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Draft Transportation Fuels Transition Plan Comment- CTE

See attached document

Additional submitted attachment is included below.

July 24, 2026

California Energy Commission
715 P St
Sacramento, California, 95814

To Whom it May Concern-

The Center for Transportation and the Environment (CTE) is pleased to respond to the California Air Resources Board (CARB) and the California Energy Commission (CEC)'s Draft Transportation Fuels Transition Plan. CTE is a 501(c)(3) nonprofit, membership-based planning and engineering organization. CTE's mission is to improve the health of our climate and communities by bringing people together to develop and commercialize clean, efficient, and sustainable transportation technologies. CTE collaborates with federal, state, and local governments, fleets, and vehicle technology manufacturers to advance clean, sustainable, innovative transportation and energy technologies. Since its founding in 1993, CTE has managed a portfolio of approximately \$3.1 billion in team research, development, and demonstration projects funded by a variety of federal, state, and local organizations including the U.S. Departments of Transportation, Energy, Defense, and Interior, as well as the California Air Resources Board and the California Energy Commission.

CTE is experienced in developing, implementing, and administering advanced transportation technology projects, with a focus on zero-emission transit buses. CTE has provided technical assistance and project management services on many zero-emission bus deployment projects made possible through the Federal Transit Administration's (FTA) Low or No Emission Vehicle Program (Low-No), TIGGER Program, and Clean Fuels Program. CTE has also demonstrated experience in the fuel cell arena as one of the three National Fuel Cell Bus Program Consortia responsible for deploying fuel cell transit buses for FTA. Through these and other programs, CTE has assisted more than 145 operators that have either deployed, or will deploy, more than 2,100 zero-emission vehicles. CTE has also managed or participated in more than 81 transition planning projects across the country. As a result, the level of experience and expertise with zero-emission buses that CTE provides to their clients is unprecedented in the industry.

The Draft Transportation Fuel Transition Plan shows promise, and reflects the hard work undertaken by Californians and their government to reduce fossil fuel consumption and the corresponding emissions. CTE has several pieces of feedback to share on the draft Plan that could strengthen the document's ability to serve as a roadmap for the state to achieve further meaningful emissions reductions.

1. The document focuses heavily on ethanol and biofuels, which, while key mechanisms for fleet transition, still can involve substantial tailpipe emissions. CTE recommends CARB and CEC to **include (in a corresponding level of detail) analysis on zero-emission technologies like battery electric and hydrogen fuel cell vehicles**, along with an analysis of their impact on the electricity grid. Exploring grid capacity and energy sourcing will be critical for California as energy demand grows and fossil fuels phase out. It is critical that CARB and CEC distinguish between low-emission fuels such as renewable diesel and ethanol and zero-emission fuels like renewable produced electricity and hydrogen.

2. While the document is focused on fuel transition, **an analysis gap remains surrounding transportation demand**, which will heavily influence demand for the fuels discussed in the document. By investing in transit and multimodal transportation infrastructure, the State of California could reduce fuel demand across fuel types. Investing in zero-emission transit technologies could compound these benefits, moving large numbers of people with zero tailpipe emissions.

3. The draft plan could benefit from **a more comprehensive analysis of hydrogen as a transportation fuel**, which is mentioned only in passing and chiefly as a sustainable aviation fuel alternative. Hydrogen light-duty vehicles, as well as medium- and heavy-duty buses and trucks, are already in service in California, which has the most robust hydrogen production and transportation infrastructure of any US state. The Plan should discuss the future outlook for hydrogen as a surface transportation mechanism, including how the state can incentivize further private investments in needed infrastructure across the state to facilitate fuel cell vehicle adoption.

4. The strategies section of the document outlines some key mechanisms that the state can pursue to advance the fuel transition, including a focus on financial incentives for lower-carbon fuels. Page 63 includes a sub-section titled “Zero-Emission Vehicle Growth”. This section includes strategies to promote ZEV adoption across sectors, including in heavy-duty sectors like transit. **These strategies could benefit from further refinement, and be made more specific to account for the key disparities between markets.** Encouraging light-duty ZEV adoption by private consumers is a vastly different undertaking compared to incentivizing zero-emission bus adoption by transit agencies, or zero emission truck adoption by private fleets. These markets demand different approaches and different supports from the state level, and the draft Plan should account for this.