Icelandic New Energy Ltd.

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Creating the worlds first hydrogen society
Next steps in Iceland

Icelandic New Energy is proud to announce the following:

For three years the Mercedes-Benz fuel cell buses which were introduced in 2003 and the hydrogen refuelling station were operated successful and safe. The hydrogen refuelling station has delivered over 20 tons of hydrogen, mostly to the buses but also for other hydrogen activities. The learning from the operation has been of high value to all partners and now its time to diversify and plan for pre-commercial activities. The Icelandic hydrogen team is launching the next learning phase towards a hydrogen future, the SMART–H_2 (Sustainable Marine and Road Transport, Hydrogen in Iceland).

The SMART–H_2 has three main paths; testing hydrogen passenger cars; designing and using fuel cell equipment as auxiliary power unit (APU) on board a ship and a research path based on the data collected in the bus project as well as the upcoming demonstrations.
VistOrka (a cooperation platform for hydrogen) will provides at least 3,5 million US$ to the SMART-H_2, a project with the total budget of 7-8 million US$. The funding will be used to provide incentives for available hydrogen vehicles preferably fuel cell cars. VistOrka has also the intentions to evaluate other alternative fuel sources and vehicles, with the goal to have at least 30 hydrogen vehicles operating by mid-2009[1].

The fuel cell technology is progressing fast and it became evident in the bus project that the lifetime, efficiency and reliability have drastically improved. The Icelandic team is convinced about the importance of fuel cells in transportation and as Professor Sigfusson, a board member of INE stated when awarded the prestigious Globe International Energy Prize for his research "I'm having a platonic love affair with hydrogen and fuel cells".

As one of the next steps, Icelandic New Energy (INE) is preparing a project with fuel cell passenger vehicles. When introducing passenger vehicles the customer group will change and the requirements for service will be different from only providing hydrogen for buses. INE/Shell Hydrogen will offer hydrogen on a price that makes the fuel costs for driving a fuel cell car comparable to the costs that incur while driving a gasoline car. Within the SMART-H_2 it is also intended to increase the availability of H_2 in Reykjavik by adding dispensing locations.

The APU hybrid system for the ship is based on a fuel cell module developed by H2Logic in Denmark and will contain a Ballard fuel cell stack. It will be a 10-15 kW system installed on a whale watching vessel operating from Reykjavik. The system will be designed in Iceland and

[1] For further info please contact VistOrka, www.newenergy.is/vistorka

tested for 18 months with the goal of understanding the implications for a hydrogen system on the rough sea conditions in the North Atlantic.

The commitment of Iceland towards creating the first hydrogen society has reached new heights with the SMART-H_2 project. The Icelandic team is convinced that hydrogen can be one of the key energy carriers coupled with extensive use of renewable energy in the future and this new initiative will bring Iceland into a pre-commercial hydrogen society.

For further information please contact:

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