

Main Office: 18847 Via Sereno Yorba Linda, CA 92886 DC Office: 1211 Connecticut Ave NW, Ste 650 Washington, DC 20036

September 7, 2018

Phone: (310) 455-6095 | Fax: (202) 223-5537 info@californiahydrogen.org | www.californiahydrogen.org

Hydrogen Means Business in California!

BOARD OF DIRECTORS

Jeffrey Reed | Chair Craig Scott | Vice Chair Steve Szymanski | Secretary Anca Faur | Treasurer Mark Abramowitz | Past Chair **Gus Block Jack Brouwer Gerry Conway Robert Desautels Dave Edwards** Steve Ellis **Paul Fukumoto Brian Goldstein** Abas Goodarzi **Steve Jones** Roy Kuga Matt Miyasato Nitin Natesan **Lorraine Paskett** Tanya Peacock **Nicolas Pocard Rocky Rushing** Lauren Skiver **Daryl Wilson Directors at Large Gerhard Achtelik** Ex-Officio Government Liaison

PLATINUM MEMBERS

Air Liquide American Honda Ballard Power Systems Bay Area AQMD Cambridge LCF Group FuelCell Energy Hydrogenics Plug Power Pacific Gas & Electric Toyota South Coast AQMD Southern California Gas Company US Hybrid

GOLD MEMBERS

AC Transit EWII Fuel Cells Beijing SinoHytec Hitachi Zosen Inova ETOGAS ITM Power Johnson Matthey Fuel Cells Linde Group Proton OnSite Sumitomo Corporation

STAFF

Jeffrey Serfass | Executive Director Emanuel Wagner | Deputy Director The Honorable Governor Brown California Governor c/o State Capitol, Suite 1173 Sacramento, CA 95814

RE: SB 1369 (Skinner): Green Electrolytic Hydrogen – SUPPORT

Dear Governor Brown:

The California Hydrogen Business Council (CHBC) would like to express our strong support for SB 1369 and encourages you to sign the bill into law. This bill received support from industry, environmental groups, and academia, with no opposition.

This bill is necessary, because despite the intention of technology neutrality of AB 2514, the California Public Utilities Commission decided to exclude hydrogen from the discussion of energy storage options, despite its massive potential to support renewables integration, production of baseload zero-emission transportation fuel, and grid services.

This bill requires California Public Utilities Commission (CPUC), California Air Resources Board (ARB), and the California Energy Commission (CEC) to consider green electrolytic hydrogen ("e-hydrogen") an eligible form of energy storage, and consider other potential uses of green e-hydrogen.

The CHBC sees SB 1369 as a positive step to allow hydrogen to showcase its potential as an important energy carrier for electricity, specifically for seasonal and long-term energy management and optimizing higher levels of wind and solar resources as required by SB 100. California, because of the great strides made in transforming the electric grid to renewable energy, is well poised to now develop new hydrogen projects. This technology has great potential to optimize California's expansion of renewable electricity generation, while also providing grid services and new opportunities to replace fossil natural gas. E-hydrogen can also be used in industrial processes that currently use fossil fuels, in fuel cell electric vehicles (FCEVs), and in newer hydrogen electric generation turbines to replace fossil natural gas powered turbines.

The inclusion of hydrogen is timely and important, especially to support large scale FCEV adoption and rollout as desired by your Executive Order B-48-18, but also to develop a more robust hydrogen supply and production chain.

Due in part to your innovative and forward-looking policies, California is leading the fight against climate change, developing effective policies and technologies that can be exported to other parts of the world, while creating jobs at home. SB 1369 directs the CPUC to recognize one more important technology to achieve that goal.

The CHBC is a California industry trade association with a mission to advance the commercialization of hydrogen in the energy sector, including transportation, goods movement, and stationary power systems to reduce emissions and dependence on oil.¹

Thank you for your support of clean energy and your leadership to fight emissions and climate change. We hope you see the value of signing SB 1369 into law.

Sincerely, have

Emanuel Wagner Assistant Director California Hydrogen Business Council

¹ The views expressed in these comments are those of the CHBC, and do not necessarily reflect the views of all of the individual CHBC member companies. Members of the CHBC include Air Liquide Advanced Technologies U.S. LLC.; Alameda-Contra Costa Transit District (AC Transit); American Honda Motor Company; Anaerobe Systems; Arriba Energy; Ballard Power Systems, Inc.; Bay Area Air Quality Management District (BAAQMD); Beijing SinoHytec; Black & Veatch; BMW of North America LLC; Cambridge LCF Group; Center for Transportation and the Environment (CTE); CNG Cylinders International; Community Environmental Services; CP Industries; DasH2energy; Eco Energy International, LLC; ElDorado National – California; Energy Independence Now (EIN); EPC - Engineering, Procurement & Construction; Ergostech Renewal Energy Solution; EWII Fuel Cells LLC; FIBA Technologies, Inc.; First Element Fuel Inc; FuelCell Energy, Inc.; GenCell; General Motors, Infrastructure Planning; Geoffrey Budd G&SB Consulting Ltd; Giner ELX; Gladstein, Neandross & Associates; Greenlight Innovation; GTA; GTM Technologies, LLC; H2B2 USA; H2Safe, LLC; H2SG Energy Pte Ltd; Hexagon Lincoln; Hitachi Zosen Inova ETOGAS GmbH; HODPros; Hydrogen Law; Hydrogenics; Hydrogenious Technologies; HydrogenXT; HyET - Hydrogen Efficiency Technologies; Hyundai Motor Company; ITM Power Inc; Ivys Inc.; Johnson Matthey Fuel Cells; KORE Infrastructure, LLC; Life Cycle Associates; Linde North America Inc; Longitude 122 West, Inc.; Loop Energy; Magnum Energy; Millennium Reign Energy; Montreux Energy; Natural Gas Fueling Solutions (NGFS); Natural Hydrogen Energy Ltd.; Nel Hydrogen; Neo-H2; Neuman & Esser USA, Inc; New Flyer of America Inc; Next Hydrogen; Noyes Law Corporation; Nuvera Fuel Cells; Pacific Gas and Electric Company - PG&E; PDC Machines; Planet Hydrogen Inc; Plug Power; Politecnico di Torino; Port of Long Beach; Powertech Labs, Inc.; Primidea Building Solutions; Proton OnSite; RG Associates; Rio Hondo College; Rix Industries; Sacramento Municipal Utility District (SMUD); SAFCell Inc; Schatz Energy Research Center (SERC); Sheldon Research and Consulting; Solar Wind Storage LLC; South Coast Air Quality Management District; Southern California Gas Company; Strategic Analysis Inc; Sumitomo Corporation of Americas; Sunline Transit Agency; T2M Global; Tatsuno North America Inc.; Terrella Energy Systems Ltd; The Leighty Foundation; TLM Petro Labor Force; Toyota Motor Sales; Trillium - A Love's Company; US Hybrid; Verde LLC; Vinjamuri Innovations LLC; WireTough Cylinders, LLC; Zero Carbon Energy Solutions