

DOCKETED

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*Comment Received From: david balakian
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**California Grinding Inc's Comments on the 2026 - 2027 Clean
Transportation Investment Plan**

Additional submitted attachment is included below.



May 21, 2026

Mabel Aceves
California Energy Commission
Docket 26-ALT-01
1516 Ninth Street
Sacramento, CA 95814

RE: DRAFT 2026-2027 CLEAN TRANSPORTATION PROGRAM INVESTMENT

PLAN UPDATE

Dear Ms. Aceves,

California Grinding Inc. appreciates the opportunity to provide public comments on the California Energy Commission's (CEC) Draft 2026-2027 Investment Plan Update. As one of the largest orchard management and agricultural service companies operating in the Central Valley, we handle thousands of tons of woody biomass every single day. We are also the proud prime grant recipient of CEC Grant ARV-23-001, which directly targets the commercialization of distributed, biomass-derived transportation energy.

The Valley's Reality: Massive Infrastructure Demands on a Vulnerable Grid

From our perspective on the ground in Fresno, the current draft of the Clean Transportation Investment Plan has a massive blind spot: it focuses almost exclusively on the deployment of EV charging plugs and hydrogen fuel dispensers. While building out the "pumps" is necessary, the plan provides zero funding to support the localized production of the electricity and hydrogen that must flow through them.

High-power EV charging networks and hydrogen generation stations require tremendous amounts of electrical power. Without dedicated funding to build out on-site, distributed renewable generation, these facilities will have no choice but to draw power directly from California's utility grid. The state's grid infrastructure is already severely strained, a reality compounded by the massive energy demands of new commercial data centers. Relying entirely on an overtaxed grid to fuel our state's transportation shift is a significant risk to reliability.

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The Agricultural Waste Crisis and the Air Quality Mandate

The Central Valley is currently facing a severe agricultural waste disposal crisis. With the recent, full implementation of comprehensive bans on open-field burning, farming operations have lost their primary traditional outlet for agricultural residuals. This crisis is exacerbated by the fact that the vast majority of California’s legacy biomass power plants have been shut down over the last decade, leaving orchard operators with virtually nowhere to send thousands of tons of clean, woody biomass. A similar crisis is unfolding in our neighboring high-hazard forest zones, where massive amounts of woody material are being cleared to prevent catastrophic wildfires but lack any commercial destination.

This waste material represents a massive, untapped source of clean, baseload renewable energy. Furthermore, our region—specifically Fresno and the surrounding Central Valley—consistently suffers from some of the worst air quality in the nation. It is contradictory to push for clean transport while ignoring a massive biomass pile that could be cleanly converted into energy using modern, sealed, zero-emission technologies. Proven technologies already exist to turn this waste into clean electricity, and advanced direct biomass-to-hydrogen systems are fully ready for commercial demonstration.

With federal energy policy shifting away from renewable infrastructure funding, the U.S. Department of Energy (DOE) is unlikely to step in. California must lead this effort through the CEC.

Our Ground-Level Solution: Moving Toward a Closed-Loop Fleet

At California Grinding Inc., we want to practice what we preach. We are actively working toward the electrification of our heavy-duty field equipment and grinding operations. However, we do not want to plug our future electric fleet into a strained, fossil-fueled utility grid. We want to charge our equipment—and allow others to charge theirs—using clean, localized renewable power generated directly from the very orchard wastes and high-hazard forest materials we extract and process.

Under our active grant, ARV-23-001, we are demonstrating that this closed-loop system works. Phase 1 was a resounding success, establishing a functioning prototype system at our biomass facility in Fresno to prove the viability of on-site conversion. As we prepare to



bring Phase 2 before the Commission for approval—which will deploy the first commercial-scale, containerized unit capable of co-locating at fueling and charging stations—it is imperative that the underlying Investment Plan aligns with this vision.

Recommendations for the Final Investment Plan

To support agricultural communities, improve Central Valley air quality, and secure our energy future, we request the following changes:

Fund Advanced Biomass-to-Electricity Projects: Allocate a meaningful portion of the annual \$95 million budget specifically for advanced, clean biomass-to-electricity projects that provide independent, localized power to EV charging hubs.

Unlock Hydrogen Funds for Local Production: Direct unspent hydrogen infrastructure funds, along with a meaningful slice of the annual \$95 million allocation, toward the commercialization of direct biomass-to-hydrogen production.

Prioritize Dispensing Projects Utilizing On-site Distributed Energy Without Penalizing Their Cost Competitive Scoring and Ranking When Selecting Dispensing Projects:

Overhaul the scoring metrics in future Grant Funding Opportunities (GFOs). Recent solicitations, penalized applicants who integrated distributed renewables by focusing strictly on the lowest "cost per port." Because adding on-site generation requires upfront capital, sustainable projects were out-scored by cheap, purely grid-tied projects. The CEC must remove these barriers so that localized renewable production is properly incentivized.

Thank you for your leadership and your continued support of our work in Fresno to turn California's agricultural challenges into clean transport solutions.

Sincerely,

A handwritten signature in blue ink that reads "David Balakian".

David Balakian, President
California Grinding Inc.
dbalakian@calgrinding.com