

DAIMLER

February 27, 2009

Commissioners James D. Boyd and Karen Douglas
California Energy Commission
Dockets Office, MS-4
Re: Docket # 08-ALT-1 – AB 118 Program
1516 Ninth Street
Sacramento, CA 95814-5512

DOCKET	
08-ALT-1	
DATE	FEB 27 2009
RECD.	FEB 27 2009

Dear Commissioners Boyd and Douglas:

Daimler AG has spent many years developing and deploying our A-class hydrogen fuel cell vehicles (FCVs) in California. At present, we plan to deploy our new B-Class F-Cell vehicle in Southern California, the Bay Area and Sacramento starting in 2010. Our plan is to grow a consumer fleet around the hydrogen fueling network that is the subject of the California Fuel Cell Partnership's hydrogen infrastructure "Action Plan."

Hydrogen fueling infrastructure is the key to the commercialization of FCVs. Daimler views this technology as the most promising option for emission-free mobility and as one that will be competitive with conventional vehicles in every respect. We have invested more than \$1 billion in our fuel cell program and plan to financially support the consumer development phase of the technology for the several years it will take to mature. Daimler concurs with the experts who believe that a widespread adoption of advanced vehicle technologies which includes fuel cells will be required to meet the State's 2050 goals.

Daimler fully supports the plan put forth by the California Fuel Cell Partnership for funding and deploying hydrogen fuel stations beginning in 2009. Collectively, the automakers plan to place about 4,300 passenger vehicles in California by 2014, and some 50,000 FCVs by 2017. As explained to CEC in a meeting on February 19th, Daimler has a significant share in these vehicle numbers.

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.

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If California intends to continue its pioneering efforts to reduce greenhouse gases and promote alternative technology automotive powertrain development, it must support this vital fueling infrastructure. While it is our strongest desire to continue FCV development in California, absent serious government financial commitment to fueling infrastructure, our most logical route for continued FCV development will have to be through Europe.

Daimler is ready to take the next step toward a commercial market for fuel cell vehicles in the State of California. Government investment is critical to the success of this next phase of deployment.

Yours Sincerely,



Dr. Christian Mohrdieck
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