The Honorable Senator Connie M. Leyva  
State Capitol, Room 4061  
Sacramento, CA 95814  

RE: SB 1434 (Leyva) - Transportation electrification: electricity rate design  
CHBC Letter of Support, If Amended  

Dear Senator Leyva:

The California Hydrogen Business Council (CHBC) would like to express our support for SB 1434 to develop a rate design for transit agencies in California. However, we seek clarification of the language to be inclusive of hydrogen and fuel cell technology in this rate design guideline to the utilities, specifically for the production of hydrogen and distribution to zero-emission fuel cell buses. 

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.  

Several transit agencies have adopted fuel cell electric buses in their transit fleet, including AC Transit, Orange County Transportation Authority and SunLine Transit. These agencies and other transit authorities that are considering FCEBs would directly benefit if utilities would offer rates for hydrogen fuel production and fueling, similar to what SB 1434 proposes for battery electric buses.

Hydrogen fuel cell electric buses have longer ranges with short refueling times, but require a different infrastructure for fueling. Hydrogen can be produced via reformation of renewable methane or natural gas, or via electrolysis of water. If transit agencies could access preferred rates for the production of hydrogen or for the support of electrical needs at the fueling station, it would greatly benefit the operators and reduce the cost of the fuel for the agencies.

The CHBC therefore requests incorporating clarifying language that is inclusive of zero-emission transit buses fueled by hydrogen. We seek language that does not require interpretation by the utilities as to whether hydrogen buses and infrastructure are applicable or not.

We appreciate your efforts and would gladly provide further guidance and input, if requested.
Thank you!

Sincerely,

Emanuel Wagner
Assistant Director
California Hydrogen Business Council