

## DOCKETED

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*Comment Received From: Brian Goldstein*

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**EIN 2016-2017 ARFVTP Investment Plan Update Comments**

*Additional submitted attachment is included below.*



California Energy Commission  
1516 Ninth Street  
Sacramento, CA 95814

January 27, 2016

Ref: ARFVTP Advisory Committee Meeting, January 21, 2016

Dear Commissioner Scott and CEC Staff,

Energy Independence Now would like to commend you on an excellent job in drafting the recent Draft Investment Plan for the 2016-2017 Alternative and Renewable Fuels and Vehicle Technology Program (ARFVTP), as well as its sister document, the draft IEPR. We would like to offer the following comments on the Revised Staff Report.

**1) We support the proposed funding structure and allocations, and the investment continuity it represents.** The current document clearly provides continuity and clarity as it relates to the fuel portfolio approach CEC is taking, as well as the support throughout the supply chains. We find the tables in the current plan informative and clear on the funding allocations and links to policy objectives. We also recognize that the general continuity on funding allocations help build industry confidence around the State's sustained commitment.

2) EIN commends the commission for identifying renewable hydrogen production as an Emerging Opportunity worthy of further research relative to the ARFVTP program. We further recommend **Adding Renewable Hydrogen as a Fuel Type in Chapter 3, for future allocations.** We suggest that centralized renewable hydrogen is a fuel type that fits within the definition of the Alternative Fuel Production and Supply category. Currently, all hydrogen activities are supported within the Infrastructure category and the Related Needs and Opportunities category. Although the infrastructure classification makes sense for onsite electrolysis and SMR, there may be significant investment opportunities for centralized renewable hydrogen made through both electrolysis and SMR of biomethane. This centralized renewable hydrogen production also relates directly to the increasing connections between the transportation sector and electric power and natural gas grids. Electrolyzers and fuel cells are key enabling technologies for that integration, and their deployment will help reach the goals of the ARFVTP.

If a landfill gas project were to propose a biomethane-based hydrogen SMR facility, the Fuel Production and Supply category would be the logical place for funding. Likewise, a large scale electrolysis project, linked to a solar or wind development could produce renewable hydrogen fuel for vehicles, forklifts, pipeline injection, energy storage or refinery use, to name but a few. Neither of these types of projects would fit comfortably with the station-oriented PONs of the infrastructure category.

Recognizing it is late in the process to allocate funding for such fuels, we suggest instead that CEC add the mention of this fuel and its potential, setting the stage for future allocations and sending an important signal to developers that proposals of this type may be considered in the future.



3) Community Preparedness. **We would like to commend the inclusion and funding of Community Readiness** which has contributed significantly to the success of the infrastructure build out. Recent efforts to develop hydrogen infrastructure in California have highlighted the importance of **Community Readiness** relative to developers' abilities to construct stations in a timely and cost effective manner.

The CEC made community readiness funding available through PON 14-603 (and subsequently PON 14-607) yet the hydrogen-specific portion of the solicitation was undersubscribed. EIN strongly recommends continuing funding community readiness programs with specific allocations for individual fuel types. Specific focus on community readiness could really help the development timeline by accelerating sites that can be developed quickly, while similarly qualified sites that are in lesser-prepared communities can be given time to work through potential delays before applying for the next award. It seems this would help to open stations more quickly in the early, critical phase of the FCEV rollout while stations that are likely to be subject to community-level delays would likely still open around the same timeline but using later rounds of funding.

EIN hopes the above comments are helpful in supporting the ongoing work of the CEC, and would be happy to discuss any other points in further detail.

Sincerely,

Brian Goldstein  
Executive Director  
Energy Independence Now