B. from the University of California, Hastings College of the Law.

James C. Miller III has served as a director of our Company since May 2006. Mr. Miller has served on the board of governors of the United States Postal Service since April 2003 and as its chairman from January 2005 to 2008. Mr. Miller has served on the boards of directors of the Washington Mutual Investors Fund since October 1992 and the J.P. Morgan Value Opportunities Fund since December 2001. From 1981 to 1985, Mr. Miller was Chairman of the U.S. Federal Trade Commission in the Reagan Administration, and also served as Director of the U.S. Office of Management and Budget from 1985 to 1988. Mr. Miller served on the board of directors of FLYI, Inc., formerly Atlantic Coast Airlines, Inc., a Delaware company publicly traded on the NASDAQ Global Market from 2004 to 2006. Mr. Miller earned a B.B.A. from the University of Georgia and a Ph.D. from the University of Virginia.

Boone Pickens has served as a director of our Company since June 2001 and founded Pickens Fuel Corp. in 1996. Mr. Pickens has served as the Chairman and Chief Executive Officer of BP Capital, L.P. since he founded the company in 1996, and is also active in management of the BP Capital Equity Fund and BP Capital Commodity Fund, which are privately held investment funds. Mr. Pickens also serves on the board of directors of EXCO Resources, Inc., a publicly traded energy company. Mr. Pickens was the founder of Mesa Petroleum Company, an oil and gas company, and served as Chief Executive Officer and a director of it and its successors from 1956 to 1996. Mr. Pickens earned a B.S. from Oklahoma State University.

Kenneth M. Socha has served as a director of our Company since January 2003. Since 1995, Mr. Socha has served as a Senior Managing Director of Perseus, L.L.C. and its predecessors, a merchant bank and private equity fund management company. Previously, Mr. Socha practiced corporate and securities law as a partner in the New York office of Dewey Ballantine. Mr. Socha served on the board of directors of Westport Innovations Inc., a Canadian company publicly traded on the NASDAQ Global Market, from 2006 to 2007. Mr. Socha earned an A.B. from the University of Notre Dame and a J.D. from Duke University Law School.

Vincent C. Taormina has served as a director of our Company since April 2008. Mr. Taormina is the former Chief Executive Officer of Taormina Industries, Inc., one of California's largest solid waste and recycling companies. In 1997, Taormina Industries merged with Republic Services, a publicly-held waste handling company that operates throughout the United States. Mr. Taormina served as Regional Vice-President of Republic Services from 1997 to 2001, managing the overall operations of eleven western states. Since 2001, Mr. Taormina has served and continues to serve as a consultant to Republic Services and operates his own investment company. Mr. Taormina is a past President of the Orange County Solid Waste Management Association, past President Elect of the California Refuse Removal Council and a former board member of the Waste Recyclers Council for the National Solid Waste Management Board.

Required Vote and Board Recommendation

Directors will be elected by a plurality of the votes cast on this proposal by shares present in person or represented by proxy and entitled to vote on the election of directors at the Annual Meeting. The nominees who receive the highest number of votes of the votes cast by shares of common stock present in person or represented by proxy at the Annual Meeting will be elected. Abstentions and broker non-votes, if any, will have no impact on the election of directors.

**OUR BOARD RECOMMENDS A VOTE "FOR" THE ELECTION
TO THE BOARD OF EACH OF THESE NOMINEES**

PROPOSAL NO. 2**RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We are asking you to ratify the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011. KPMG LLP has audited our financial statements annually since 2001. Representatives of KPMG LLP are expected to be at the Annual Meeting to answer any questions and make a statement should they choose to do so.

Although our bylaws do not require that our stockholders approve the appointment of our independent registered public accounting firm, our Board is submitting the selection of KPMG LLP as our independent registered public accounting firm to our stockholders for ratification as a matter of good corporate practice. If our stockholders vote against the ratification of KPMG LLP, our Board will reconsider whether to retain the firm. Even if our stockholders ratify the appointment, our Board may choose to appoint a different independent registered public accounting firm at any time during the year if our Board determines that such a change would be in the best interests of our Company and our stockholders.

Independent Registered Public Accounting Firm Fees and Services

The following table presents fees for professional audit and other services rendered by KPMG LLP for the audit of our annual financial statements as of and for the fiscal years ended December 31, 2009 and December 31, 2010, and fees billed for other services rendered by KPMG LLP during those periods.

| | 2009(\$) | 2010(\$) |
|-----------------------|------------------|------------------|
| Audit Fees(1) | 755,000 | 899,250 |
| Audit Related Fees(2) | | |
| Tax Fees(3) | 408,400 | 282,372 |
| All Other Fees(4) | | |
| Total | 1,163,400 | 1,182,622 |

- (1) Audit Fees consist of fees billed for professional services rendered for the audit of our consolidated annual financial statements and review of the interim consolidated financial statements included in quarterly reports, the audit of our internal control over financial reporting, audits of stand-alone financial statements of certain of our subsidiaries, professional services rendered in connection with our filing of various registration statements (i.e. Form S-8 and Form S-3 registration statements, including related comfort letters) and other professional services that are normally provided by KPMG LLP in connection with statutory and regulatory filings or engagements.
- (2) Audit Related Fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of our consolidated financial statements and are not reported under Audit Fees. During fiscal years 2009 and 2010 there were no such services rendered to us by KPMG LLP.
- (3) Tax Fees consist of fees billed for professional services rendered for tax compliance, tax advice and tax planning (domestic and international). These services include assistance regarding federal, state and international tax compliance, acquisitions and international tax planning.

- (4) All Other Fees consist of fees for products and services other than the services reported above. During fiscal years 2009 and 2010 there were no such services rendered to us by KPMG LLP.

Pre-Approval Policies and Procedures

As a matter of policy, all audit and non-audit services provided by our independent registered public accounting firm are approved in advance by the audit committee of the Company, which considers whether the provision of non-audit services is compatible with maintaining such firm's independence. All services provided by KPMG LLP during fiscal years 2009 and 2010 were pre-approved by the audit committee. The audit committee has considered the role of KPMG LLP in providing services to us for the fiscal year ended December 31, 2010, and has concluded that such services are compatible with their independence as our auditors.

Required Vote and Board Recommendation

Ratification of KPMG LLP as our independent registered public accounting firm requires the affirmative vote of the majority of the votes cast on this proposal by shares present in person or represented by proxy at the Annual Meeting. Accordingly, abstentions and broker non-votes, if any, will have no impact on the outcome of the vote for this proposal.

**OUR BOARD RECOMMENDS A VOTE "FOR" RATIFICATION
OF KPMG LLP AS OUR
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

PROPOSAL NO. 3

ADVISORY, NON-BINDING VOTE ON EXECUTIVE COMPENSATION

The recently enacted Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, enables our stockholders to vote to approve, on an advisory, non-binding basis, the compensation of our named executive officers as disclosed in this Proxy Statement in accordance with the SEC's compensation disclosure rules.

As described in detail under the heading "Compensation Discussion and Analysis," our executive compensation programs are designed to align the interests of our named executive officers with the interests of our stockholders, to encourage retention and reward individual responsibility and productivity, and to achieve the Company's corporate objectives without promoting excessive or unnecessary risk-taking. Under these programs, our named executive officers' compensation is based on the performance of the individual and of the Company, the seniority of the individual, the level of responsibility associated with the position, the individual's long-term commitment to the Company, the scarcity of individuals with similar skills and the Company's business judgment. Please read the "Compensation Discussion and Analysis" beginning on page 27 for additional details about our executive compensation programs.

We are asking our stockholders to indicate their support for our named executive officer compensation as described in this Proxy Statement. We believe that the compensation of our named executive officers is appropriate and serves to both incentivize and retain our highly skilled executive leadership team. Retaining and motivating our key executives is crucial to our success. This proposal, commonly known as a "say-on-pay" proposal, gives our stockholders the opportunity to indicate whether they approve of our named executive officers' compensation. This vote is not intended to address any specific element of compensation, but rather relates to the overall compensation of our named executive officers and the philosophy, policies and practices described in this Proxy Statement in accordance with the SEC's compensation disclosure rules. Accordingly, we will ask our stockholders to vote "FOR" the following resolution at the Annual Meeting:

"RESOLVED, that the Company's stockholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Company's Proxy Statement for the 2011 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the Summary Compensation Table and the other related tables and disclosure."

The say-on-pay vote is advisory, and therefore not binding on the Company, the compensation committee or our Board. Our Board and our compensation committee value the opinions of our stockholders and to the extent there is any significant vote against the named executive officer compensation as disclosed in this Proxy Statement, we will consider our stockholders' concerns and the compensation committee will evaluate whether any actions are necessary to address those concerns.

Required Vote and Board Recommendation

The proposal to approve, on an advisory, non-binding basis, the compensation of our named executive officers, as disclosed in this Proxy Statement in accordance with the SEC's compensation disclosure rules, requires the affirmative vote of the majority of the votes cast on this proposal by shares present in person or represented by proxy at the Annual Meeting. Accordingly, abstentions and broker non-votes, if any, will have no impact on the outcome of the vote for this proposal.

**OUR BOARD RECOMMENDS A VOTE "FOR" THE APPROVAL OF THE COMPENSATION OF
OUR NAMED EXECUTIVE OFFICERS, AS DISCLOSED IN THIS PROXY STATEMENT
PURSUANT TO THE COMPENSATION DISCLOSURE RULES OF THE SEC.**

PROPOSAL NO. 4

**ADVISORY, NON-BINDING VOTE ON THE FREQUENCY OF
AN ADVISORY VOTE ON EXECUTIVE COMPENSATION**

Section 14A to the Exchange Act requires that we provide our stockholders with an opportunity to vote, on an advisory, non-binding basis, for their preference as to how frequently we should seek an advisory, non-binding vote on the compensation of our named executive officers as disclosed in accordance with the SEC's compensation disclosure rules. By voting on this proposal, stockholders may indicate whether they would prefer that we conduct an advisory vote on executive compensation once every one, two, or three years. Stockholders may also abstain from casting a vote on this proposal.

After careful consideration of this proposal, the Board has determined that an advisory vote on executive compensation that occurs every two years is the most appropriate alternative for the Company, and therefore our Board recommends that you vote for a two year interval for the advisory vote on executive compensation.

In formulating its recommendation, our Board considered that a two year interval for the advisory vote on executive compensation would provide the most effective timeframe because it allows our Board and compensation committee sufficient time to engage in discussions regarding our executive compensation philosophy and programs following each such vote and to respond with any changes to the compensation of our named executive officers in response to the results of a stockholder advisory vote. In addition, our named executive officers are incentivized for the achievement of specific long term and strategic goals and the realization of increased stockholder value. Accordingly, we believe that a vote every two years will provide our stockholders with additional time to evaluate the effectiveness of our executive compensation philosophy, policies and practices, in the context of our long-term business results for the corresponding period, while avoiding over emphasis on short term variations in compensation and business results. An advisory vote occurring once every two years will also permit our stockholders to observe and evaluate the impact of any changes to our executive compensation policies and practices that have occurred since the last advisory vote, including changes made in response to the outcome of a prior advisory vote on executive compensation.

You may cast your vote on your preferred voting frequency by choosing the option of every one year, every two years, every three years or abstain from voting when you vote in response to the resolution set forth below.

"RESOLVED, that the stockholders determine, on an advisory basis, whether the preferred frequency of an advisory vote on the executive compensation of the Company's named executive officers as set forth in the Company's proxy statement should be every one year, every two years, or every three years."

The option of one year, two years or three years that receives the highest number of votes cast by stockholders will be the frequency for the advisory vote on executive compensation that has been selected by stockholders. This vote is advisory, and therefore not binding on the Company, the compensation committee or our Board in any way, and the Board may decide that it is in the best interests of our stockholders and the Company to hold an advisory vote on executive compensation more or less frequently than the option approved by our stockholders. However, we look forward to hearing from our stockholders as to their preferences on the frequency of an advisory vote on executive compensation.

Required Vote and Board Recommendation

The advisory, non-binding recommendation as to the frequency with which stockholders will vote on executive compensation (every year, every two years or every three years) will be determined by a plurality of the votes cast on this proposal by shares present in person or represented by proxy at the Annual Meeting. Accordingly, abstentions and broker non-votes, if any, will have no impact on the outcome of the vote for this proposal.

**OUR BOARD RECOMMENDS A VOTE FOR "EVERY TWO YEARS" AS THE FREQUENCY FOR
FUTURE ADVISORY VOTES ON EXECUTIVE COMPENSATION.**

PROPOSAL NO. 5

APPROVAL OF AMENDED AND RESTATED 2006 EQUITY INCENTIVE PLAN

We are seeking stockholder approval of an amendment to our Amended and Restated 2006 Equity Incentive Plan (the "2006 Plan") to increase the maximum number of shares of common stock that may be issued under the 2006 Plan by 3,000,000 to an aggregate maximum of 15,890,500 shares. The Board adopted a resolution to approve the amendment to the 2006 Plan, subject to approval by the Company's stockholders, on April 4, 2011.

As of December 31, 2010, a total of 10,408,551 shares were outstanding under the 2006 Plan and a total of 21,555 shares remained available under the plan. Pursuant to the terms of the 2006 Plan, on January 1, 2011, the shares authorized for issuance under the 2006 Plan increased by 1,000,000 shares, and from January 1, 2011 to April 1, 2011, we issued 571,000 options to our employees and directors.

The Board believes that the proposed increase to the maximum aggregate number of shares that may be issued under the 2006 Plan is in the best interests the Company, consistent with our compensation strategy and essential to our continued success. We rely significantly on equity incentives to attract, motivate and retain executive officers and engineering, marketing, sales and other personnel necessary to successfully sell our products, design and build our natural gas fueling infrastructure and manage our business. Equity awards are a particularly important component of our compensation mix because they align the interests of our employees with those of our stockholders and allow us to conserve cash for other uses. Increasing the maximum aggregate number of shares that may be issued under the 2006 Plan will enable us to provide retention incentives to existing personnel and to be flexible and opportunistic in hiring additional personnel that can contribute to the successful development of our business. As of March 28, 2011, there were only 692,540 shares available for issuance under the 2006 Plan, which substantially limits our ability to offer equity incentives to existing employees or potential new hires.

New Plan Benefits

No awards relating to the additional shares of common stock, as contained in the proposed amendment, will be granted pursuant to the 2006 Plan until such amendment is approved by our stockholders. In addition, awards under the 2006 Plan are subject to the discretion of our compensation committee. Therefore, it is not possible to determine the benefits that will be received in the future by participants in the 2006 Plan as a result of the adoption of the proposed amendment or the benefits that would have been received by such participants if the proposed increase to the maximum aggregate number of shares that may be issued under the 2006 Plan had been in effect in the year ended December 31, 2010.

General Description of our Proposed 2006 Plan

A general description of our 2006 Plan is set forth below in the Section entitled "Stock Incentive Plans: 2006 Equity Incentive Plan" and is qualified in its entirety by the terms of our proposed amendment to the 2006 Plan, a copy of which is attached to this Proxy Statement as Appendix A and is incorporated herein by reference.

Required Vote and Board Recommendation

Approval of this Proposal No. 5 requires the affirmative vote of a majority of the votes cast on this proposal by shares present in person or represented by proxy at the Annual Meeting. Accordingly, abstentions and broker non-votes, if any, will have no impact on the outcome of the vote for this proposal.

**OUR BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" APPROVAL OF THE
AMENDMENT TO THE COMPANY'S 2006 PLAN**

PROPOSAL NO. 6

APPROVAL OF AMENDMENT TO WARRANT

We are seeking stockholder approval of an amendment to a warrant previously issued to Mr. Boone Pickens to purchase 15,000,000 shares of our common stock at \$10.00 per share (the "Warrant"). The purpose of the Warrant amendment is to incentivize Mr. Pickens to exercise a portion of the Warrant prior to December 28, 2011, the current expiration date of the Warrant (the "Exercise Period"). The Board adopted a resolution to approve the amendment to the Warrant, subject to approval by the Company's stockholders, on April 4, 2011. A copy of the proposed Warrant, as amended, is attached to this Proxy Statement as Appendix B and is incorporated herein by reference.

In December 2006, the Warrant was issued to Mr. Pickens, one of our founders, a member of our Board and the Company's largest stockholder, in exchange for the cancellation of all amounts owed to him by the Company under a revolving line of credit entered into in 2006, which we used for margin deposits related to futures contracts. Also in exchange for issuance of the Warrant, Mr. Pickens assumed all of our then-outstanding liabilities related to certain futures contracts. Under the proposed amendment to the Warrant, if Mr. Pickens exercises a portion of the Warrant prior to the expiration date of the Exercise Period, the Company will extend the Exercise Period of the Warrant for an identical number of shares for a length of time whereby the non-cash financial gain that the Company recognizes due to the early exercise becomes identical to the non-cash financial charge the Company recognizes with respect to such extension (the non-cash financial gain and the non-cash financial charge will be calculated in accordance with U.S. generally accepted accounting principles).

If this proposal is approved, Section 1 of the Warrant will be amended to read as follows:

"1. *Exercise; Issuance of Certificates; Payment for Shares.* This Warrant may be exercised by Holder, as a whole or in part, and on one or more occasions, by written notice to the Company at any time within the Exercise Period and by payment to the Company by wire transfer (in accordance with the wire transfer instructions) of the aggregate Warrant Price for the number of Shares designated by Holder (but not more than the number of Shares for which this Warrant then remains subject and unexercised). As an inducement to Holder to exercise a portion of the Warrant prior to the expiration date of the Exercise Period (an "Early Exercise"), the Company hereby agrees that in the event of an Early Exercise, the Company will extend the Exercise Period of the Warrant for an identical number of Shares that are purchased pursuant to the Early Exercise for a duration of time determined in accordance with this Section 1. The length of the extension of the Exercise Period will be determined as follows: the Company will determine the non-cash financial gain that the Company will recognize due to the Early Exercise (the "Early Exercise Gain") and extend the Exercise Period of the Warrant for the same number of shares purchased pursuant to the Early Exercise so that the non financial charge the Company recognizes with respect to such extension (the "Extension Charge") is of identical value to the Early Exercise Gain. For example, in the event that Holder exercises the Warrant with respect to five million (5,000,000) shares on June 28, 2011 and the Company recognizes a \$2.5 million Early Exercise Gain with respect to the Early Exercise, the Company will extend the Exercise Period of the Warrant with respect to five million (5,000,000) Shares by a number of days that results in an Extension Charge of \$2.5 million, determined as of the date of the Early Exercise."

The Board believes that it is in the best interest of the Company and our stockholders to incentivize Mr. Pickens to exercise the Warrant by amending the Warrant pursuant to this Proposal 6. An exercise of a portion of the Warrant would provide the Company with cash proceeds to fund its planned capital expenditures and fund potential corporate strategic alternatives prior to the December 28, 2011 expiration date of the Warrant.

By its terms, the Warrant may be amended only by an instrument in writing signed by the Company and Mr. Pickens. In addition, approval of the amendment by the Company's stockholders is

required pursuant to NASDAQ Marketplace Rule 5635(c), which requires stockholder approval for any material amendment to an existing arrangement pursuant to which stock may be acquired by officers, directors, employees or consultants. This includes any sale or issuance of securities to an officer, director, employee or consultant at a discount to the market value, as such issuance is considered a form of "equity compensation." To the extent that the proposed amendment to the Warrant could be considered a form of equity compensation, the Company is seeking stockholder approval pursuant to NASDAQ Marketplace Rule 5635(c).

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