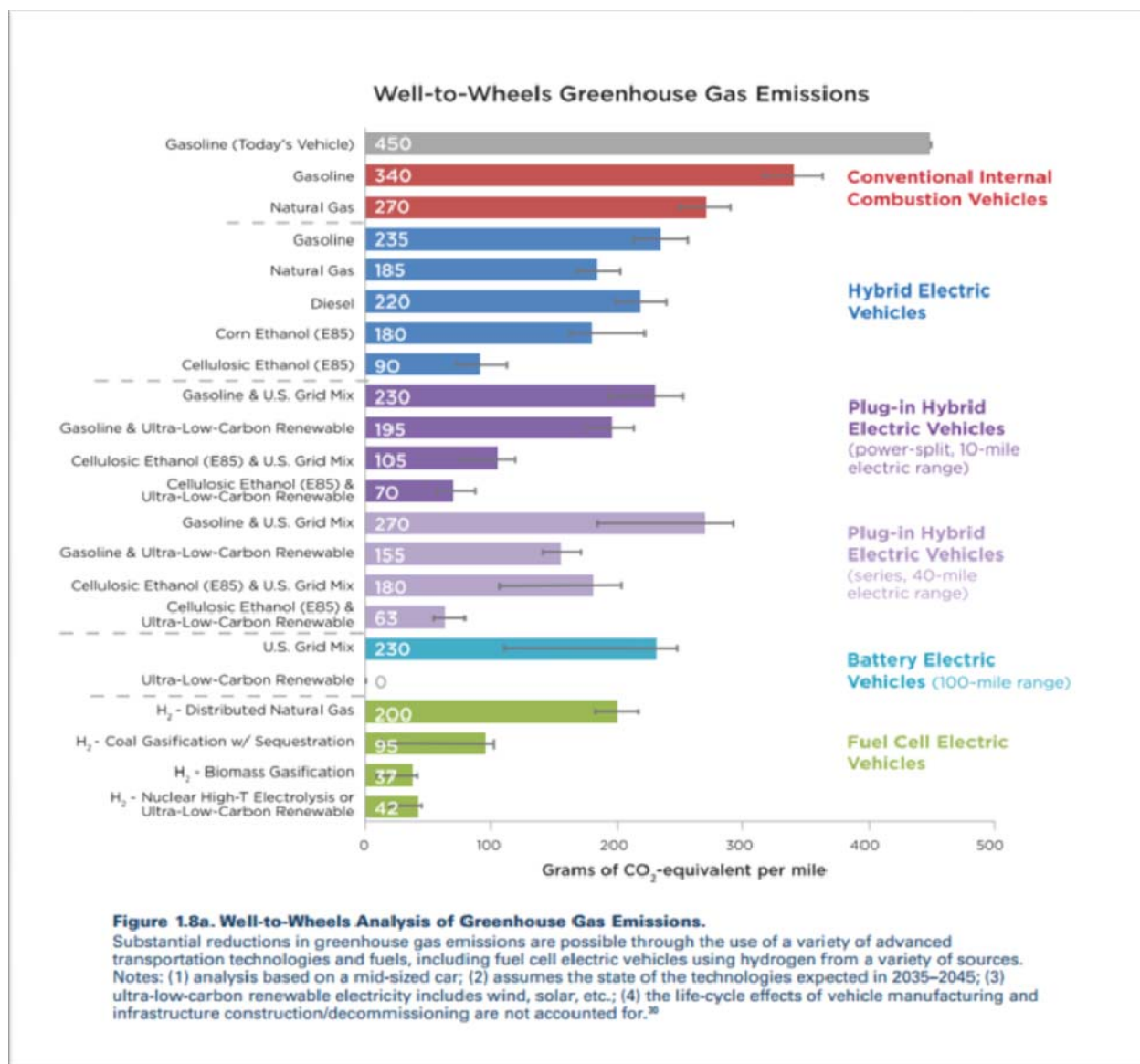


Ref# Docket Number 12-HYD-1 Hydrogen and Transportation.

We would like to thank the CEC and their staff for their commitment to fairness by giving us the opportunity to voice our opinion through this docket and through the workshops held in the past two months. It is a tall effort you are undertaking and we appreciate the difficult decision you will have to make. Below is a summary of recommendation for your consideration that were not emphasized during the workshops.

- While it is understood that hydrogen fueling station network development and coverage is important, an important goal for the hydrogen economy is to create a distributed and green network of energy storage/production. This can only be produced by renewable and green sources such as Wind, Solar Energy and tidal (to name a few). Not including some funding specifically for stations utilizing technology that takes advantage of green technology is a disagreement of the spirit of hydrogen economy and to some extent AB32. It is understood that green hydrogen production is more costly than traditional methods of generating hydrogen (Fossil fuel reforming). However an allocation of 30% to sustainable green (none GHG emitting) hydrogen production would still allow the CEC to accomplish its objective of 15-20 stations for the given \$30million.
- Station diversity is paramount. Throughout the years upcoming to this solicitation there have been technology issues with every station equipment provider. Stations where shutdown, in some instances, for months at a time. This will not change in the next few years as many station providers are innovating new technology. This is an especially important fact. If the funding structure continues along previous paths we will see more of the same, where the majority of the station, are given to one or two applicants. If diversity is not considered through capping the funding to a single technology/applicant, the risk of leaving consumer stranded will be increased. Capping the funding for a single applicant in a geographical area would reduce that risk tremendously.
- Lease vs Permanent Installation. CEC should give preference to those projects that are permanent in nature and add permanent value to location where it is installed. Stations that are leased to the end user or are not permanent in nature should be price matched to a lesser extent.

- We would like to note that fuel cell vehicles fueled by reformed natural gas has a well-to-wheels green house emissions similar to that of a hybrid gasoline vehicle as seen in the chart below from the DOE.



- Source: Page 21 http://www1.eere.energy.gov/hydrogenandfuelcells/pdfs/program_plan2011.pdf