

# State Building and Construction Trades Council of California

CHRIS HANNAN  
PRESIDENT

*Established 1901*  
*Chartered By*  
BUILDING AND CONSTRUCTION TRADES  
DEPARTMENT  
AFL - CIO

J. TOM BACA  
SECRETARY-TREASURER

The Honorable Lauren Sanchez  
Chair, California Air Resources Board  
1001 I Street  
Sacramento, CA 95814

RE: Proposed Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulations (“Proposed Amendments”)

Dear Chair Sanchez,

On behalf of the 450,000 skilled and trained members of the State Building and Construction Trades Council of California, AFL-CIO (the "Building Trades"), I write with concerns about how the proposed amendments would affect our ability to build a robust hydrogen infrastructure in California.

For California to reach its aggressive climate goals in accordance with CARB’s own scoping plan, it will have to embrace and incentivize alternative fuels, like, importantly, hydrogen. Limiting our ability to explore diverse technologies will hinder our efforts and create roadblocks to companies investing in hydrogen infrastructure development in California.

Our primary concern is that the potential hydrogen incentives are so restrictive that they will unintentionally disincentivize hydrogen adoption. Narrowly limiting the type of hydrogen that can be offset to hydrogen produced exclusively that meets so-called “three pillars” guidance, regardless of the net result, is unnecessarily limiting and will render the hydrogen incentives prohibitive to the vast majority of projects. Hydrogen, like most climate innovation, needs to be assessed as a net benefit rather than seen through a very strict and overly restrictive lens. Like all new climate innovations, we will have to rely on enormous private investment to deploy at scale. Therefore, we should create balanced, pragmatic policy incentives that enable California to embrace these technologies broadly.

The Building Trades appreciates the opportunity to provide comments on the proposed amendments. On behalf of our members, we are excited to build a robust hydrogen infrastructure across California. Still, we have serious concerns that the proposed amendments could prevent us from successfully deploying hydrogen as an alternative fuel and energy source.

Sincerely,



Chris Hannan  
President

cc: The Honorable Gavin Newsom, Governor State of California  
The Honorable Monique Limon, President pro Tempore California State Senate  
The Honorable Robert Rivas, Speaker California State Assembly