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California Hydrogen Coalition CTP Investment Plan Comments

Additional submitted attachment is included below.

May 22, 2026

The Honorable Nancy Skinner
Commissioner, California Energy Commission
715 P Street
Sacramento, CA 95814

RE: Draft 2026–2027 Investment Plan Update for the Clean Transportation Program (Docket No. 26-ALT-01)

Dear Commissioner Skinner,

Introduction and Summary of Recommendations

The California Hydrogen Coalition (CHC) appreciates the opportunity to comment on the California Energy Commission's (CEC) Draft 2026–2027 Investment Plan Update for the Clean Transportation Program. The mission of CHC is to enable California's transition to zero emission vehicles by expanding the availability of reliable, convenient, and affordable hydrogen fueling to support the state's emission reduction goals. CHC represents companies across California's hydrogen value chain, from production and distribution through refueling infrastructure to vehicle deployment and works to advance hydrogen and fuel cell electric vehicles (FCEVs) as part of California's portfolio of zero-emission technologies.

CHC's foundational posture is that California will not achieve carbon neutrality by setting zero-emission technologies against one another. The transition to 100 percent zero-emission transportation will be carried by a mix of battery-electric and fuel cell electric vehicles across all weight classes, with households and businesses choosing the technology that best fits their use case. This is not a contest between competing technologies in which one prevails and the other disappears. It more closely resembles the coexistence of two complementary platforms, each addressing a different set of user needs, that together drive a transition the market cannot achieve with either alone.

CHC's recommendations on the Staff Draft are:

1. Retain the proposed $15 million per year hydrogen-specific allocation beyond Fiscal Year 2028–2029 as a durable, statutorily-floored signal of state commitment to fuel cell electric vehicle deployment.
2. Revise the reallocation language in the Investment Plan so that any decision to redirect hydrogen-specific funds requires a documented determination that undersubscription is not attributable to solicitation design, prior industry consultation, and a public docketed finding, and add multi-year carry forward mechanism so unspent hydrogen funds remain available within the hydrogen line item.
3. Preserve hydrogen eligibility within the medium- and heavy-duty ZEV infrastructure allocation in both regulatory text and in scoring practice, so that the dual-fuel eligibility produces meaningful awards rather than nominal availability.

4. Set affirmative priorities for the $45 million Hydrogen Infrastructure Project Opportunity (HIPO) and subsequent hydrogen solicitations that emphasize existing station operations and reliability, heavy-duty deployment in goods movement corridors and ports.

Each recommendation is explained in the sections that follow.

The Current Moment: A Convergence of Federal Disruptions, Not a Verdict on Hydrogen

The 2026–2027 Investment Plan Update arrives at an unusual and challenging moment for California's zero-emission transportation strategy. Over the past eighteen months, several federal actions have simultaneously reduced near-term demand certainty for both battery-electric and fuel cell vehicles, and have done so disproportionately for the segments where hydrogen plays its most important role. CHC urges the CEC to read the current environment for what it is: a convergence of transient policy shocks, not a structural market signal that warrants retrenchment from hydrogen infrastructure investment.

Three federal developments together define this moment.

First, the Congressional Review Act actions of May and June 2025. On May 22, 2025, the Senate passed three joint resolutions disapproving the EPA's Clean Air Act preemption waivers for California's Advanced Clean Cars II rule, Advanced Clean Trucks rule, and Heavy-Duty Omnibus Low NOx regulation.[1] The President signed the resolutions on June 12, 2025.[2] Under the CRA, the EPA is now prohibited from approving future waivers "substantially the same" as those disapproved. These were the demand-side regulatory pillars that supported both battery-electric and fuel cell vehicle deployment economics, and they disproportionately affected fuel cell deployment, because FCEV markets are at an earlier stage of commercialization than BEV markets and therefore more dependent on regulatory pull-through.

Second, the withdrawal of the Advanced Clean Fleets waiver request in January 2025. While distinct from the CRA actions, the ACF withdrawal removed the fleet-side complement to ACT, the rule that would have driven purchase decisions among the very fleets best positioned to deploy hydrogen Class 8 trucks in drayage, regional haul, and port operations.[3]

Third, the termination of the $1.2 billion federal commitment to California's ARCHES hydrogen hub. In October 2025, the U.S. Department of Energy terminated the funding agreement awarded to the Alliance for Renewable Clean Hydrogen Energy Systems, the regional clean hydrogen hub selected in 2023 under the Bipartisan Infrastructure Law.[4] ARCHES has paused hub development, filed an appeal with DOE, and signaled it will continue advancing California's hydrogen ecosystem with state, private, and international partners.[5] The DOE Inspector

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[1] Hogan Lovells. (2025, May). Senate effectively blocks California's EV mandate and related waivers using Congressional Review Act. https://www.hoganlovells.com/en/publications/senate-effectively-blocks-californias-ev-mandate-and-related-waivers-using-congressional-review-act

[2] The White House. (2025, June 12). Statement by the President. https://www.whitehouse.gov/briefings-statements/2025/06/statement-by-the-president/

[3] California Air Resources Board. (2025, January 13). Letter from Steven S. Cliff to U.S. Environmental Protection Agency withdrawing the Heavy-Duty Advanced Clean Fleets waiver request [CARB withdrawal letter; EPA response acknowledged January 14, 2025]. U.S. Environmental Protection Agency. https://www.epa.gov/system/files/documents/2025-01/hd-acf-carb-waiver-withdraw-resp-2025-1-14.pdf

[4] Alliance for Renewable Clean Hydrogen Energy Systems. (2025, October 1). ARCHES CEO Angelina Galiteva on DOE's decision to cut federal funding for California hydrogen hub. https://archesh2.org/arches-ceo-angelina-galiteva-on-does-decision-to-cut-federal-funding-for-california-hydrogen-hub/

[5] Powell, J. (2025, November 7). Two hydrogen hubs respond to sudden federal funding cuts. Engineering News-Record. https://www.enr.com/articles/61853-two-hydrogen-hubs-respond-to-sudden-federal-funding-cuts

General agreed in December 2025 to audit the cancellation.[6] The cancellation removes, at least temporarily, the federal supply-side counterpart to California's demand-side infrastructure investments, including the production capacity and pipeline assets that would have driven down delivered hydrogen costs for transportation customers.

Each of these shocks is independently significant. Together, they create a temporary trough in the visible signal of federal support, and, predictably, in near-term solicitation subscription levels and project pipeline timing. But none of them reflects a judgment by the market or by industry that hydrogen is unviable for California's clean transportation goals. The opposite is true. As detailed below, OEM and refueling industry investment has continued, and in important respects accelerated, through precisely this period. California's response, articulated in Executive Order N-27-25 and CARB's Drive Forward initiative, is to hold the line on the underlying technology trajectory. The Clean Transportation Program Investment Plan should be consistent with that posture.

CHC's central premise for these comments follows directly: this is the wrong moment to weaken California's signal of sustained commitment to hydrogen infrastructure. When state and federal regulatory certainty return, and the Drive Forward work, ongoing litigation over the CRA actions, and the DOE OIG audit all create plausible pathways for some form of recovery, pre-positioned infrastructure will be the binding constraint on deployment. Withdrawing investment now creates a cliff that takes years to climb back from. Maintaining the statutory 15 percent hydrogen floor, and tightening the language around reallocation of any temporarily undersubscribed funds, is the right policy response to a transient shock.

Industry Commitment to Hydrogen Has Continued, and in Important Respects Accelerated, Through the Federal Disruption

If the federal actions described above had truly signaled a structural market verdict against hydrogen and fuel cell vehicles, one would expect to see OEMs and refueling infrastructure providers retrenching from California, deferring product launches, and walking back collaborations. The opposite has occurred. Across the same eighteen-month window in which the CRA actions, the ACF withdrawal, and the ARCHES termination took place, global OEMs have deepened their hydrogen partnerships, announced new heavy-duty platforms targeted at California customers, and committed to deployments in the state. CHC urges the CEC to weigh these market signals, not solicitation timing alone, in setting expectations for the 2026–2027 Investment Plan.

CHC speaks to these developments from a position of direct market visibility. CHC's membership includes virtually every publicly available hydrogen refueling station operator in California, alongside global OEMs and the broader hydrogen value chain. CHC's members are the entities that would respond to any CEC hydrogen solicitation, that build and operate the stations these funds support, and that would absorb the consequences of a reallocation decision. When CHC reports continued industry commitment, that reflects the announced plans of the companies that comprise the deployment pipeline itself.

A few representative developments from the last fifteen months illustrate the pattern.

Toyota's expansion of its commercial hydrogen partnerships. On March 31, 2026, Toyota Motor Corporation, Daimler Truck, and Volvo Group signed a memorandum of understanding making Toyota an equal partner in Cellcentric, the heavy-duty fuel cell joint venture Daimler and Volvo launched in 2021. The three companies have publicly framed the partnership as a commitment to making hydrogen viable in heavy-duty transport, with small-series production of fuel cell trucks beginning at the Mercedes-Benz Wörth plant near the end of 2026.[7] One month

[6] Fuel Cells Works. (2025, December 22). DOE watchdog launches audit into canceled grants for 70 California clean energy projects, including ARCHES Hydrogen Hub. https://fuelcellsworks.com/2025/12/22/news/doe-watchdog-launches-audit-into-canceled-grants-for-70-california-clean-energy-projects-including-arches-hydrogen-hub

[7] Daimler Truck AG. (2026, March 31). Toyota Motor Corporation aims to join Daimler Truck and Volvo Group as equal shareholder in the fuel cell joint venture cellcentric.

later, on May 4, 2026, at ACT Expo in Las Vegas, Toyota Motor North America announced a definitive agreement with Hyroad Energy to deploy 40 hydrogen fuel cell Class 8 trucks in Southern California, supported by Toyota refueling infrastructure under development in Ontario.[8] Toyota's third-generation commercial fuel cell system, announced in 2025, claims a 50 percent cost reduction and 20 percent efficiency gain over its predecessor, a clear signal of continued capital investment in the technology.[9]

Hyundai's North American heavy-duty distribution buildout. Hyundai continues to advance commercial deployment of its Xcient Fuel Cell Class 8 truck in the United States, with Hyundai Translead serving as the official North American distributor and a hydrogen production and dispensing facility planned in Georgia.[10] Hyundai's existing California fleet operates out of high-capacity stations including the FirstElement Fuels facility in West Oakland, opened in 2024, which is designed to dispense up to 18,000 kilograms of hydrogen daily and to support up to 200 trucks with 10-minute refueling enabled by Bosch-developed cryo-pump technology.[11]

Continued OEM-to-OEM technology collaboration. Toyota and BMW have continued their strategic partnership on next-generation fuel cell stack technology, with the BMW iX5 Hydrogen serving as a near-term testbed for fuel cell integration in passenger platforms.[12] Toyota's separate partnership with Chiyoda announced in March 2026 to mass-produce 5 MW PEM electrolyzers by 2029 demonstrates that the hydrogen commitment extends through the value chain into upstream production capacity.[13]

Industry consensus on the central constraint. At ACT Expo 2026, industry leaders consistently identified hydrogen refueling infrastructure availability, not vehicle technology readiness or OEM commitment, as the binding constraint on near-term commercial deployment. This is precisely the constraint that CEC hydrogen infrastructure funding addresses, and it is precisely the reason that withdrawing investment at this moment would do the most damage at the least helpful time.

Read against this backdrop, the question for the CEC is not whether industry remains committed. The evidence is that it does. The question is whether California's infrastructure investment will keep pace with the vehicle deployments now being announced, or whether a temporary trough in federal certainty will be allowed to introduce a self-fulfilling lag on the California side. Maintaining the proposed $15 million per year hydrogen allocation, and tightening the reallocation provisions, is the right policy response.

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[8] Toyota Motor North America. (2026, May 4). Toyota announces strategic collaboration with Hyroad to deploy hydrogen fuel cell trucks [Press release]. https://pressroom.toyota.com/toyota-announces-strategic-collaboration-with-hyroad-to-deploy-hydrogen-fuel-cell-trucks/

[9] Toyota Motor Corporation. (2025, February 14). Toyota develops new fuel cell system. https://global.toyota/en/newsroom/corporate/42218558.html

[10] Hyundai Translead. (2025, October 26). Hyundai Translead to lead distribution of XCIENT Fuel Cell trucks in North America [Press release]. https://www.hyundaitranslead.com/news/hyundai-translead-to-lead-distribution-of-xcient-fuel-cell-trucks-in-north-america/

[11] Park, J. (2024, May 3). High-capacity hydrogen truck fueling station opens in Oakland, California. Heavy Duty Trucking. https://www.truckinginfo.com/news/high-capacity-hydrogen-truck-fueling-station-opens-in-oakland-california

[12] BMW Group. (2024, September 5). Hydrogen Pioneers: BMW Group and Toyota Motor Corporation take collaboration to the next level to offer Fuel Cell Electric Vehicle (FCEV) options for passenger cars [Press release]. https://www.press.bmwgroup.com/usa/article/detail/T0444879EN_US/

[13] Fuel Cells Works. (2026, March 17). Toyota and Chiyoda to mass-produce 5MW PEM electrolysers by 2029. https://fuelcellsworks.com/2026/03/17/fuel-cells/toyota-and-chiyoda-to-mass-produce-5mw-pem-electrolysers-by-2029

The Reallocation Language Should Be Tightened, and the 15 Percent Floor Should Be Treated as a Durable Signal

The Draft includes the following language in both the Executive Summary and Chapter 2: "If hydrogen grant funding solicitations are undersubscribed, the CEC is authorized to reallocate the funding." CHC understands the operational concern this language is intended to address. Clean Transportation Program funds appropriated for a fiscal year should be put to work. But the language as drafted is broader than necessary to achieve that purpose, and at the present moment it carries an unintended signaling effect: it tells potential project developers, OEMs evaluating California deployment commitments, and project financers that the state's hydrogen allocation is contingent rather than durable. That signaling effect is itself a driver of the very behavior, application delay, project deferral, lender hesitation, that produces undersubscription.

CHC respectfully requests three specific changes.

First, reframe reallocation as a last resort with documented predicates. The Investment Plan should provide that any reallocation of hydrogen-specific funds requires: (a) a written determination that the undersubscription is not attributable to remediable features of solicitation design, including eligibility criteria, application timing, match requirements, scoring weights, and carbon intensity tier mechanics; (b) prior consultation with the hydrogen industry, conducted through a noticed public workshop or equivalent forum, on whether solicitation redesign or extension would close the gap; and (c) a docketed public finding by the CEC before funds are moved out of the hydrogen line item. This sequence does not prevent reallocation in genuine cases of structural lack of demand. It ensures that reallocation is the response to a real and documented condition rather than the default response to a slow market quarter.

Second, establish a multi-year carryforward mechanism within the hydrogen line item. If a single-year hydrogen solicitation is undersubscribed, the unspent funds should roll into the following year's hydrogen solicitation rather than leaving the hydrogen allocation altogether. This preserves the statutory 15 percent floor in substance, not just on paper, and gives industry the visibility it needs to plan multi-year project pipelines against a stable pool of available state funding. It also reflects the reality that hydrogen infrastructure projects, particularly heavy-duty stations, have longer development timelines than light-duty charging projects and benefit from predictable funding availability across multiple application cycles.

The relevance of these refinements is not abstract. The Hydrogen Infrastructure Project Opportunity (HIPO) solicitation, GFO-25-607, was released on April 6, 2026 and closes on June 19, 2026. CHC members are actively working on partnership structures, site control, and project finance arrangements that would position multiple applications into HIPO, but several of these arrangements, particularly those involving multi-party agreements among OEMs, refueling station operators, and offtake customers, are not coming together quickly enough to meet the June 19 deadline. If HIPO is undersubscribed at close, the CHC urges the CEC to read that outcome against this context: it would reflect the timing of partnership assembly, not the absence of project demand. The appropriate response would be solicitation extension, a second application window, or a redesigned successor solicitation, not reallocation of the $45 million away from hydrogen.

Third, the Investment Plan should explicitly acknowledge that the 15 percent statutory floor functions as a corrective for asymmetry in California's broader ZEV infrastructure funding portfolio. The Clean Transportation Program is one funding stream among many that flow to ZEV infrastructure in California, and discussion of allocation fairness within CTP can give a misleading picture of overall public commitment when CTP is considered in isolation. A complete view must include the investor-owned utility transportation electrification programs administered through the CPUC under SB 350; the Volkswagen and NRG settlement funds administered through CARB; Carl Moyer Program charging set-asides; budget-act direct appropriations for electric vehicle charging programs; and the federal NEVI program. Through Fiscal Year 2022–2023, cumulative public commitments across these streams totaled approximately $7.4 billion in ZEV infrastructure funding, of which hydrogen received

approximately $262 million, about 3.5 percent of the total.[14] Battery-electric infrastructure received the remaining share across BEV-dedicated and BEV/FCEV-eligible allocations.

CHC raises this not to dispute the merits of any individual program, and not to suggest that hydrogen and electric vehicle infrastructure should receive equal portfolio shares. Different technologies have different deployment trajectories and different supporting infrastructure requirements. The point is that program design and public communication around CTP allocations sometimes proceed as though hydrogen and electric vehicle charging are on comparable policy and funding footing across the state's overall portfolio. They are not. CPUC TE programs, settlement funds, and dedicated budget appropriations flow exclusively or near-exclusively to electric vehicle charging; there are no comparable streams of similar scale flowing to hydrogen refueling infrastructure. The Legislature recognized this in establishing the AB 126 hydrogen floor: the 15 percent allocation within CTP is the principal mechanism that prevents hydrogen infrastructure investment from being progressively crowded out by the asymmetry across funding streams. Treating that floor as contingent, subject to reallocation whenever a particular solicitation lags, undermines the legislative purpose the floor was designed to serve.

The CARB 2021 Hydrogen Self-Sufficiency Report estimated that approximately $100 to $400 million in total state support, beyond programs in place at that time, would be needed to bring the hydrogen refueling network to commercial self-sufficiency. The proposed $45 million in hydrogen-specific funding across Fiscal Years 2026–2027 through 2028–2029, combined with the hydrogen-eligible portions of the MDHD allocation, keeps California within range of that trajectory. Maintaining this commitment through the current federal disruption, rather than introducing reallocation pressure that could withdraw it, is consistent with the state's own analytic basis for the program.

Affirmative Priorities for the $45 Million Hydrogen Infrastructure Project Opportunity and Subsequent Hydrogen Solicitations

Staff explicitly invited input through Question 3 of the May 8 Advisory Committee discussion: for hydrogen refueling infrastructure, what should the CEC prioritize? CHC offers the following affirmative recommendations, focused on near-term solicitation design and on the substantive priorities the Investment Plan should encode for hydrogen funding through Fiscal Year 2028–2029.

Review the per-refueling-position funding cap in HIPO and successor solicitations. The HIPO solicitation includes funding cap provisions that, depending on interpretation, may limit awards to approximately $1 million per refueling position. CHC has not completed an independent technoeconomic analysis to confirm this figure is mispriced, but based on the relative energy throughput and capital cost structure of hydrogen refueling stations compared to publicly-funded DC fast charging, and on current cost share patterns in CEC charging solicitations, there is reason to believe the per-position cap may be set below the level required to make competitive applications viable, particularly for heavy-duty stations with high dispensing capacity. An underset cap depresses applications by making the funding insufficient to close project financial gaps, and it does so without revealing the underlying demand: applicants simply do not file. CHC recommends that the CEC review the per-position cap in HIPO in light of current station capital cost benchmarks, and that future hydrogen solicitations be sized to ensure award amounts can meaningfully close the project finance gap for the types of stations the state most needs.

Continue and expand operations and maintenance support for existing stations. The Draft Plan acknowledges that 8 of the 58 stations in California's public retail hydrogen network are temporarily nonoperational, and that the CEC has awarded operations and maintenance support to 44 existing stations. Continued and expanded O&M support is essential to the customer refueling experience that drives FCEV demand. A station that is intermittently nonoperational does measurable damage to consumer confidence in FCEVs across the entire network, regardless of how many other stations are functioning normally. CHC recommends that O&M continue to be a recognized

[14] California Hydrogen Coalition analysis aggregating publicly-reported funding commitments through Fiscal Year 2022–2023

eligible use within both the hydrogen-specific allocation and the broader hydrogen-eligible portions of the MDHD allocation, and that future solicitations include clear pathways for operators to apply for O&M support without requiring it to be bundled with new station construction.

Prioritize heavy-duty refueling deployment in goods movement corridors and at ports. Port communities and goods movement corridors are disproportionately disadvantaged and disproportionately exposed to medium- and heavy-duty diesel emissions. CHC recommends that the CEC continue to support hydrogen heavy-duty refueling in these locations, consistent with the priority placed on hydrogen-eligible MDHD solicitations in recent years (Port ZEV Infrastructure, Depot Infrastructure, CRITICAL PATHS, Blueprint Implementation).

Clarify operationalization of the AB 126 carbon intensity preference. The Staff Draft notes that the CEC is required to give preference to applicants proposing lower carbon-intensity hydrogen, measured well-to-gate, consistent with the federal 45V clean hydrogen tax credit tier structure adopted under regulations issued by the U.S. Department of the Treasury. Continued federal uncertainty around the 45V regulations themselves, including the disposition of those regulations under the current administration, creates ambiguity for applicants on how the preference will be scored in HIPO and subsequent solicitations. CHC recommends that the CEC publish clear guidance on how the carbon intensity preference will be operationalized in the absence of fully stabilized federal 45V tier definitions, including any interim methodology the CEC will use to score applications during the federal regulatory transition.

Support shared-infrastructure deployment consistent with the Draft's framing. The Draft notes that "light-duty ZEV charging and hydrogen refueling stations be available to medium-duty ZEVs, and vice versa, where practical," and frames this as a deliberate flexibility strategy. CHC supports this framing and recommends that future hydrogen solicitations explicitly score for multi-vehicle-class accessibility where physically and operationally feasible, particularly at strategically-sited stations along corridors where both light-duty and medium-duty FCEV demand is forecast.

Hydrogen Eligibility Within the Medium- and Heavy-Duty ZEV Infrastructure Allocation Should Be Retained in Both Regulatory Text and Scoring Practice

The Draft proposes $30.2 million in Clean Transportation Program funds for medium- and heavy-duty ZEV infrastructure in Fiscal Year 2026–2027, augmented by $38 million in Greenhouse Gas Reduction Fund proceeds for a combined $68.2 million, with similar levels proposed through Fiscal Year 2028–2029. The Draft correctly identifies both electric and hydrogen as eligible fuel types for this allocation. CHC strongly supports retaining this dual-fuel eligibility.

Recent MDHD solicitations under prior Investment Plans, including the Port ZEV Infrastructure, Depot Charging and Hydrogen Refueling Infrastructure, CRITICAL PATHS, and Blueprint Implementation solicitations, have included hydrogen as a meaningful pathway, and have produced awards across both charging and hydrogen refueling. This is appropriate. Heavy-duty applications, particularly those involving long-haul regional operations, high daily energy throughput, weight-sensitive payload economics, and rapid turnaround refueling requirements, are precisely the cases in which fuel cell technology offers complementary value to battery-electric options. The state's clean transportation, equity, air quality, and climate goals will be met more efficiently, and more quickly, by a portfolio approach that supports the technology best suited to each application.

CHC's concern is not with the proposed regulatory text but with implementation. Dual-fuel eligibility in an allocation produces meaningful hydrogen awards only if individual solicitations under the allocation include scoring weights, capacity sizing assumptions, and eligibility criteria that allow hydrogen project applications to compete on their merits. Nominal eligibility that consistently yields no hydrogen awards is functionally equivalent to a single-fuel allocation, and undermines the diversification rationale that justifies dual-fuel eligibility in the first

place. CHC recommends that the CEC continue its recent practice of structuring MDHD solicitations to produce meaningful hydrogen awards where applications meet program objectives, and that the Investment Plan affirm this implementation expectation alongside the regulatory text.

CHC also notes the strategic value of preserving state-funded readiness for the tristate California, Oregon, and Washington medium- and heavy-duty hydrogen and charging corridor described in Table 1 of the Staff Draft. California's approximately $60 million share of that Charging and Fueling Infrastructure award has been frozen since February 2025, and is the subject of pending litigation. If and when those federal funds are unfrozen, California's ability to deploy them quickly will depend in part on whether state-funded project pipelines remain ready to receive matching investment. The MDHD allocation, including its hydrogen-eligible portions, is the principal state mechanism for maintaining that readiness.

Conclusion

The California Hydrogen Coalition appreciates the CEC's continued leadership on zero-emission transportation infrastructure investment and the staff's careful work in developing the 2026–2027 Investment Plan Update. CHC's recommendations in this letter reflect a single underlying premise: that the present moment, characterized by significant federal regulatory and funding disruption, is the wrong moment to weaken California's signal of sustained commitment to hydrogen infrastructure. Industry remains committed, partnerships are advancing, and project pipelines are forming, but the pace of those developments depends on a state policy environment that treats the AB 126 hydrogen floor as the durable corrective the Legislature designed it to be.

CHC's four recommendations, maintaining the proposed $15 million annual hydrogen-specific allocation, tightening the reallocation language, preserving meaningful hydrogen eligibility within the MDHD allocation, and setting affirmative priorities for HIPO and successor solicitations, are offered as constructive refinements rather than wholesale revisions. The Draft establishes a sound framework. These refinements would strengthen that framework's resilience to the current policy environment and its capacity to support California's longer-term zero-emission transportation goals across the full portfolio of zero-emission technologies.

CHC looks forward to continued engagement through the June 2026 Advisory Committee meeting, the Lead Commissioner Report phase, and the broader Investment Plan development process. We thank the CEC and its staff for the opportunity to comment, and we are available to provide additional detail on any of the recommendations in this letter at the Commission's request.

Respectfully submitted,

/s/

Teresa Cooke
Executive Director
California Hydrogen Coalition