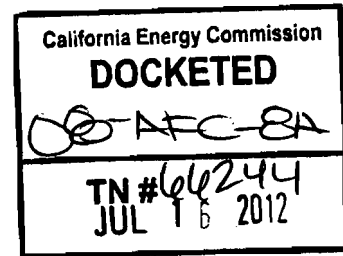




July 12, 2012

Public Informational Session Comments
Hydrogen Energy California (HECA)
Amended Application for Certification
U.S. Department of Energy
California Energy Commission
Elk Hills School
501 Kern Street
Tupman, CA 93276



COMMENTS

The Kern County Taxpayers Association (KernTax) was established in 1939, as a member-supported, non-partisan, 501(c) 4 non-profit corporation, whose purpose is to bring about, through cooperative effort and communication, greater economy, efficiency, and effectiveness in government, basing its recommendations upon the analysis of facts obtained through research. Being non-partisan, KERNTAX is politically independent, viewing matters and policies in an objective, impartial manner, and taking positions based on the Association's adopted principles. For seventy-three years, KernTax has had only one bias, protecting the interests of Kern County taxpayers.

Kerntax has made the following findings after researching the Hydrogen Energy California Project, proposed for rural Kern County, near Tupman, CA:

- The HECA project will use demonstrated technologies to convert fossil fuels into clean burning hydrogen. This hydrogen-rich fuel will be used to generate 405 MW (megawatts) of low-carbon electricity and manufacture fertilizer to be used by California agriculture.
- All water, used by the project, will be brackish ground water supplied by the Buena Vista Water Storage District and after use, will be treated on site and reused by the project.
- The project will use Best Available Control Technologies to achieve minimal air emissions.
- Economic benefits of the project will include an investment of \$3.5 billion dollars, which will create 2,000 construction jobs and close to 200 permanent operational jobs.
- The Project is expected to pay \$35 million in local property taxes annually to support local government services.
- The proposed site is an ideal location:
 - Adjacent to existing oil field reservoirs for enhanced oil recovery and CO₂ storage.
 - Existing electric transmission lines and substations are nearby.
 - Production of petroleum coke by-product is nearby.
 - Pipeline corridors already exist.

Based on these conclusions, KernTax supports the HECA Project, as presented.

Michael Turnipseed

Michael Turnipseed
Executive Director