



February 26, 2009

Commissioners James D. Boyd and Karen Douglas
California Energy Commission
Dockets Office MS-4
Re: Docket # 08-ALT-1
1516 Ninth Street
Sacramento, CA 95814-5512

DOCKET

08-ALT-1

DATE FEB 26 2009

RECD. FEB 26 2009

Subject: Docket number 08-ALT-1, Advisory Committee Meeting

Dear Mr. Boyd and Ms. Douglas,

Hyundai and Kia are very active in hydrogen fuel cell development within California. In 2001, Hyundai started testing its first-ever U.S. hydrogen fuel cell vehicle and continues to develop and refine its technology. Since 2004, Hyundai and Kia have deployed dozens of vehicles in California, as part of U.S. Department of Energy's demonstration program.

With that said, hydrogen fuel cell vehicles are beginning the transition from current demonstration programs to an early commercial market. Hyundai and other automakers collectively plan to place about 4300 passenger vehicles in California by 2014, and 50,000 vehicles by 2017. Our customers driving these vehicles need convenient hydrogen fuel stations located within their communities. Hyundai and Kia fully endorse the plan put forth by the California Fuel Cell Partnership for funding and deploying hydrogen fuel stations beginning in 2009.

California needs to invest up to \$100 million through 2012 to support the early hydrogen fuel stations needed to fuel thousands of vehicles coming to California through 2014. We must start immediately with approximately \$40 million in 2009 and 2010 to fund and place the first 20 stations in early market communities in California.

Hydrogen and fuel cell vehicles will also bring jobs and create business opportunities in California. A 2008 U.S. Department of Energy report^[1] projects that the United States will see 375,000-600,000 net new jobs from hydrogen, many from the high-tech sector, but also in automobile sales and service, construction of stations and manufacturing of equipment. Overall, the report projects that California could see up to 25,000 new jobs by 2050 compared to the all-gasoline scenario.

Regards,

Tae Won Lim, Ph.D.
Director, Fuel Cell Vehicle Group
Eco-Technology Center
Corporate R&D Div. for Hyundai Motors and Kia Motors

^[1]Effects of a Transition to a Hydrogen Economy on Employment in the United States
http://www.hydrogen.energy.gov/pdfs/epact1820_employment_study.pdf