California Energy Commssion
DOCKETED
12-ALT-02
TN # 68912
DEC 18 2012

December 18, 2012

California Energy Commission
Dockets Office, MS-4
1516 Ninth Street
Sacramento, CA 95814-5512
docket@energy.ca.gov

Re: Docket Number 12-ALT-02

Dear CEC Commissioners and Staff,

Thank you for the opportunity to comment on the 2013-14 Draft Investment Plan Update for the Alternative and Renewable Fuel and Vehicle Technology Program. Energy Independence Now recognizes the monumentally difficult task of divided a relatively small pot of money among a wealth of qualified investment options. We commend staff for their presentation of what we believe is a well thought out plan that balances the near, mid and long-term needs of the state.

At the Advisory Committee meeting earlier this month, the Hydrogen section attracted considerable interest from the committee. We strongly believe that directing $20 million to hydrogen in this investment cycle is the right decision for a number of reasons:

1. The combination of plug-in EVs and hydrogen FCEVs give the State the greatest potential to meet mid and long-term climate and air quality goals. State investment in infrastructure is absolutely critical for these early market technologies to mature to commercial viability.

2. The private market is not currently in the position to take the lead investment in hydrogen infrastructure. However, significant profit potential exists once the market gets established.

3. Automakers are currently deciding production volumes for FCEVs for the 2015 commercial push, and where in the world they want to deploy them. Without a strong signal from the state, we risk significantly delaying FCEV deployment in California. The planned investment sends the signal to automakers that California is serious about developing the FCEV market.

4. The California Fuel Cell Partnership Roadmap clearly establishes the need for 68 stations to launch the commercial market. Without this minimal coverage, FCEV sales would fall well short of their potential. The 2013-14 allocation pushes the state closer to 68 stations, allowing automakers to plan vehicle placements in California.

5. The more quickly we establish the core network of 68 stations, the better the business case and value proposition becomes for all parties. This core network will

www.einow.org
714 Bond Avenue Santa Barbara, CA 93103 805.899.3399 Fax 805.899.3388

enlarge the ZEV market by enabling consumers to consider a FCEV for their next vehicle. With increased FCEV production and sales, cars become cheaper, stations more profitable, and the need for public funding decreases.

We are happy to talk about this in more detail and look forward to continuing to working with the CEC to ensure the continued success of this program. Again, we commend staff on an excellent job on this draft, and look forward to reviewing the next iteration.

Sincerely,

Tyson Eckerle
Executive Director
ARFVT Advisory Committee Member

www.einow.org
714 Bond Avenue Santa Barbara, CA 93103 805.899.3399 Fax 805.899.3388