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California Hydrogen Car Owners Association (CHCOA) Proton Monthly – December 2023

December 31, 2023

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Happy Season to All and Best Wishes for a Great 2024!

In this final issue of 2023, we are happy to say that we believe things are looking up for 2024. Why? Let's review a bit of what happened in the LD-FCEV world in 2023:

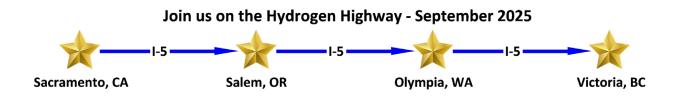
- Go-Biz has made very good progress on SB 1291 (Archuleta).
 Recall that SB 1291 streamlines the permitting of hydrogen fueling stations in jurisdictions around the State;
- CEC held a joint meeting with CARB and Go-Biz on Nov. 6 to discuss FCEV customer experience;
- CEC announced in November the availability of almost \$11,000,000 in grant funds for Operations and Maintenance projects for hydrogen fueling stations;
- The Dec. 3rd Town Hall event, moderated by Senator Newman, brought together many FCEV enthusiasts to discuss the future of hydrogen fuel cell cars in California. In follow-up to the meeting discussions, a "<u>next steps</u>" organizational chart was prepared which introduced the CHCOA "Transition Group". The Transition Group will research solutions to the current LD-FCEV issues and advocate on behalf of drivers;
- CARB announced they will be looking at reformulating the Low Carbon Fuel Standard, starting with a <u>meeting in</u> <u>March, 2024</u>;
- All of the HD station developers have committed to including LD dispensers at their stations. And those are just a few of the highlights!

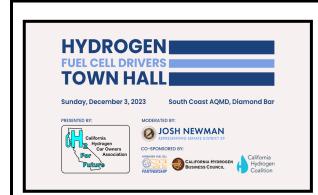
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Included in this issue:

- A brief summary of the successful Town Hall;
- Finishing up our summer spate of interviews, we've included here our informative talk with one of the most influential people in the hydrogen industry: Bill Elrick, Executive Director of Hydrogen Fuel Cell Partnership;
- Plus, after promising to provide a \$500 fuel card for months, we finally held a drawing and are announcing the winner on page 5!

- Greg and Bobbie Cane greg@h2tonps.org or bobbie@h2tonps.org





December 3 Town Hall Event

Many thanks to everyone who was able to attend the December 3rd Town Hall in person and on Zoom! There were approximately 20 people in attendance, and another 18-20 on Zoom. If you were unable to attend in either format, you can see more information about it here. The staff at the South Coast Air Quality Management District were extremely accommodating in allowing us to hold our event at their beautiful facility in Diamond Bar, and assisted us with our audio-visual needs, Zoom, and the recording. State Senator Josh Newman moderated the event, and Brandon Wong, Legislative Aide to the Senator, was instrumental in making the event a success. The Town Hall was co-sponsored by the California Hydrogen Business Council, the California Hydrogen Coalition, and the Hydrogen Fuel Cell Partnership.

One of the real benefits of this event was that many concerned hydrogen car drivers were able to talk face-to face about their shared beliefs in Light Duty Fuel Cell Electric Vehicles (LD-FCEVs), our concerns regarding the status of LD-FCEVs, and our hopes for the future. Most of us had only met through Facebook

and email, so it was wonderful to see so many LD-FCEV enthusiasts all in one place! We have included pictures



throughout this Chow Time at the Town Hall newsletter of the event, thanks to the efforts of CHCOA member Tadashi Ogitsu. In attendance were folks ranging from future owners of FCEVs to seasoned owners of many years. Also included in the audience were LD-FCEV drivers who



worked in the H₂ industry. Senator Newman deftly answered questions from the audience, while also addressing questions from

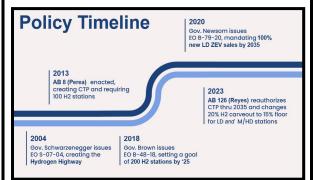
State Senator Josh Newman

Zoom participants.

We started with frustrations:

- There are not enough fueling stations, especially in some areas of the State;
- Stations are unreliable; there are too many breakdowns or days when there is no fuel;
- The Station Operational Status System app (SOSS) is not always accurate and doesn't contain enough information;
- The price of H₂ fuel has skyrocketed with the average price now higher than \$30/kg, we are paying the equivalent of more than \$18/gal of gasoline, which is clearly unsustainable;
- Due to some of the issues above, the value of these cars has declined considerably.

We moved on to a brief history of H₂ legislation in CA

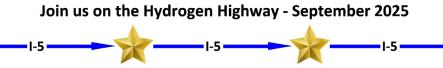


Slide – History of H₂ Legislation in CA

Olympia, WA

followed by a discussion about the various roles of government entities involved in hydrogen – California Air Resources Board (CARB), the California Energy Commission (CEC), Governor Newsom's Go-Biz Office, and the California Legislature. All of this was valuable information for us to begin to

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Sacramento, CA

Salem, OR

Some Answers to Many of the "Whys" of What's Going On



An Interview with Bill Elrick



We felt very privileged to be able to sit down last August and talk with Bill Elrick, Executive Director of Hydrogen Fuel Cell Partnership (H2FCP). H2FCP is a collaboration between industry and government aimed at expanding the market for fuel cell electric vehicles. He received his undergrad degree from the University of Indiana, and a master's degree in urban and regional planning from Ball State University. Bill has over 25 years of experience in the alternative fuel transportation industry and is a member of the influential CEC Clean Transportation Advisory Committee. Bill drives the company Nexo.

With all the issues surrounding the future of fuel cell cars, we had lots of questions for Bill, and he was very



forthcoming with his answers. While he has a very positive outlook on the future of light-duty (LD) FCEVs, he acknowledges that we are going through a rough patch right now. Fuel

prices are high, and station numbers are not increasing as fast as was anticipated. Nor are they as reliable as had been envisioned.

Bill admitted that hydrogen vehicles are a "victim of their own success". Too many cars have been sold for the number of available fueling stations. In addition, the original stations were built, "small & cheap, rather than large at a higher cost" and now they are having problems that were not expected. While the stations were built in accordance with the codes of their time, time has found those codes wanting. Stations are fueling hundreds of cars a day now rather than tens a day, with previously designed stations and standards.

We asked him about the perceived "push-back" from BEV's and environmentalists, and he readily agreed that there is some of that going on. Some environmentalists tend to be anti-hydrogen, because they perceive that it promotes the oil & gas industry. He acknowledges that currently much of the hydrogen we use is produced from fossil fuels, but that won't be the case in the future.

A BEV vs FCEV rivalry also seems to be real; much of the public doesn't believe that FCEVs are part of the future, but they do believe BEVs are. He agrees that we need a prominent and trusted spokesperson – someone preferably in the Federal or State government. If the spokesperson says, "We're going to do this", industry and government leaders will join in, and the rest will more easily fall into place and become part of our overall ZEV solution set.

In addition, somehow in people's minds FCEVs are required to use 100% renewable energy, right from the start, but BEVs have been given a pass on currently being green. (*ed., The California grid*

We need to change the public perception.

FCEVs <u>are</u> an integral part of the green energy future, just like BEVs.

is currently approx. 60% green.) This FCEV "green from the start" requirement is unrealistic if we want FCEVs to help meet state ZEV and environmental goals in a timely fashion. We need to separate the need for getting as many ZEVs on the road as fast as possible and working to decarbonize both our electricity and hydrogen production systems.

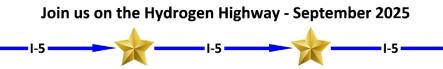
We asked him what else can be done regarding station development. "The market needs visionary goals" for FCEVs, like it does for BEVs. We need "success goals" for all ZEVs across all vehicle sizes (LD/MD/HD). For LD, is it 10 percent? 15 percent? 20 percent? of California's future automobile market? Whatever it is, state the goal emphatically and provide the support needed to achieve it.

Having said that, however, he clarified that a <u>State</u> <u>analysis</u> shows LD-FCEVs can stand on their own with a bit more government funding support. At that point the public subsidies can subside and let market forces drive FCEV adoption.

At the end of our time with Bill, he gave us a copy of the booklet entitled, The <u>California Fuel Cell</u> <u>Revolution</u>,

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Victoria, BC





Salem, OR

Olympia, WA

Elrick (cont.)

which the H2FCP published in 2018. Although now 5 years old, most of it remains relevant to what is happening today. If you have a chance, download and read it.

We went into our interview with Bill with lots of questions about why things are the way they are in today's LD-FCEV world, and came out much more knowledgeable and very appreciative of the work that the Fuel Cell Partnership is doing on behalf of H₂ drivers.

Town Hall (cont.)

understand the complexities of the issues facing LD-FCEV drivers today.

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Matt Miyasato, an FCEV driver who is also the Vice President of Strategic Growth and Government Affairs at First Element Fuel (FEF) (operators of True Zero fueling stations) graciously helped us out with some answers regarding the high H₂ prices:

 FEF has subsidized H₂ since the beginning, but the cratering of the Low Carbon Fuel Standard (LCFS), which is a CEC incentive program that gives credits to station owners for selling low carbon fuels, caused significant challenges for them and for other station owners. FEF was faced with layoffs, closing stations, or raising the price of fuel. In addition, even though the price of natural gas rose, which was another cause of the price of H₂ to go up, the subsequent falling of natural gas prices did nothing to help the high fuel cost. • He believes that CARB will be reviewing the program in the first quarter of 2024, and will hopefully be reformulating it so this won't happen again, but it will take a few months for the changes to be noticed. (CHCOA will be closely monitoring this situation.) In addition to that, CEC is starting a grant program to improve station reliability.

Another encouraging signal at the Town Hall was that there are other companies that are looking to become active participants in the hydrogen industry. Darrell Burns, CEO of NOVO, said the goal of his company is to develop five green H₂ production plants and up to 300 fueling stations across the U.S. in the next decade. This is very encouraging and hopeful news!

The discussion turned to talk about heavy-duty fuel stations, the development of which is far behind light duty. There seems to be some consensus among policy makers that light-duty supports heavy-duty, and



vice versa. Additionally, heavy-duty station developers appear committed to including LD dispensers at

Posters at Event Entry

their stations.

Senator Newman pulled this all together when he declared what we all believe: Fuel Cell Electric Cars are a necessary component of California's overall Zero Emission Vehicle strategy, if we are going to meet Governor Newsom's goal of 100% ZEV sales by 2035. The State of California made a commitment to FCEV drivers, and encouraged investment in fuel cells, but we are now at a precarious point; California has an obligation to make good on their promises. Our goals, therefore, from this Town Hall were two-fold:

- How do we catalyze this community to provide an effective and impactful voice?
- What input can we use for conversations at the policy level?

To that end, Greg, President of CHCOA, introduced the idea of an Advisory Panel. This Panel would be a voice for the drivers in policy decisions regarding LD-FCEVs. The interim plan is to expand the CHCOA board to nine

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Victoria, BC





Salem, OR

Olympia, WA

Page 4

Slide - Agency Roles for LD-FCEVs

Town Hall (cont.)

members and to set up Working Groups in order to research and find solutions to our current problems. (*ed. See Dec. 19 Moving Forward letter to members*) Eventually, the plan is to become an advisory panel of the CEC.

Advisory Panel/Committee (cont.)

Path towards implementation:

- First step, expanded CHCOA Board of Directors
- Prepare legislation to allow Advisory Committee to work as a part of CEC.
- Transition from CHCOA to CEC.

Slide - Advisory Panel/Committee

In addition, Brandon outlined some further ways that FCEV drivers could help now:

- Contact your legislators; try to visit them in person, if possible. There is a lot of misinformation out there regarding hydrogen fuel, both in the public, and in the legislature.
- Commit to becoming more active in policy announcements and legislation, including testifying on new legislation as it comes up at Senate and Assembly committee hearings.
- Add your signature to letters to CEC, and other agencies, as may be prepared by the Senator's office in the future.

We felt that this was a very successful event! Stay tuned for more information in the weeks and months to come as we work together to help California residents and legislators realize that LD-FCEVs are an important and necessary part of the narrative for California's green energy future.



In-Person Attendees

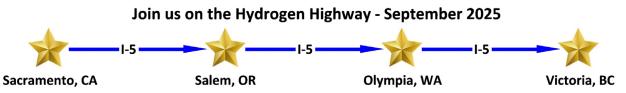
\$500 Fuel Card Awarded



Wong draws winning entry.

In April of this year, CHCOA was pleased to announce that the winner of the 2022 Platinum Proton Award was State Senator Josh Newman. As part of the award, CHCOA promised to provide a \$500 fuel card to a California hydrogen car driver who had run out of their initial fuel card allotment. We know this amounts to only about 3 fill-ups, but it is also an acknowledgement that many, many folks have depleted their cards, largely due to the high cost of H₂ fuel right now.

Before and during the Dec. 3rd Town Hall event, we asked for folks to enter names of either themselves or others they knew of who had run out of their fuel card. In mid-December, we took the jar of entries to Senator Newman's Office in Sacramento for the ceremonial "picking of the winner". (Please see the picture of Brandon Wong, Legislative Aide to Senator Newman, picking the winning entry slip.) And the winner is....Jun Hao! Congratulations Jun!



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