



American Honda Motor Co., Inc.
1919 Torrance Boulevard
Torrance, CA 90501-2746
Phone (310) 783-2000

Ms. Rajinder Sahota
Deputy Executive Officer, Climate Change and Research
California Air Resources Board
1001 I Street, Sacramento
California 95814

Subject: Comments on April 10, 2024 LCFS Workshop

Dear Ms. Sahota,

Thank you for the opportunity to comment on the subject workshop and LCFS regulation changes as proposed by staff. Honda recently introduced the Honda Prologue and Acura ZDX all-electric light-duty (LD) vehicles as well as the Honda CRV e:FCEV plug-in hydrogen fuel cell electric LD vehicle, and announced plans to expand fuel cell sales into medium and heavy duty (MHD) hydrogen fuel cell electric vehicles. We recognize deeply that the LCFS program as a vital component of the zero-emission vehicle policy framework that supports development of both fueling infrastructure and vehicle sales.

Overall, we support staff's recommendations to enact a steeper step-down and accelerate the auto adjustment mechanism to bolster credit prices as soon as possible.

For hydrogen specifically, we believe the LD hydrogen refueling infrastructure (HRI) program was working well before credit prices precipitously dropped in 2023. In addition to the steeper step-down, we urge you to maintain the program at the current 1,200 kg/d and 15-year crediting, with no geographic requirements. The proposed restrictions could limit the number of hydrogen stations deployed.

Similarly, for the heavy-duty (HD) HRI proposal, we recommend allowing 15-year crediting and removing the geographic restrictions. Allowing station developers to utilize the longer crediting period with greater freedom to place stations near customers will be needed to ensure adequate fueling coverage for these HD trucks.

On the LD electric vehicle side, we do believe that LD vehicle incentives are still necessary as the market transitions from early adopter to mainstream buyers, and that a robust and Clean Fuel Reward (CFR) program is needed. Auto OEMs are best situated in the market to make an impact by administering the CFR program at the point where the customer makes a purchase decision. In addition, the staff proposal to split the CFR program between LD and MHD vehicles will blunt the impact of the program in LD by generating too-small rewards.

We applaud staff's work on this important regulatory framework to enable hydrogen and electric transportation. We believe making these changes will provide a critical signal to the market that all sectors will benefit from zero carbon fuels.

Sincerely,

Ryan Harty,
Director, Energy Solution Business Division
Sustainability & Business Development Business Unit