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FirstElement Fuel comments on CTP draft

Additional submitted attachment is included below.

FIRSTELEMENT FUEL
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November 5, 2025

Mr. Benjamin Tuggy
California Energy Commission
715 P Street
Sacramento, CA 95814

Subject: Staff Draft Report *2025-2026 Investment Plan Update for the Clean Transportation Program*

Dear Mr. Tuggy and CEC Staff,

Thank you for your continued support for hydrogen infrastructure – the CEC is the primary reason FirstElement Fuel (FEF) exists today. We understand, based on Commission Skinner's remarks at the Investment Advisory Committee on October 27, 2025, that the proposed allocation tables in the Draft Report (Table ES-1) and the summary slide (slide 22) do not reflect the funds that are currently, or soon to be, available through various GFOs. Based on these comments and the footnotes in the draft report and slides, a summary of the funding allocation for 2025-26 was created below to more easily compare and comment on the proposed distribution.

Current Funding Allocation

Category	Eligible Fuel Types	2025-2026 (millions)	Percentage
Light-Duty (LD) Charging	Electric	$98.5	17%
Medium and Heavy-duty Infrastructure	Electric, Hydrogen	$15 (+ $400)	72%
Hydrogen-Specific (but not LD specific)	Hydrogen	$22 (+ $40)	11%
		$575	

The summary table shows the significant disparity between electric and hydrogen infrastructure, especially for LD electric with 17% of the funds whereas LD hydrogen can only receive *some portion of the 11%* of funds. We understand the CEC, and many of the advisors, have apriori adopted the conclusion that hydrogen is only suited for MHD sectors, which we believe is premature and short-sighted, especially since there is only one commercially available HD fuel cell truck (the Hyundai Xcient class 8 truck) and no commercial MD fuel cell trucks. Since (1) MD trucks fuel at LD stations and (2) there are three LD fuel cell models currently available, we urge more funding for the nascent LD hydrogen network to support both LD and MD vehicles. In addition, providing almost $100M for LD charging seems out of balance with the need for charging, especially when the utilities and other local agencies offer significant incentives (e.g., VW settlement funds) and most charging occurs at home[1]. In contrast, the CEC is the *only* entity which currently provides LD hydrogen infrastructure incentives, and the state still has not met the goal of 100 LD stations when the CTP (previously the ARFVTP) was initiated under AB 118.

The other significant observation from the table is the lion's share of the 2025-26 funds (72%) are dedicated to medium- and heavy-duty (MHD) infrastructure for both electric and hydrogen, but there

[1] https://electrifynews.com/featured/mythbusting/80-percent-of-ev-charging-happens-at-home-not-on-the-road/#google_vignette

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are no specific commitments for the allocation between the fuels. We urge CEC to ensure there is an equitable funding amount for both electric and hydrogen.

In conclusion, and as I stated in my verbal testimony at the workshop, if the CEC truly believes that the future of hydrogen and fuel cells in the transportation sector is in the MD and HD categories, then the agency and the state should establish a strategic pathway to develop and commercialize those vehicles. Simply allocating funds for fueling is insufficient to spur the market – there must be a commercialization incentive and market certainty for the OEMs. And as the state grapples with this plan, we again urge the CEC to support additional LD infrastructure because those vehicles are currently available and expanding the network enables more economic supply chains that will be needed for the heavier classes. We look forward to working with the Commission to continue transitioning the transportation sector to both battery and hydrogen zero-emission vehicles.

Sincerely,

Matt Miyasato, Ph.D.
Chief Public Policy & Programs Officer