

DRIVING FOR THE FUTURE

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> > Chrysler Daimler GM Honda Hyundai Nissan Toyata Volkswagen

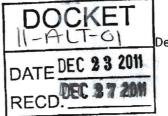
Automotive Fuel Cell Cooperation

Chevron

Cal/EPA Air Resources Board California Energy Commission South Coast AQMD U.S. Department of Energy U.S. Department of Transportation U.S. Environmental Protection Agency

> AC Transit Air Liquide Air Products Ballard Power Systems CA Dept of Food and Agriculture ITS-UC Davis Linde North America, Inc, NFCRC-UC Irvine NREL Powertech Labs Praxair Santa Clara VTA SunLine Transit Agency

California Energy Commission 1516 Ninth Street Sacramento CA 95814-5512



December 23, 2011

Re: 2012-2013 Investment Plan for the Alternative and Renewable Fuel and Vehicles Technology Program Docket number 11-ALT-1

CEC Commissioners and staff:

The California Fuel Cell Partnership commends CEC on the extensive work dedicated to the previous investment plans and the execution of AB118 as a whole. Particularly, we greatly appreciate the support for hydrogen fueling networks, which will lead the way to customer acceptance and the early commercialization of FCVs. Likewise, we recognize CEC's crucial role in the development of associated standards through work with the California Department of Food and Agriculture Division of Measurement Standards.

We offer our support and the following general comments to assist the development of the next investment plan, in an effort of continued collaboration for the successful rollout of early commercial FCVs.

Future investment plans should focus on developing an early commercial infrastructure to support the emerging FCV market. Multiple automakers have publicly stated 2015 will be the initial commercial launch. Regional and destination network coverage with hydrogen stations meeting specific performance requirements will be the highest priority to enable the full FCV driving capability commercial customers will demand.

To achieve this network coverage while balancing limited resources, CaFCP's automaker members have begun to identify priority areas requiring new or additional hydrogen infrastructure. These areas include further development of previously identified primary markets while simultaneously expanding the network. Results of this analysis should be publicly available in early 2012.

We believe the \$18.7 million investment toward the hydrogen fueling network from the upcoming PON could allow for an additional 10-15 stations statewide, significantly adding to the planned, in development and existing public hydrogen stations in California. We suggest the 2012-13 Investment Plan provide at least \$10 million to continue the development of the California hydrogen network and lay the foundation for a successful commercial launch of fuel cell vehicles in 2015.

In addition to network coverage, it is essential that stations be rated on their technical performance merits to satisfy customer needs. Namely, that fuel is readily available 24/7 and vehicles can be filled within an acceptable time. To understand this we recommend that CEC staff continue their collaboration with the automakers to develop performance standards that address real-world fill times, number of fills,

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scalability, fueling agreements and overall station design. Station performance is as crucial to customer satisfaction as coverage, and we offer CaFCP support to CEC to address these parameters.

CaFCP and its members, including CEC representatives, are currently working on a more detailed 2015 market launch plan that includes developing sufficient market coverage to enable consumer choice for fuel cell vehicles and mechanisms for transitioning to a self-sustaining, privately funded station network. Continued CEC leadership and AB118 support will keep California a world leader in fuel cell vehicles – driving towards the goals of AB 32 and launching a significant new market for non-petroleum alternative fuels.

Thank you for the opportunity to provide comments.

Sincerely,

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Bill Elrick Technical Program Director California Fuel Cell Partnership