

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA



Order Instituting Rulemaking to Establish
Energization Timelines.

R.24-01-018

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CALIFORNIA HYDROGEN BUSINESS COUNCIL OPENING COMMENTS

February 20, 2024

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Pursuant to Rule 6.2 of the California Public Utilities Commission’s (Commission) Rules of Practice and Procedure, the California Hydrogen Business Council (CHBC)¹ respectfully submits the following opening comments on this Order Instituting Rulemaking to Establish Energization Timelines.

The CHBC is comprised of over 130 companies, agencies, and individuals involved in the business of hydrogen. Our mission is to educate the public on the substantial benefits of hydrogen and to develop and advance policy positions that support the commercialization of hydrogen in the energy and transportation sectors to achieve California’s climate, air quality, and decarbonization goals.

California has been pursuing aggressive goals for Zero Emissions Transportation through various Zero Emission Vehicle (ZEV) regulations, including Advanced Clean Fleets (ACF), Advanced Clean Trucks (ACT), Innovative Clean Transit (ICT), and Advanced Clean Cars 2 (ACC2) regulations.² Governor Gavin Newsom accelerated California’s transition to ZEVs by issuing the Governor’s Executive Order N-79-20 (EO).³ Due to the fact that half of all of California’s carbon pollution – 80% of smog-forming pollution and 95% of toxic diesel emissions – is from the transportation sector, the EO called for the California Air Resources Board (CARB) to

¹ CHBC’s website is located at <http://californiahydrogen.org/>

² The California Air Resources Board’s (CARB) program links are as follows, Advanced Clean Fleets: <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-fleets>, Advanced Clean Trucks: <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-trucks>, Innovative Clean Transit: <https://ww2.arb.ca.gov/our-work/programs/innovative-clean-transit/ict-regulation>, Advanced Clean Cars 2: <https://ww2.arb.ca.gov/our-work/programs/advanced-clean-cars-program/advanced-clean-cars-ii>.

³ EO N-79-20 is located at <https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-Climate.pdf>.

develop regulations to require, by 2035, 100% of in-state light-duty vehicle sales, as well as operations for drayage trucks and off-road vehicles and equipment, be ZEV. Additionally, by 2045, 100% operations for medium- and heavy-duty vehicles, where feasible, must be ZEV.

The original transportation electrification proceeding (R.18-12-006) included in its scope issues related to rate design for hydrogen- and ZEV-fueled vehicle adoption.⁴ Most of these issues still need to be resolved, and although state leadership widely recognizes hydrogen refueling infrastructure as essential to achieving the state’s ZEV and climate goals, California has not yet adopted streamlined, cost-effective, energization strategies and other electricity-system related policies to support hydrogen refueling facilities that are equivalent or analogous to those that have been adopted to successfully support battery electric vehicle charging infrastructure. We therefore encourage the Commission to take the opportunity presented by this current proceeding to examine these important matters.

Rulemaking 24-01-018 sets out to establish reasonable average and maximum target energization time periods. One of this Rulemaking’s main objectives in achieving California’s carbon neutrality goal of 2045 is to, “require electrifying the transportation and building sectors... establishing energization timelines to support these efforts by providing visibility and predictability to the process of connecting homes, electrical vehicle charging stations, and businesses to the grid”⁵. As described above, ZEVs are not only comprised of battery electric vehicles (BEVs), but also hydrogen fuel electric vehicles (FCEVs), and thus refueling infrastructure for both types of ZEVs need to be treated equitably with regard to energization timelines and electricity rates.

Hydrogen refueling stations are a pillar to California’s clean transportation policies, underscored by the recent California Energy Commission funding allocation of \$1.02 billion for both

⁴ R.18-12-006, *Assigned Commissioner’s Scoping Memo and Ruling*, Section 2.3, “Topic 3 Rates for ZEVs and Hydrogen Fueled Vehicles”, p. 5, May 2, 2019, at <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M285/K712/285712622.PDF>.

⁵ CPUC News Release on the OIR: <https://www.cpuc.ca.gov/news-and-updates/all-news/cpuc-starts-work-to-establish-customer-energization-timelines-2024>.

hydrogen and electric zero emissions truck infrastructure,⁶ and Governor Newsom’s recent call for a state Hydrogen Market Strategy to develop renewable clean hydrogen as “an essential aspect of how we’ll power our future and cut pollution,” including in the transportation sector.⁷ The CHBC asserts that in line with California state agency and executive support for hydrogen transportation as an essential solution to achieve the state’s aggressive greenhouse gas and criteria pollutant emission reduction goals , the Commission is compelled to be equally focused on the electricity infrastructure, planning and rates needed to promote both hydrogen refueling stations and battery electric charging stations in the medium- and heavy-duty transportation sector.

As such, the CHBC requests that the CPUC expand the scope of this Rulemaking to be inclusive of hydrogen refueling stations, in addition to electric vehicle charging stations, to support the decarbonization and ZEV goals as described above.

Dated: February 20, 2024

Sincerely,

/s/

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⁶ CEC announcement: <https://www.energy.ca.gov/news/2024-02/cec-approves-19-billion-plan-expand-zero-emission-transportation-infrastructure>.

⁷ Gov. Newsom announcement on New Strategy to Develop a Hydrogen Economy of the Future: <https://www.gov.ca.gov/2023/08/08/governor-newsom-announces-new-strategy-to-develop-a-hydrogen-economy-of-the-future/>.