

DOCKET

08-ALT-1

DATE April 20 2009

RECD. April 21 2009



HYUNDAI · KIA MOTORS

April 20, 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

Subject: Docket number 08-ALT-1

Dear Mr. Boyd and Ms. Douglas,

In reviewing "INVESTMENT PLAN FOR THE ALTERNATIVE AND RENEWABLE FUEL AND VEHICLE TECHNOLOGY PROGRAM", DRAFT COMMITTEE REPORT, dated March 2009, Hyundai and Kia are encouraged by CEC's recommendation to allocate \$40 million for hydrogen fuel stations in California over the next two fiscal years. This funding provides the initial and critical hydrogen infrastructure necessary to support the growing fleet of fuel cell vehicles in California, but continued funding will be vital to meeting our plans for deploying fuel cell vehicles to customers in the next five years.

Government needs to invest up to \$120 million through 2012 to support the early hydrogen fuel stations needed to fuel thousands of vehicles coming to California through 2014. The \$40 million CEC allocated in 2009 and 2010 to fund and place the first 20 stations in early market communities in California is a good start, and Hyundai & Kia encourage continued investment from the State of California and the US government through 2012.

Hydrogen fuel cell vehicles are beginning the transition from current demonstration programs to an early commercial market. Hyundai, Kia 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.

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.

Regards,

A handwritten signature in blue ink, appearing to read 'Lim Tae Won', enclosed in a blue circular scribble.

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