

April 21, 2025

Ms. Rajinder Sahota
Deputy Executive Officer, Climate Change and Research
California Air Resources Board
1001 I Street
Sacramento, CA 95864

Re: LCFS 15-day Notice Comments

Japan Hydrogen Forum (JH2F) is an organization formed in 2021 to contribute to the goal of decarbonization in the United States, consisting of 35 Japan-affiliated companies with hydrogen related technologies from production, carrier conversion, transportation, storage to utilization, including hydrogen fuel cell providers for heavy-duty (HD) truck and cargo handling equipment OEMs and retail hydrogen refueling station (HRS) providers in California.

JH2F would like to acknowledge California Air Resource Board (CARB) for the Low Carbon Fuel Standard (LCFS) regulation. This program has been incentivizing Japanese corporations to make investments into California and we strongly believe that the continuation of this program is a key element to enhance further investments from Japan.

As for the new regulation language we are encouraged to see some of the proposed language on hydrogen production methods, which leads into affordable hydrogen in California. However, we are still concerned on the HRI provisions with the proposed cap structure. Thus, we would like to submit the following comments for further consideration in response to the LCFS 15-day notice available on April 4, 2025. While acknowledging the continued improvements to the program, we would propose some critical refinements to ensure the success of hydrogen, and its necessary role in meeting California's 2045 carbon neutrality goal.

HRI – Light and Medium Duty (LMD-HRI)

We appreciate your effort to incorporate some of the feedback made in the last comments and are in support of excluding the cap on HRI credit generation of 1.5x of Capex- Grants. However, the newly introduced cap on LDV capacity of public 62.5%, private 31.5% will encourage smaller scale station creation, which we assume is not what the market envisions. The new 2024 changes have included Medium Duty to the Light Duty HRI which should entail more volume requirements than the previous Light-Duty vehicle only regulation. To support the over 18,000 FCV on the road and future work trucks/fuel cell pick-ups come to the market at the end of the decade, this current regulation would hinder the growth for demand. Thus we encourage CARB to reconsider to **keep the original proposal in the final language submitted to OAL office in January (which has 100% for public station and 50% for private station as a factor)** on LMD-HRI or increase in station capacity threshold to 2,000 kg/d in case currently proposed factors are maintained.



We appreciate your consideration and thoughtful feedback to address our concerns. We look forward to contributing to California's goal of zero-emissions transportation.

Sincerely,

Daisuke Yanagisawa 4/21/2025
Daisuke Yanagisawa
Chairperson,
Japan Hydrogen Forum