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| <b>Project Title:</b>   | Hydrogen Refueling Infrastructure Solicitation |
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| <b>Filer:</b>           | Hossein Tabatabaie                             |
| <b>Organization:</b>    | Iwatani Corporation of America                 |
| <b>Submitter Role:</b>  | Applicant                                      |
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November 26, 2025

Director Hannon Rasool  
Fuels and Transportation Division  
California Energy Commission  
2526 9<sup>th</sup> Street  
Sacramento, CA 95814

**RE: Docket 25-HYD-01, Hydrogen Refueling Infrastructure Solicitation**

Dear Director Rasool,

Iwatani Corporation of America (ICA) appreciates the opportunity to provide comments regarding the reallocation of returned funds under GFO-19-602. We commend the CEC staff for their leadership in advancing California's hydrogen refueling infrastructure and fostering collaboration among government, industry, and customers. Since 1941, Iwatani has regarded hydrogen as the ultimate clean energy source and have consistently engaged in initiatives to encourage its widespread use. ICA is committed to support the zero emissions vehicle (ZEV) market by expanding the fueling infrastructure and supplying hydrogen to both light-duty and heavy-duty vehicles. Under the corporate slogan "A world where all enjoy true comfort – this is Iwatani's desire," we strive to solve environmental concerns with the aim of achieving a carbon free society through the use of hydrogen. As we work together to stabilize and expand the state's hydrogen network, ICA would like to highlight several key priorities for consideration in the new GFO (25-HYD-01).

**1. Improvement Grants for Existing Stations**

The Improvement Grants are essential for enhancing reliability and reducing operating costs at both existing and new hydrogen stations. These funds should remain flexible to cover everything from minor operational upgrades and O&M support to major rebuilds, since each site faces unique challenges. The existing hydrogen stations have come a long way, and we believe today's network is showing significantly better reliability than in previous years—thanks in part to the funds allocated under GFO-23-604 (IMPROVE), which have supported critical upgrades and operational improvements across the

network. Therefore, we believe that allocating a portion of the fund toward another round of the IMPROVE program would further enhance the reliability of existing stations, support ongoing O&M needs, and significantly improve the fueling experience for customers.

We also suggest treating uptime percentage as a performance target rather than a contractual obligation, enabling operators to focus on long-term reliability without punitive risk. Additionally, the program should remain open to all existing stations to ensure equitable access to upgrades across diverse site conditions.

## **2. New Station Development Grants**

Continued investment in new station development is critical to expanding access, particularly in strategic markets such as Los Angeles County (West Side/Santa Monica), Sacramento, San Francisco, and San Diego. We encourage CEC to allocate the new station development grants to multi-modal/multi-purpose hydrogen stations as the support for high-throughput and multi-modal stations will drive growth across light-, medium-, and heavy-duty markets. Furthermore, funding should enable upgrades to existing sites to accommodate medium-duty fueling needs, unlocking opportunities for broader adoption. The capital investment required for hydrogen stations has increased significantly over the past few years and we highly encourage CEC to consider the cost inflation and increase the grant per station allocation.

## **3. Addressing Retail Hydrogen Costs**

One potential solution to mitigate high retail hydrogen costs is the LCFS Gap Matching Program, which could help close the temporary cost gap caused by low LCFS credit values and immediately reduce prices for drivers. While this is one approach, we remain open to exploring alternative strategies that may be more effective or easier to implement. We are committed to working with CEC staff to develop practical solutions that sustain operations and stimulate demand while the LCFS credit market recovers.

## **4. Upgrading the Station Operational Status System (SOSS)**

We strongly support enhancements to SOSS, which serves as the backbone of the hydrogen ecosystem. Improved SOSS capabilities will increase driver confidence, ensure accurate LCFS credit verification, and enhance transparency across the network. A robust SOSS will generate reliable data to benefit both

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operators and customers. Thus, we request CEC to allocate a portion of the available funds to upgrade SOSS.

In conclusion, these recommendations provide a balanced and flexible framework to address near-term stabilization and long-term expansion of California's hydrogen fueling infrastructure. We thank the CEC for its ongoing leadership in zero-emission transportation and encourage the adoption of a funding structure that maximizes flexibility and market impact.

Sincerely,

Hossein Tabatabaie

Director of Product Management