



May 25, 2016

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The Honorable Patrick O’Donnell
Assemblymember, 70th District
State Capitol, Room 3152
Sacramento, CA 95814

**RE: SUPPORT, IF AMENDED—AB 1657 (O’Donnell) Ports Cap and Trade
Funding**

Dear Assemblymember O’Donnell,

The California Hydrogen Business Council (CHBC) is pleased to write in support of your AB 1657, if amended, which would direct cap-and-trade funding to California’s public ports. We request clarification on the definition of zero- and near-zero emissions of Greenhouse Gases.

The CHBC is an industry association comprised of organizations and individuals involved in the business of hydrogen. Its mission is to advance the commercialization of hydrogen in transportation and stationary sources to reduce greenhouse gas, criteria pollutant emissions and dependence on oil.ⁱ

California’s ports are some of the most heavily utilized in the world, serving as key international gateways for billions of dollars in products entering and exiting the United States. With millions of jobs supported statewide, the state’s economy and quality of life depend on the efficient and safe delivery of goods to and from our ports.

At the same time, the high volumes of trucking and shipping services associated with cargo movement generate criteria pollutants, toxic air contaminants and greenhouse gas emissions. In order to further reduce the environmental impacts of port operations and achieve new air quality benchmarks, the enhancement of existing port infrastructure is needed. AB 1657 fills this critical gap by providing our state ports with funds to become greener and more energy efficient.

We request clarification of the definition of zero and near-zero emissions. The bill currently does not define zero and near-zero emissions. These terms are normally used to describe criteria pollutants, yet the bill very specifically targets greenhouse gas emissions.

While these criteria pollutants are sometimes greenhouse gases, as currently written, the bill may require a 100% use of renewables to meet the definition, or some other zero or near-zero equivalency measure that is not clear. That does not appear to be what's intended.

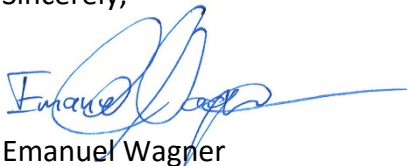
With proper clarification of definitions and requirements, AB 1657 could fill a critical gap by providing our state ports with funds to become greener and more energy efficient.

AB 1657, once amended, could not only enable California ports to reduce emissions, but also would have the potential to lower port operating costs, resulting in improved competitiveness and job growth.

For these reasons, CHBC supports the objectives of AB 1657 and stands ready to offer full support once appropriately amended to clarify the definitions of zero and near-zero in this context.

If you have any questions, please contact me at (310) 455-6095 x360 and ewagner@californiahydrogen.org.

Sincerely,



Emanuel Wagner
CHBC Assistant Director

ⁱ 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. Organizational members of the CHBC include AC Transit, ACE Cogeneration Company, Air Liquide Advanced Technologies U.S. LLC., American Honda Motor Co., Inc., Ballard Power Systems, Bay Area Air Quality Management District, Bethlehem Hydrogen, BMW North America, California Air Resources Board, Cambridge LCF Group, Center for Transportation and the Environment (CTE), Clean Energy Fuels, Community Environmental Services, E4 Strategic Solutions, El Dorado National – California, Electro Power Systems, FuelCell Energy, General Motors, Giner, Gladstein, Neandross & Associates (GNA), Golden State EPC, GTA, GTM Technologies Inc., H2 Logic, H2Safe, LLC, Hydrogen in Motion, Hydrogenics Corporation, Hydrogenious Technologies, HySa Systems, Hyundai America Technical Center, Idaho National Laboratory, Intelligent Energy, IRD Fuel Cells LLC, ITM Power, Ivys Inc., Johnson Matthey Fuel Cells, Keyes, Fox & Wiedman LLP, Linde Group, Longitude 122 West, Inc., Loop Energy, McPhy North America, National Renewable Energy Laboratory (NREL), Next Hydrogen Corporation, Nuvera Fuel Cells, Pacific Gas & Electric, Paramount Energy West LLC, PDC Machines, Plug Power, Inc., Port of Long Beach, PowerHouse Energy Americas, Powertech Labs, Inc., Proton Onsite, Rio Hondo College, Rose Communications, Sacramento Municipal Utility District, SAFCell Inc, Schatz Energy Research Center - Humboldt State, Solar Hydrogen, South Coast Air Quality Management District, Southern California Gas Company, SunLine Transit, Swagelok Los Angeles, Terrella Energy Systems, Total Transportation Services, Inc. (TTSI), Toyota Motor Sales, USA, Inc., United Hydrogen Group LLC, US Hybrid, Zero Carbon Energy Solutions, Ztek Corporation.