

575 Mountain Avenue
Murray Hill, NJ 07974

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 08-ALT-1
1516 Ninth Street
Sacramento, CA 95814-5512

DOCKET	
08-ALT-1	
DATE	_____
RECD.	<u>JAN 23 2009</u>

Transmittal to: docket@energy.state.ca.us

re: AB 118 Investment Plan (Docket Number 08-ALT-1) Advisory Committee

Linde, Inc., a leading global supplier of alternative fueling solutions, appreciates the opportunity to submit comments related to the CEC’s AB 118 Draft Investment Plan.

The Investment Plan will be an important tool to help reduce dependence on imported oil, reduce greenhouse gas emissions, improve local air quality and stimulate California’s economy. California’s efforts will provide benefits to the state’s population and also set a beacon for other states and countries that can help address issues that are increasingly global in nature.

Specific Comments

- 1) Biogas sources, including landfill gas, and anaerobic digester gas from agricultural sources and wastewater treatment plants provide an invaluable source of feedstocks for ultra low carbon and super ultra low carbon fuels. Linde’s view is that CEC’s funding priorities should:
 - a) Encourage development of biogas sources that are converted to ULC and SULC fuels.
 - b) Specifically encourage development of in-state biogas sources for local air quality and economic stimulus benefits.
 - c) Ensure there are adequate sources of biogas available for transportation fuels production.
 - d) Ensure the tools exist to properly understand the relative benefits of biogas-based SULC and ULC fuels using, e.g., by having GREET models in place for major potential routes, including on-site biogas to LNG.

- 2) We respectfully submit that CEC’s funding should balance short-term goals achievable during 2010-2020 with the development of early solutions to achieve medium and long-term goals (e.g., 2020-2050).

- a) A key short-term goal is stimulating production of biogas-based LNG in line with LNG infrastructure and heavy-duty vehicle LNG usage.
 - b) A key short-term objective to help achieve long-term goals is developing early, robust solutions for hydrogen fueling.
- 3) Projects may have long development cycles, so a mechanism that allows for successful awardees to receive funding over multiple award cycles could encourage projects that may not be able to receive sufficient funding from a single year's appropriations. In addition, we hope that AB 118 appropriations are higher in future years.
- 4) We encourage CEC to work with Federal agencies such as DOE, DOT, USDA and EPA to identify opportunities for co-funding.

We appreciate the opportunity to comment.

Very truly yours,

Bryan Luftglass
Energy Segment Manager