



July 8, 2026

The Honorable Nancy Skinner
Commissioner, California Energy Commission
715 P Street
Sacramento, CA 95814

RE: Comments of the California Hydrogen Coalition on the 2026–2027 Investment Plan Update for the Clean Transportation Program Following the June 30, 2026 Advisory Committee Meeting (Docket No. 26-ALT-01)

Dear Commissioner Skinner,

Introduction and Summary of Recommendations

The California Hydrogen Coalition (CHC) appreciates the opportunity to provide these comments following the June 30, 2026 meeting of the Advisory Committee for the Clean Transportation Program Investment Plan. CHC previously filed written comments on the Staff Draft on May 22, 2026, and provided oral comment at the June 30 meeting. The mission of CHC is to enable California's transition to zero emission vehicles by expanding the availability of reliable, convenient, and affordable hydrogen fueling to support the state's emission reduction goals. CHC represents companies across California's hydrogen value chain, from production and distribution through refueling infrastructure to vehicle deployment, including the operators of all but a handful of the publicly available hydrogen refueling stations in the state and the vehicle manufacturers providing fuel cell electric vehicles (FCEVs) to California consumers and fleets.

CHC supports adoption of the 2026–2027 Investment Plan Update as modified and presented at the June 30 meeting. The modifications staff presented, and the proposed funding allocations, reflect careful consideration of a large and varied comment record, and they position the Clean Transportation Program to sustain California's zero-emission trajectory through a period of significant federal policy disruption. CHC offers four recommendations for the Lead Commissioner Report and the final Commission Report:

1. Carry forward the hydrogen infrastructure modification presented on June 30, which continues support for hydrogen refueling infrastructure across all vehicle classes and adds emphasis on performance and utilization at existing stations, into the Lead Commissioner Report and the final Commission Report without narrowing.
2. Decline the requests made during the June 30 meeting to restrict the hydrogen-specific allocation to medium- and heavy-duty applications. Retain the \$15 million per year hydrogen-specific allocation, available across all vehicle segments as the Legislature provided, through Fiscal Year 2028–2029.
3. Ensure that neither the Lead Commissioner Report nor the record before the Commission at the August 12 business meeting characterizes hydrogen market demand based on the preliminary subscription status of the Hydrogen Infrastructure Project Opportunity (HIPO) solicitation, which closes on July 20, 2026, after the Lead Commissioner Report is expected to publish.

4. Within the workforce training and development allocation, dedicate a portion of funding to hydrogen safety training and align infrastructure maintenance training with the zero-emission vehicle maintenance curriculum now operating in the California Community Colleges.

Each recommendation is discussed below.

The Hydrogen Modification Is Well Founded and Should Carry Forward Without Narrowing

Staff's June 30 presentation described the hydrogen modification as continuing support for stations across all vehicle classes, with an added emphasis on improving performance and utilization at existing stations to increase reliability and access for current hydrogen drivers and fleets. Staff further observed that as the market grows, reliability and coverage become as important as building new stations. CHC strongly agrees, and thanks the Commissioner's Office and staff for their engagement with the Coalition on this point, including the addition of utilization improvements, trailer and equipment upgrades, and the return of temporarily nonoperational stations to service as recognized priorities.

Utilization-focused investment is the highest-leverage use of hydrogen dollars in the current environment. Every temporarily nonoperational station returned to service restores coverage for existing drivers at a fraction of the cost of new construction, improves the customer experience that drives FCEV demand, and de-risks the private follow-on investment in components, safety upgrades, and station modernization that CHC members are actively making. A station that is intermittently unavailable damages consumer confidence across the entire network, regardless of how many other stations are functioning normally. The modification correctly treats network reliability as infrastructure investment, not merely operating support.

CHC also notes that the California Air Resources Board stated on the record at the June 30 meeting that CARB staff reviewed the proposed updates, support them, and find the proposed split of funding allocations across the Clean Transportation Program categories for Fiscal Year 2026–2027 to be appropriate. The state's lead agency on zero-emission vehicle deployment has endorsed both the modifications and the allocations. CHC requests that the hydrogen modification language be carried into the Lead Commissioner Report and the final Commission Report as presented, without narrowing by vehicle class or otherwise.

The June 30 Record Does Not Support Restricting the Hydrogen Allocation to Medium- and Heavy-Duty Applications

Several committee members and public commenters at the June 30 meeting urged the CEC to confine hydrogen funding, and particularly the hydrogen-specific allocation, to medium- and heavy-duty applications. CHC engages with these comments respectfully and directly, because the arguments offered do not withstand examination and should not shape the final plan.

First, the Legislature has already resolved this question. Assembly Bill 126 requires that at least 15 percent of Clean Transportation Program funds be allocated to hydrogen infrastructure across any vehicle segment, and it pairs that floor with a carbon intensity preference, not a weight-class restriction. The requests made on June 30 would have the CEC adopt by administrative practice a limitation the Legislature considered how to structure and did not enact. The Staff Draft correctly states the statutory design, and the Investment Plan should continue to reflect it.

Second, one committee member offered a calculation during the meeting suggesting that dedicated light-duty hydrogen funding equates to roughly \$1,776 per fuel cell vehicle currently registered in California, against roughly \$25 per battery-electric vehicle, and characterized the allocation as a

misallocation of public funds. The commenter invited correction, and CHC accepts the invitation, because the calculation is mistaken in three independent ways.

The figure at issue, up to \$21.2 million within the \$45 million HIPO solicitation, is a ceiling within a competitive grant solicitation, not a per-vehicle subsidy. It funds refueling infrastructure with a service life measured in decades, serving current vehicles, future vehicles, and, under the shared-station approach staff described on June 30, medium-duty vehicles as well. Dividing an infrastructure ceiling by the count of vehicles registered today measures nothing about the value of the investment.

More fundamentally, dollars per currently registered vehicle is a metric that condemns every early-stage network by construction. Applied to the CEC's own light-duty charging investments of 2012 through 2014, when the state was funding public chargers against a battery-electric population a small fraction of today's, it would have produced per-vehicle figures of the same order as those quoted at the meeting. The battery-electric comparison figure appears small today only because the vehicle population is large after fifteen years of sustained public infrastructure investment. That is not an argument against hydrogen investment; it is a demonstration of what sustained infrastructure investment accomplishes. As another commenter noted on June 30, fuel cell commercialization trails battery-electric commercialization by roughly a decade, and the like-for-like comparison is to charging investment at the equivalent stage of market development.

The calculation also isolates a single line of a single program. Light-duty charging receives \$48 million in Clean Transportation Program funds in Fiscal Year 2026–2027 alone, alongside CPUC transportation electrification programs, settlement funds, the federal NEVI program, and Title 24 EV-ready building requirements. No streams of comparable scale flow to hydrogen refueling. As CHC detailed in its May 22 comments, cumulative public ZEV infrastructure commitments through Fiscal Year 2022–2023 totaled approximately \$7.4 billion, of which hydrogen received approximately \$262 million, about 3.5 percent. The AB 126 hydrogen floor is the Legislature's corrective for that asymmetry, and the per-vehicle framing inverts the actual distribution of public support.

Third, to the extent commenters observed that light-duty FCEV registrations have softened, the record supports attributing that softening to station availability and delivered fuel cost, which are precisely the conditions the performance and utilization modification addresses. The observation is an argument for the modification, not against the allocation.

Finally, the light-duty and medium-duty markets are inherently intertwined, a point CHC raised in oral comment on June 30. Most contractors and small fleet operators bring their vehicles home at the end of the day. Publicly available stations sited in communities serve both light-duty drivers and medium-duty vehicles, and corridor stations serve heavy-duty fleets alongside light-duty travelers. Staff's continued encouragement of multi-class station accessibility reflects this reality. Restricting the hydrogen allocation to medium- and heavy-duty applications would fragment a network whose economics depend on serving demand across weight classes, and would strand the state's prior investment in the light-duty network at exactly the moment the modification aims to improve its performance.

HIPO Subscription Status Should Not Be Read as a Demand Signal During This Approval Cycle

The sequencing of this year's process deserves explicit attention. The Lead Commissioner Report is expected to publish in July 2026. The HIPO solicitation closes on July 20, 2026, and the CEC business meeting is scheduled for August 12, 2026. Application evaluation and any notice of proposed awards will follow the close. As a result, no meaningful subscription or award information for the state's principal hydrogen-specific solicitation will exist when the Lead Commissioner Report is drafted, and only preliminary information will exist at the business meeting.

CHC requests that neither the Lead Commissioner Report nor the final Commission Report characterize hydrogen market demand, or the prospects for the hydrogen-specific allocation, based on pre-close or immediately post-close information about HIPO. CHC members are actively assembling applications involving multi-party arrangements among station operators, vehicle manufacturers, and offtake customers. The pace of partnership assembly during a period of federal disruption reflects transaction timing, not the absence of project demand. CHC appreciates the extension of the HIPO deadline to July 20, which materially improved applicants' ability to complete these arrangements.

Consistent with its May 22 comments, CHC further requests that any future determination to reallocate hydrogen-specific funds rest on completed solicitation results across a full cycle, and be preceded by a documented determination that undersubscription is not attributable to remediable features of solicitation design, consultation with the hydrogen industry on whether redesign or extension would close the gap, and a docketed public finding. A multi-year carryforward within the hydrogen line item remains the mechanism most consistent with the statutory floor and with the multi-year development timelines of hydrogen infrastructure projects.

Workforce: Dedicate a Portion of Funding to Hydrogen Safety Training and Leverage the Community College Curriculum

CHC supports the plan's continued emphasis on coordinated workforce training and development, and notes the convergence at the June 30 meeting between transit sector and hydrogen sector committee members on a specific gap: hydrogen safety training for the operators, maintenance teams, and emergency responders working with expanding hydrogen technologies and fueling infrastructure. CHC supports the recommendation made at the meeting that the Commission dedicate a portion of the workforce allocation, commenters suggested up to \$500,000, to statewide hydrogen safety training delivered by recognized hydrogen safety authorities, with in-person sessions accessible in metropolitan regions and in the rural areas where transit agencies are deploying fuel cell technologies.

CHC also encourages the CEC to align infrastructure maintenance training investments with the zero-emission vehicle maintenance curriculum now operating in the California Community Colleges. That curriculum began at Fresno City College with the partnership of Valley Clean Air Now and financial support from CHC members, is now offered at eight community colleges, and is expanding to ten more, including colleges in Los Angeles, later this year and early next year. Committee members advised on June 30 that workforce funds should expand existing programs that are already doing the work rather than recreating them, and that certificates should lead to real jobs. Low-cost certification through the community college system meets both tests, and pairing vehicle maintenance training with station and charging infrastructure maintenance training through the same institutions would extend a proven model.

Conclusion

The premise of CHC's May 22 comments holds with greater force after the June 30 meeting: the present period of federal regulatory and funding disruption is transient, industry investment in fuel cell vehicles, station upgrades, and renewable hydrogen production in California is continuing, and pre-positioned, reliable refueling infrastructure will be the binding constraint on deployment when regulatory certainty returns. The modifications presented on June 30 are the right response to that environment. They protect the state's existing station network, maintain a durable three-year hydrogen commitment, and preserve the flexibility of a multi-class network.

CHC supports adoption of the 2026–2027 Investment Plan Update as modified and respectfully requests that the Lead Commissioner Report and final Commission Report carry the hydrogen modification

forward without narrowing, decline the invitation to restrict the hydrogen allocation by weight class, and reserve any judgment about hydrogen demand for completed solicitation results. We thank Commissioner Skinner, the Commissioner's Office, and the Fuels and Transportation Division staff for their engagement with the Coalition throughout this process, and we are available to provide additional detail on any of these recommendations at the Commission's request.

Respectfully submitted,

/s/

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California Hydrogen Coalition