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Assembly California Legislature



EVAN LOW
ASSEMBLYMEMBER, TWENTY-EIGHTH DISTRICT

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May 28, 2019

Mary D. Nichols
Chair, California Air Resources Board
1001 "I" Street
Sacramento, CA 95814

Dear Chair Nichols,

In 2016 I authored Assembly Bill 1637, which extended, expanded and modified fuel cell net metering (FC NEM). Fuel cells are reducing greenhouse gases and toxic air pollutants while also meeting the energy demands of some of CA's most important sectors: hospitals, technology, data centers and manufacturers. In passing AB 1637 the legislature gave its support for the continued growth and advancement of this advanced, clean, resilient technology.

One of the modifications to FC NEM was to require fuel cells installed after the effective date of the bill (January 1, 2017) to meet a strict greenhouse gas emissions (GHG) standard developed by the California Air Resources Board (CARB). This standard is to be an annual standard, the first ever annually adjusting GHG standard in California, that will ensure fuel cell operations are cleaner than the grid as it changes over time.

It has come to my attention that the GHG standard currently under consideration may ignore the fundamental nature of an annually adjusting standard and incorporates assumptions that result in requiring today's installations to be cleaner than projections of future grid emissions. Asking fuel cells to be cleaner than the 2030 grid today is illogical and runs counter to the legislative intent. The legislation was passed to encourage clean fuel cells to be deployed to achieve GHG reductions *today*, and to drive innovation for future GHG reductions as the grid gets cleaner. A proposal that sets an unreasonable benchmark against the projected emissions of a future grid will unnecessarily stifle the fuel cell industry's growth in California and remove an important clean energy technology tool from our toolbox when all are needed to address the ambitious climate and air quality goals we must achieve.

Importantly, AB 1637 was passed in 2016, effective January 1, 2017. A full two years have passed and the GHG standard as not yet been finalized. I kindly ask for your attention to this matter and ensure that the standard that is set meets the intent of this law.

If you have any questions regarding this matter, please feel free to reach out to me or my staff at (916) 319-2028

Sincerely,

A handwritten signature in black ink, appearing to read "Evan Low", with a long horizontal flourish extending to the right.

Evan Low
Assemblymember, 28th District, Silicon Valley

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