California Hydrogen Business Council

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California Energy Commission
Docket Unit, Docket No. 26-ALT-01
715 P Street
Sacramento, CA 95814

RE: Public Comment on the Draft 2026–2027 Investment Plan Update for the Clean Transportation Program

The California Hydrogen Business Council ("CHBC") respectfully submits this public comment in response to the California Energy Commission's draft 2026–2027 Investment Plan Update for the Clean Transportation Program ("Draft Plan"). We appreciate the Commission's continued work to guide Fiscal Year 2026–2027 funding under the reauthorized program and to align annual investments with California's climate, air quality, and petroleum reduction goals.

The CHBC is the largest hydrogen trade association in the United States with over 75 members across the hydrogen and fuel cell supply chain, developers, engineering and professional services, end users, agencies and communities. CHBC advocates for regulations that support the development of hydrogen and fuel cells to support California's decarbonization objectives, improve our air quality and address hard to electrify sectors and end uses.

As the staff draft explains, the Investment Plan establishes annual allocations from a program expected to provide about $95.2 million per year for Fiscal Years 2026–2027 through 2028–2029, with a strong focus on zero-emission vehicle infrastructure. CHBC encourages the Commission to ensure that this framework supports commercially viable hydrogen refueling investments alongside other zero-emission infrastructure needs, especially where hydrogen can serve medium- and heavy-duty applications that are difficult to electrify on the same timeline.

The California Hydrogen Business Council submits the following responses to the questions that Commission Staff has posed for consideration.

1. **What challenges to the ZEV market should inform the Investment Plan?**

The Investment Plan should address cost, infrastructure coordination, and deployment barriers that slow practical ZEV adoption, especially for medium- and heavy-duty uses.

CHBC recommends that the final Investment Plan account for several persistent ZEV market challenges. These include high upfront vehicle and infrastructure costs without federal incentives, uncertainty about long-term operating costs, uneven infrastructure availability, and the difficulty of deploying zero-emission solutions in demanding medium- and heavy-duty applications where uptime, range, and fueling speed are critical.

The Commission should also consider the challenge of fragmented deployment. Vehicle adoption, fueling infrastructure, and related incentive programs do not always move forward on the same timeline, which can weaken utilization, slow private investment, and make it harder for fleets to transition with confidence.

For hydrogen in particular, market growth depends on reliable stations, modern equipment, and a credible path toward lower delivered fuel costs. The Investment Plan should therefore prioritize strategies that support commercial readiness and sustained use, not just initial deployment.

2. **Any other considerations to guide the Investment Plan for fiscal year 2026–2027?**

The Commission should use coordinated, outcome-based funding criteria and explicitly align this Investment Plan with related vehicle, corridor, and infrastructure programs across agencies to maximize emissions benefits and reduce stranded investment risk.

The Commission should allocate a portion of the Workforce Training and Development funding to hydrogen workforce training across California regions.

For Fiscal Year 2026–2027, the Commission should continue using outcome-based criteria that reward projects with clear emissions benefits, credible implementation schedules, operational readiness, and a realistic pathway to broader market adoption. The Commission should explicitly coordinate this Investment Plan with vehicle incentive programs, freight corridor planning, and related zero-emission infrastructure efforts across state government to ensure funded infrastructure is deployed where vehicle demand and operational needs are most likely to materialize. Better coordination will reduce underutilized assets and stranded investment risk, and make limited public funding more effective.

The Commission should allocate a dedicated portion of the Fiscal Year 2026–2027 Workforce Training and Development funding to hydrogen workforce safety training. As hydrogen technologies and fueling infrastructure continue to expand across California, ensuring that operators, maintenance staff, emergency responders, safety personnel, and other labor stakeholders have a foundational understanding of hydrogen-specific hazards is essential. Unlike traditional fuels such as gasoline or natural gas, hydrogen presents unique properties and risks that are not intuitive and cannot be safely addressed by applying conventional fuel knowledge alone. Targeted training is critical to bridging this gap and supporting the safe, reliable deployment of hydrogen infrastructure statewide with community support. The workforce training and development component of the CTPIP should not be limited to electric vehicle and charging infrastructure training.

The Commission should consider an allocation of up to $500,000 available to create meaningful statewide reach and impact of hydrogen workforce training activities. These funds could support regional in-person fundamental hydrogen safety training sessions in locations such as Los Angeles and the San Francisco Bay Area, bringing accessible, expert-led instruction directly to the communities — including tribal communities — most actively investing in hydrogen technologies and infrastructure.

To ensure training quality and credibility, sessions should be led by recognized hydrogen safety experts. For example, the Center for Hydrogen Safety (CHS) offers an established in-person training series delivered by members of the Hydrogen Safety

Panel (HSP), an independent expert body with over 800 years of collective expertise in hydrogen safety, has conducted such safety trainings in California when funding was available to support this work.

3. For hydrogen refueling infrastructure, what should the CEC prioritize?

Hydrogen funding should prioritize high-utilization, fleet-linked stations with strong reliability, throughput, and cost-reduction potential.

The CEC should prioritize hydrogen infrastructure projects that are tied to credible vehicle demand, committed fleet deployment, or clearly demonstrated corridor and regional use cases. Funding should support stations that are likely to achieve meaningful utilization in the near term, serve real-world transportation needs, and provide durable market value rather than isolated or speculative deployment. In practice, this means favoring projects with strong offtake potential, clear end-user commitments, and a realistic basis for sustained throughput over time.

The CEC should also prioritize stations designed for medium- and heavy-duty applications, where hydrogen can provide value for fleets that require fast fueling, long range, high vehicle utilization, and operational flexibility. Evaluation criteria should emphasize operational uptime, maintainability, throughput capability, and expansion potential so that funded stations can support growing demand and reliable service over time. Additionally, a credible pathway to lower delivered hydrogen costs is critical for fleet adoption and private capital formation; projects that can improve station performance, increase utilization, and contribute to cost reductions should receive strong consideration.

Thank you for your time and attention to these comments.

Sincerely,

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