Re: CHBC Comments On Cycle 2 ZEV Investment Plan for California

The California Hydrogen Business Council (CHBC) appreciates the opportunity to provide input to Electrify America’s development of the Cycle 2 Investment Plan. The CHBC is a California industry trade association with the 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. As you know, the CHBC previously provided comments on the Cycle 1 ZEV Investment Plan to Electrify America (EA) and the Air Resources Board.

In 2017, ARB Board members issued guidance to Electrify America “that Plan investments, to meet the terms and goals of the Consent Decree, must be technology-neutral, thus supporting Hydrogen infrastructure”. We therefore are encouraged that EA specifically asked for comments related to Fuel Cell Electric Vehicle (FCEV) data and/or adoption perspectives to consider hydrogen related investments under Cycle 2.

The main sources of NOx, SOx, and particulate matter are diesel engines, which tend to be concentrated in the medium and heavy duty transportation sector. These are applications for which hydrogen fuel cell technology is especially well suited. Fuel cell electric buses have been operating in California for decades and are proven to be seamless replacements for diesel buses. Heavy duty hydrogen fuel cell trucks have been demonstrated with robust testing in real world operations in California. Recent announcements have focused on medium and heavy-duty vehicles from US Hybrid, Toyota, Kenworth, GM, Loop Energy, Nikola Motor Company, FedEx, and UPS, validating these solutions. We, therefore, encourage EA to support investments that replace diesel engines with hydrogen fuel cell vehicles in order to reduce criteria pollutant emissions in the State. With this initial investment in renewable hydrogen production, hydrogen infrastructure and hydrogen fuel cell vehicles, CHBC’s members will be able to deliver results.

In addition, as the CHBC reported in previous comments, the State of California is projecting a shortfall of hydrogen fueling stations under the current pace of infrastructure deployment. The latest Joint Agency Staff Report on Assembly Bill 8: 2017 Annual Assessment of Time and Cost Needed to Attain 100 Hydrogen Refueling Stations in California, developed by the Energy Commission, warns that shortfalls in hydrogen fueling coverage may occur in the State in 2020, and in parts of the LA basin as early as this year.
Considering the time needed for hydrogen station development, this may negatively affect adopters of FCEVs and delay vehicle rollout in the near future.

We believe that including hydrogen infrastructure in Electrify America under Cycle 2 will go a long way to supplement State investments and address the projected hydrogen fuel shortfalls while helping reduce emissions. This type of investment would meet the intent of the Court Decree of the Volkswagen Settlement.

The CHBC proposes to allocate a majority of the Cycle 2 for:

A) Renewable hydrogen production and distribution facilities to support renewable energy projects in the state.

B) Hydrogen fueling stations for light, medium and heavy-duty vehicles with a focus on Disadvantaged Communities and areas of high pollution.

The CHBC and its members are very supportive of any engagement and willing to provide additional information to Electrify America on this industry and technology options.

Thank you for your consideration.

Sincerely,

Emanuel Wagner
Assistant Director
California Hydrogen Business Council

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2 https://www.arb.ca.gov/msprog/vw_info/vsi/vw-zevinvest/documents/zip_supplement_request_052417.pdf
5 https://www.trucks.com/2017/05/02/kenworth-class-8-hydrogen-fuel-cell-truck
9 https://www.gasworld.com/plug-power-fuel-cell-engines-power-fedex-/2012236.article
10 https://www.trucks.com/2017/05/02/ups-fuel-cell-electric-delivery-truck