Iwatani
Iwatani Corporation of America

April 17, 2025

Ms. Liane M. Randolph
California Air Resources Board
1001 I Street
Sacramento, CA 95814

RE: California Air Resources Board's Potential Changes to the Low Carbon Fuel Standard

Dear Chair Randolph,

Iwatani Corporation of America (ICA) would like to thank the California Air Resources Board (CARB) for the opportunity to comment on the potential changes to the Low Carbon Fuel Standard (LCFS) program. ICA owns and operates a network of hydrogen refueling stations across California and is rapidly expanding to serve the fast-growing hydrogen market in California. Our expansion plans include stations that support a variety of on-road fuel cell electric vehicles in the light-duty, medium-duty, and heavy-duty sectors. Since 1941, Iwatani has regarded hydrogen as the ultimate clean energy source and has consistently engaged in initiatives to encourage its widespread use. ICA is committed to supporting the zero emissions vehicle (ZEV) market by expanding the fueling infrastructure and supplying hydrogen to both light-duty and heavy-duty vehicles. Under the corporate slogan "A world where all enjoy true comfort – this is Iwatani's desire," we strive to solve environmental concerns with the aim of achieving a carbon free society through the use of hydrogen.

ICA greatly appreciates CARB's updated proposed changes, which reflect a thoughtful consideration of feedback from the hydrogen industry. Notably, we commend the removal of the HRI credit generation cap based on station capital expenditure for both the LMD and HD HRI programs, as well as the increase in the derating factor for public HD-HRI from 50% to 62.5%. We believe these revisions enhance the flexibility and predictability of the LCFS program, helping to better incentivize private investment in zero-emission vehicle (ZEV) infrastructure. We respectfully submit the following additional comments for your consideration to further strengthen the program.

ZEV Fueling Infrastructure Pathways

On October 1, 2024, CARB released final modifications to the proposed amendments, increasing the public LMD station HRI capacity factor from 50% to 100%, a change that aligned with public comments from the hydrogen industry. However, in the Proposed Third 15-Day Changes to the Regulation Order, the capacity factor was reduced to 62.5%. This reduction negatively impacts the business case for LMD stations and poses a risk to the growth of the light-duty hydrogen vehicle market. Lowering the capacity factor may also undermine the original intent of the HRI program—to support stations as fleet demand increases over time. We respectfully urge CARB to restore the LMD-HRI capacity factor to 100%, which would strengthen investment incentives and help accelerate the adoption of hydrogen-powered vehicles in California.

ICA does appreciate CARB's efforts to incentivize building stations with the appropriate capacity that can support expanded vehicle volumes over time. We also appreciate the desire to create HRI pathways that support station growth for light-duty, medium-duty, and heavy-duty vehicles. We believe that California's ambitious carbon reduction goals require the rapid expansion of clean fuel infrastructure, including hydrogen, and the proposed amendments will pave the road to achieve the ZEV mandate goals.

Sincerely,

Hossein Tabatabaie

Director of Product Management