

**County of Santa Clara**  
**Office of the County Executive**  
Office of Budget and Analysis




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FGOC-CE06 021005

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DATE: February 10, 2005

TO: Supervisor Pete McHugh, Chairperson  
Supervisor James T. Beall, Jr., Vice-Chairperson  
Finance & Government Operations Committee

FROM:   
Gary A. Graves  
Chief Deputy County Executive

SUBJECT: Fuel Cell Advancement Initiative Quarterly Report

**RECOMMENDED ACTION**

Accept quarterly report from the Administration regarding the Fuel Cell Advancement Initiative approved conceptually by the Board on September 14, 2004.

**FISCAL IMPLICATIONS**

There are no fiscal implications that will impact the general fund. It is anticipated that funding to support this effort will come from grants and other forms of outside funding.

## **REASONS FOR RECOMMENDATION**

On October 19, 2004, the Board directed the Administration to provide quarterly status reports to the Finance and Government Operations Committee on progress related to the Santa Clara County Fuel Cell Advancement Initiative established by the Board on September 14, 2004.

On October 19, 2004, the Board also approved a workplan framework and tentative timelines. The Administration, working with Supervisor Beall's staff submitted an application for a Caltrans Community Based Transportation Planning Grant (CBTPG) by its October 15 submission deadline. Announcements of grant awards will occur in March, 2005. In anticipation of receiving this grant, staff is in the process of developing an RFP to select a consultant to support our efforts in the development of a detailed workplan for the Hydrogen Fuel Cell project.

Since the Administration's last report, there has been a change in the core workgroup. Dave Snow, the new Fleet Manager, has joined the workgroup.

During the GSA Directors Conference held on January 20 and 21, attended by Larry Jenkins and Dave Snow, the California Fuel Partnership and Ford Motor Company gave presentations on fuel cell automotive technology including the current status of fuel cell vehicle deployment, the technological difficulties of producing fuel cell vehicles, the advantages and disadvantages of fuel cell vehicles, and the importance of constructing an adequate number of hydrogen refueling stations before the public will start purchasing fuel cell vehicles. Ford Motor Company's earliest estimate for a feasible commercial deployment of fuel cell demonstration vehicles is the year 2015. Meanwhile, a number of automotive manufacturers are starting to offer fuel cell demonstration vehicles to government agencies as an early advertising strategy. The difficulty in obtaining a demonstration vehicle is in having a hydrogen refueling station available for the vehicle. Currently, there are thirteen hydrogen refueling stations in California, and Valley Transportation Agency is constructing one in San Jose. Dave Snow has had informal discussions with VTA and is in the process of arranging a formal meeting to determine the capacity of refueling light vehicles and the possibility of the County using the VTA site for demonstration vehicles.

When counties asked the California Fuel Partnership whether it could serve as a "clearing house" for government agencies to obtain demonstration vehicles, there was no clear answer provided. The representative stated this process needs to be developed. Additionally, when asked how California Fuel Partnership was working with groups that are sponsoring stationary fuel cell technology, the general answer appeared to be that this coordination had not been initiated.

On January 28, 2004, the core workgroup attended an information-sharing session with representatives from ChevronTexaco and FuelCell Energy, Inc. The session provided useful information about the technology and the best applications for stationary fuel cells. The best applications for hydrogen fuel cell power plants are buildings with constant energy loads over a 24 hour period such as hospitals, jails and other 24/7 operations. Alameda County is currently constructing a 1000 kW fuel cell generator using natural gas at their Santa Rita Jail campus. This project will provide a great deal of information regarding the implementation of stationary fuel cell technology in a public sector environment.

We continue to collect information on fuel cell technology for deployment of vehicles and to power buildings. We are also monitoring the availability of grants and other outside funding sources to support this effort.

### **ATTACHMENTS**

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