

November 7, 2025

California Energy Commission
Docket Number 25-ALT-01
715 P Steet
Sacramento, CA 95814

RE: 2025-2026 Investment Plan Update for the Clean Transportation Program

As a member of the Advisory Committee, please accept comments of the California Hydrogen Business Council (“CHBC”) to the California Energy Commission (“Commission”) on the Proposed Update of the 2025-26 Investment Plan Update for the Clean Transportation Program. These comments are framed by the October 27 presentation that posed questions of the Advisory Committee.

1. What aspects should we consider during a tighter budget year?

First, the Commission should consider that federal incentives sunset early. The One Big Beautiful Bill Act (OBBBA) eliminates the 30D and 45W credits for consumer and commercial fuel cell vehicles after June 30, 2026, and terminates the 30C hydrogen refueling station credit after September 30, 2025. These changes could hinder development of hydrogen transportation markets in the United States, making California state support imperative to maintain market growth of alternative vehicles that reduce carbon emissions.

Second, the withdrawal of the EPA waivers for heavy-duty trucks increases the importance of the Clean Transportation Program and incentives to maintain the air quality improvements sustained by removing diesel engines from California’s roads and communities.

Third, the Commission has acknowledged the importance of hydrogen in the Integrated Energy Policy Report and in workshops regarding SB 1075 implementation. Given this backdrop, it is important to translate that vision into reality, and not let the federal context negatively impact state progress in advancing hydrogen.

2. Additional feedback?

There should be emphasis in the update that hydrogen and battery infrastructure should be put on equal footing - equal investments allow the two technologies to compete fairly and

truly equitable zero-emission vehicle (ZEV) adoption. In part, the 15% hydrogen investment requirement should be considered a floor, not a ceiling. Transit agencies are an example of a market that is increasingly choosing mixed fleets or fuel cell buses and hydrogen infrastructure predominantly to meet both their performance requirements and air quality benefits to the community. California transit agencies have been operating hydrogen buses in public service for almost two decades and this is already a proven solution to replace diesel.

To ensure that hydrogen refueling infrastructure is equal to charging infrastructure, CHBC recommends equally funded categories for each. The current proposal is heavily skewed toward charging infrastructure, which does not need additional funding due to the prevalence of charging infrastructure in the state compared to hydrogen infrastructure. Dedicated hydrogen categories would also lead to better investor certainty, with the private sector ensured the funding will be allocated to hydrogen projects. We call on the Commission to start with a focus on equal funding in 2025-26. If the funding for one category or the other is not fully subscribed, we would support its eligibility for either technology.

Finally, CHBC notes that there is over \$400 million in combined investments the Commission has either in open solicitations or funding proposed for the upcoming year. It is imperative that the Commission work across agencies and match these investments with vehicle incentives offered at the California Air Resources Board. We also request pre-solicitation workshops for these grants and programs. Such workshops are important to share insights into current industry trends, capabilities, innovations, and markets, which can inform more realistic and effective solicitations.

Thank you for your time and attention to these comments.

Sincerely,

A handwritten signature in blue ink that reads "Katrina M. Fritz". The signature is written in a cursive, flowing style.

Katrina M. Fritz
President and Chief Executive Officer
California Hydrogen Business Council

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