



Department of Energy
Washington, DC 20585

November 15, 2013

Mr. John Hofmeister, Chair
Hydrogen and Fuel Cell Technical Advisory Committee
1302 Waugh Dr., #940
Houston, Texas 77019

Dear Chairman Hofmeister,

Thank you for your July 2013 letter to Energy Secretary Moniz and the accompanying *2012 Annual Report of the Hydrogen and Fuel Cell Technical Advisory Committee*. The Department values the input of the Committee and appreciates this thorough and detailed report on the status of hydrogen and fuel cells. We agree that fuel cells and hydrogen technologies are among the key technologies needed to achieve the Administration's energy goals and that they can play a substantial role in increasing exports and strengthening domestic manufacturing.

The Department also agrees that the messaging provided to the investment community and other stakeholders is essential, particularly in emerging technology areas such as hydrogen and fuel cells. For instance, I, along with other DOE officials, have recently made important announcements regarding hydrogen and fuel cells on multiple occasions, including the launch of the H₂USA Partnership in May 2013. We have also participated in events held by the Senate Fuel Cell and Hydrogen Caucus and the House Hydrogen and Fuel Cell Caucus, and I spoke at the Washington Fuel Cell Summit in July 2012.

This public messaging reflects our ongoing commitment to the importance of hydrogen and fuel cell technologies and our continued budgetary support—the President's FY 2014 budget request for the Fuel Cell Technologies Office was 25% higher than the FY 2013 request (\$100M vs \$80M). The increase is consistent with the Administration's "all-of-the above" energy strategy and is aligned with automakers' plans for commercial fuel cell electric vehicles in the 2015 timeframe and beyond. And we realize that continued support is critical in the face of growing international competition. We continue to support the International Partnership for Hydrogen and Fuel Cells in the Economy, to monitor global activities and track progress. We also conduct various market and technology analyses to identify areas where hydrogen and fuel cells are becoming competitive. By leveraging key early market opportunities, the Department's efforts have already resulted in strong U.S. leadership. For example, thanks to efforts spearheaded by DOE, more than 90% of the global sales of fuel cell powered forklifts are from U.S. companies.

I have been impressed by the ongoing progress in these technologies—including substantial reductions in the cost of fuel cells (>50% since 2006, and >30% since 2008) and more than 450 patents, 40 commercial technologies, and 65 emerging technologies (expected to be commercial in three to five years) that can be attributed directly to work funded by our Fuel Cell



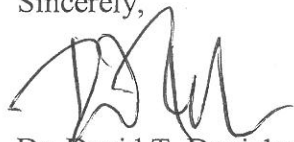
Technologies Office. However, I do agree that we can—and should—do a better job of telling our success stories and making sure the public is aware of the progress we have made. I look forward to hearing your thoughts on how we can improve our messaging and do a better job publicizing the impact of our efforts.

To address the issue of hydrogen infrastructure, the Department agrees that it is an appropriate and potentially high-impact role for DOE to serve as an intermediary and convene key stakeholders. As you know, the Department has already participated in the launch of H₂USA, and we intend to continue to play an active and vital role in this partnership. We will also continue to work closely with states that have announced plans to support the rollout of hydrogen infrastructure, including California, Hawaii, and others. California recently announced a plan to install additional hydrogen fueling stations to achieve a total of 70 stations by 2016, and the California legislature passed a bill (Assembly Bill 8) that requires the California Energy Commission to allocate up to \$20 million annually until 2024 to fund at least 100 publicly available hydrogen fueling stations. The Department is an active member of the California Fuel Cell Partnership and coordinates closely with its efforts. We also actively participate in the Hawaii Hydrogen Initiative ("H2I"), along with numerous other partners, including General Motors, DOD, the Hawaii Gas Company, the National Renewable Energy Laboratory, the University of Hawaii, the University of California at Irvine, and FuelCell Energy. We support this initiative by conducting testing, validation, and analysis of hydrogen infrastructure technologies, including the process of injecting hydrogen into existing natural gas pipelines as well as long-term renewable approaches in Hawaii. We also agree that conferences and workshops provide good opportunities to share information and help determine next steps, and we intend to include these in our future plans.

The Department values the advice and commitment of the Committee in its efforts to continue to improve the Department's programs and activities related to hydrogen and fuel cells. In response to your request for a formal review, we do not think this is necessary or appropriate given the role of a federal advisory committee; however, further engagement with the Committee may be solicited in the coming year to strengthen coordination with our senior leadership. Specifically, given the restructuring of the Office of Energy Efficiency and Renewable Energy, the new Deputy Assistant Secretary for Sustainable Transportation is anticipated to engage with the Committee more regularly.

It was a pleasure meeting you and other Committee members at the meeting in Washington last November. I look forward to continued positive engagement and a productive and fruitful working relationship. Please extend my sincerest gratitude to the Committee members for their hard work and their valuable contributions to the Department and its mission.

Sincerely,

A handwritten signature in black ink, appearing to read 'David T. Danielson', with a stylized flourish at the end.

Dr. David T. Danielson
Assistant Secretary
Energy Efficiency and Renewable Energy