# Conceptual Design of Optimized Fossil Energy Systems with Capture and Sequestration of Carbon Dioxide

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## Conceptual Design of Optimized Fossil Energy Systems with Capture and Sequestration of Carbon Dioxide

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### **ABSTRACT**

In this final progress report, we describe research results from Phase I of a technical/economic study of fossil hydrogen energy systems with CO<sub>2</sub> sequestration. This work was performed under NETL Award No. DE-FC26-02NT41623, during the period September 2002 through August 2004.

The primary objective of the study is to better understand system design issues and economics for a large-scale fossil energy system co-producing  $H_2$  and electricity with  $CO_2$  sequestration. This is accomplished by developing analytic and simulation methods for studying the entire system in an integrated way. We examine the relationships among the different parts of a hydrogen energy system, and identify which variables are the most important in determining both the disposal cost of  $CO_2$  and the delivered cost of  $H_2$ .

A second objective is to examine possible transition strategies from today's energy system toward one based on fossil-derived H<sub>2</sub> and electricity with CO<sub>2</sub> sequestration. We carried out a geographically specific case study of development of a fossil H<sub>2</sub> system with CO<sub>2</sub> sequestration, for the Midwestern United States, where there is presently substantial coal conversion capacity in place, coal resources are plentiful and potential sequestration sites in deep saline aquifers are widespread.

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#### **EXECUTIVE SUMMARY**

In this final report, we present results from Phase I of a technical and economic assessment of fossil  $H_2$  energy systems with  $CO_2$  sequestration. This work was performed during the period September 2002-August 2004 under NETL Award No. DE-FC26-02NT41623.

The primary objective of the study is to better understand system design issues and economics for a large-scale fossil energy system co-producing hydrogen ( $H_2$ ) and electricity with carbon dioxide ( $CO_2$ ) sequestration. This is accomplished by developing new analytic and simulation tools for studying the entire system in an integrated way. We examine the relationships among the various parts of a fossil hydrogen energy system, and attempt to identify which variables are the most important in determining both the disposal cost of  $CO_2$  and the delivered cost of  $H_2$ .

A second objective is to examine possible transition strategies from today's energy system toward one based on fossil-derived H<sub>2</sub> and electricity with CO<sub>2</sub> sequestration. We are carrying out a geographically specific case study of development of a fossil H<sub>2</sub> system with CO<sub>2</sub> sequestration, for the Midwestern United States, where there is presently substantial coal conversion capacity in place, coal resources are plentiful and potential sequestration sites in deep saline aquifers are widespread.

We consider fossil energy complexes producing both H<sub>2</sub> and electricity from either natural gas or coal, with sequestration of CO<sub>2</sub> in geological formations such as deep saline aquifers. The design and economics of the system depend on a number of parameters that determine the cost and performance of the system "components", as a function of scale and geography (components include: the fossil energy complex, H<sub>2</sub> pipelines and refueling stations, CO<sub>2</sub> pipelines, CO<sub>2</sub> sequestration sites, and H<sub>2</sub> energy demand centers). If we know the cost and performance characteristics of the components, designing the system can be posed as a problem of cost minimization. The goal is to minimize the delivered H<sub>2</sub> cost with CO<sub>2</sub> disposal by co-optimizing the design of the fossil energy conversion facility and the CO<sub>2</sub> disposal and H<sub>2</sub> distribution networks. Research to perform this cost minimization has two parts: 1) implement technical and economic models for each "component" in the system, and 2) develop optimization algorithms to size various the system components and connect them via pipelines into the lowest cost network serving a particular energy demand. Finally, to study transition issues, we use these system models to carry out a case study of developing a large-scale fossil energy system in the Midwestern United States.

The research consisted of three tasks.

#### Task 1.0 Implement Technical and Economic Models of the System Components

We utilize data and component models of fossil energy complexes with H<sub>2</sub> production, and CO<sub>2</sub> sequestration developed by the principal investigator as part of the Carbon Mitigation

Initiative (CMI) at Princeton University. Models for H<sub>2</sub> distribution systems and refueling stations were adapted from the principal investigator's previous studies of H<sub>2</sub> infrastructure for the US Department of Energy Hydrogen R&D Program (Ogden 1998, Ogden 1999a, Ogden 1999b), studies at UC Davis under the Hydrogen Pathways program (Yang and Ogden 2004), and those of other researchers (Mintz et al. 2003, Amos 1998, Thomas et al. 1998). During the past year the principal investigator worked with the "H2A", a group of hydrogen analysts convened by the USDOE to develop cost and performance estimates for hydrogen technologies. The H2A is developing an EXCEL-based spreadsheet database, for hydrogen production, refueling and delivery systems. In addition the National Academy of Engineering recently released an assessment of the Hydrogen Economy, including data on hydrogen technologies (NAE 2004). In Phase II, we propose to update our models to reflect the new information contained in these studies.

### Task 2.0. Integrated Studies of the Entire System to Find the Lowest Cost Network

As a first step, we developed a simple analytical model linking the components of the system. We consider single fossil energy complex connected to a single CO<sub>2</sub> sequestration site and a single H<sub>2</sub> demand center. We developed "cost functions" for the CO<sub>2</sub> disposal cost and the delivered H<sub>2</sub> cost with explicit dependence on important input parameters (e.g. size of demand, fossil energy complex process design, aquifer physical characteristics, distances, pressures etc.). Analytic sensitivity studies of this "simple system" are used to provide us with insights on which parameters are most important in determining costs.

As a next step, we extended this simple model, by designing the supply to meet a specified level of demand. Results were derived for the cost of fossil hydrogen production with CO<sub>2</sub> sequestration as a function of geographic factors (geographic density of demand, location of fossil energy complexes and sequestration sites), level of hydrogen use (e.g. size of the market, market penetration of hydrogen vehicles), and technology (type of supply technology, hydrogen vehicle fuel economy). We developed an idealized model of a city as a basis for designing and costing hydrogen distribution infrastructure (e.g. a hydrogen pipeline network or truck delivery routes in cities).

To study more complex and realistic systems involving multiple energy complexes,  $H_2$  demand centers, and sequestration sites, we explored use mathematical programming methods to find the lowest cost system design. From our system modeling, we seek to distill "rules for thumb" for developing  $H_2$  and  $CO_2$  infrastructures.

### Task 3.0 Case Study of Transition to a Fossil Energy System with CO<sub>2</sub> Sequestration

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<sup>&</sup>lt;sup>1</sup> Begun in 2001, the Carbon Mitigation Initiative is a ten-year \$15-20 million dollar joint project of Princeton University, BP and Ford Motor Company to find solutions to global warming and climate change.

<sup>&</sup>lt;sup>2</sup> During the period February 2003-August 2004, the principal investigator took part in developing the H2A database, and led the team looking at hydrogen delivery systems. The H2A spreadsheets should become available in October of 2004, and we plan to include these results as part of Phase II.

In this task, the goal is to explore transition strategies: how  $H_2$  and  $CO_2$  infrastructures might develop in time, in the context of a geographically specific regional case study. We focus on the Midwestern United States, a region where coal is widely used today in coal-fired power plants, and good sites for  $CO_2$  sequestration are available. The goal is to identify attractive transition strategies toward a regional hydrogen/electricity energy system in the Midwest with near zero emissions of  $CO_2$  and air pollutants to the atmosphere.

To better visualize our results, we use a geographic information system (GIS) format to show the location of  $H_2$  demand, fossil energy complexes, coal resources, existing infrastructure (including rights of way),  $CO_2$  sequestration sites and the optimal  $CO_2$  and  $H_2$  pipeline networks. We plan to coordinate with other ongoing GIS based studies of  $CO_2$  sequestration potential such as the NATCARB project. Input from these projects will be used to estimate the best options for sequestration. Optimization tools available in the ARCView GIS software are used to identify the lowest cost pipeline network for supplying hydrogen to users.

#### 1.0 INTRODUCTION

In this final report, we present results from Phase I of a technical and economic assessment of fossil  $H_2$  energy systems with  $CO_2$  sequestration. This research was performed under NETL Award No. DE-FC26-02NT41623, between September 2002 and August 2004.

### 1.1. Background and Motivation

Production of hydrogen from fossil sources with capture and sequestration of  $CO_2$  offers a route toward near-zero emissions in production and use of fuels. Implementing such an energy system on a large scale would require building two new infrastructures: one for producing and delivering  $H_2$  to users (such as vehicles) and one for transmitting  $CO_2$  to disposal sites and securely sequestering it.

In Figure 1.1.1, we show a fossil hydrogen energy system with CO<sub>2</sub> sequestration. A fossil feedstock (natural gas or coal) is input to a fossil energy complex producing hydrogen and electricity. CO<sub>2</sub> is captured, compressed to supercritical pressures for pipeline transport to a sequestration site, and injected into an aquifer or other underground geological formation. Hydrogen is delivered to users via a pipeline distribution system that includes compression and storage at the hydrogen production plant, pipelines (possibly with booster compressors) and hydrogen refueling stations. The design and economics of a fossil H<sub>2</sub> energy system with CO<sub>2</sub> sequestration depend on a host of factors, many of which are regionally specific and change over time. (Variable considered in this study are shown in Figure 1.1.1 in italics.) These include:

- The size, type, location, time variation and geographic density of the H<sub>2</sub> demands.
- Cost and performance of component technologies making up the system. Key components are: the fossil energy conversion plant [design variables include the scale, feedstock: (coal vs. natural gas), process design, electricity co-production, separation technology, pressures and purity of H<sub>2</sub> and CO<sub>2</sub> products, sulfur removal options including co-sequestration of sulfur compounds and CO<sub>2</sub>, location (distance from demand centers and sequestration sites)], H<sub>2</sub> and CO<sub>2</sub> pipelines and H<sub>2</sub> refueling stations.
- The location and characteristics of the CO<sub>2</sub> sequestration sites (storage capacity, permeability, reservoir thickness),
- Cost, location and availability of primary resources for H<sub>2</sub> production.
- Location of existing energy infrastructure and rights of way (that could be used for siting hydrogen transmission pipelines).

For simplicity, in Figure 1.1.1, we have shown a single fossil energy complex, serving a single demand, and one CO<sub>2</sub> sequestration site. However, a future fossil hydrogen system could be more complex, linking multiple H<sub>2</sub> demand centers (cities), fossil energy complexes and sites for CO<sub>2</sub> sequestration (Figure 1.1.2).

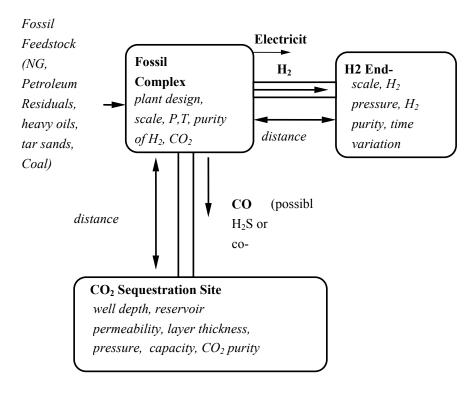


Figure 1.1.1. A Fossil Energy System for Production of Hydrogen and Electricity with CO<sub>2</sub> Sequestration. (Variables for the Study are Shown in Italics)

Several detailed technical and economic studies have been carried out for various parts of the system, including CO<sub>2</sub> capture from electric power plants (Hendriks 1994; Foster Wheeler 1998; Simbeck 1999), or H<sub>2</sub> plants (Foster Wheeler 1996; Doctor et al. 1999; Spath and Amos 1999; Kreutz et al. 2002), CO<sub>2</sub> transmission (Skovholt 1993) and storage (Holloway 1996), and H<sub>2</sub> infrastructure (Directed Technologies et al. 1997, Ogden 1999; Thomas et al. 1998, Mintz et al 2002). However, relatively little work has been done assessing complete fossil hydrogen systems with CO<sub>2</sub> sequestration in an integrated way. An integrated viewpoint is important for understanding the design and economics of these systems. For example, the scale of the fossil hydrogen plant can have a large impact on the design and cost of both the hydrogen distribution system, and the system for transporting and sequestering CO<sub>2</sub>.

# More Complex System: Optimization for Low Delivered H <sub>2</sub> Cost

What is the lowest cost system for producing and delivering  $H_2$  to serve a growing demand?

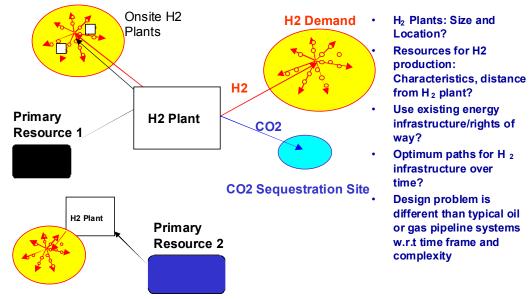


Figure 1.1.2. Schematic of More Complex Hydrogen System

### 1.2. Scope of this Study

The primary objective of this study is to better understand total system design issues and economics for a large-scale fossil energy system co-producing hydrogen (H<sub>2</sub>) and electricity with CO<sub>2</sub> sequestration. We consider fossil energy complexes producing both H<sub>2</sub> and electricity from either natural gas or coal, with sequestration of CO<sub>2</sub> in geological formations such as deep saline aquifers. We apply various analytic and simulation methods to study the entire system in an integrated way. We attempt to identify which variables are the most important in determining both the disposal cost of CO<sub>2</sub> and the delivered cost of H<sub>2</sub>. We examine the relationships among the system components (e.g. fossil energy complexes, H<sub>2</sub> and CO<sub>2</sub> pipelines, H<sub>2</sub> demand centers, and CO<sub>2</sub> sequestration sites), and apply new simulation tools to studying these systems, and optimizing their design.

A second objective is to examine possible transition strategies from today's energy system toward one based on fossil-derived H<sub>2</sub> and electricity with CO<sub>2</sub> sequestration. We focus on understanding how H<sub>2</sub> and CO<sub>2</sub> infrastructures might evolve to meet a growing H<sub>2</sub> demand under different regional conditions. If we know the location, size, cost and performance characteristics of the system components, designing

the system can be posed as a problem of cost minimization. The goal is to minimize the delivered H<sub>2</sub> cost with CO<sub>2</sub> disposal by co-optimizing the design of the fossil energy conversion facility and the CO<sub>2</sub> and H<sub>2</sub> pipeline networks. Research to perform this cost minimization has two parts: 1) implement technical and economic models for each component in the system (Task 1), and 2) explore use of optimization algorithms to size various the system components and connect them via pipelines into the lowest cost network serving a particular energy demand (Task 2). Techniques for studying regional H<sub>2</sub> and CO<sub>2</sub> infrastructure development and transition strategies are described, based on use of Geographic Information System (GIS) data and network optimization techniques.

To understand the impact of geographic factors, we carried out a case study of development of a large scale fossil H<sub>2</sub> system with CO<sub>2</sub> sequestration, for the Midwestern United States, where there is presently substantial coal conversion capacity in place, coal resources are plentiful and potential sequestration sites in deep saline aquifers are widespread (Task 3).

Three tasks were completed.<sup>3</sup>

### 1.2.1. Task 1.0 Implement Technical and Economic Models of the System Components

Before developing a total system model, we developed technical/economic models for the various parts (or "components") of the system. Performance and cost of each "component" of the system is characterized as a function of scale and other relevant parameters. We utilize data and models of fossil energy complexes with H<sub>2</sub> production, and CO<sub>2</sub> sequestration developed as part of the Carbon Mitigation Initiative (CMI) at Princeton University.<sup>4</sup> Models for H<sub>2</sub> distribution systems and refueling stations were adapted from the principal investigator's previous studies of H<sub>2</sub> infrastructure for the US Department of Energy (Ogden 1998, Ogden 1999a, Ogden 1999b), work at UC Davis under the Hydrogen Pathways Program (Yang and Ogden 2004), and those of other researchers (Mintz et al. 2003, Amos 1999, Thomas et al. 1998, NAE 2004). <sup>5</sup>

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<sup>&</sup>lt;sup>3</sup> Results are given for each task in the "Results and Discussion" section below. Earlier results were described in previous progress reports for this contract (Ogden 2003a, Ogden 2003b, Ogden 2003c).

<sup>&</sup>lt;sup>4</sup> Begun in 2001, the Carbon Mitigation Initiative is a ten-year \$15-20 million dollar joint project of Princeton University, BP and Ford Motor Company to find solutions to global warming and climate change.

<sup>&</sup>lt;sup>5</sup> During the past year the author worked with the "H2A", a group of hydrogen analysts convened by the USDOE to develop cost and performance estimates for hydrogen technologies. The H2A data should become available in October 2004. In addition the National Academy of Engineering recently released an assessment of the Hydrogen Economy (NAE 2004). In Phase II of this project, propose to update our models to reflect the new information contained in these studies.

### 1.2.2. Task 2.0. Integrated Studies of the Entire System to Find the Lowest Cost Network

As a first step, we developed a simple analytical model linking the components of the system. We consider a single fossil energy complex connected to a single  $CO_2$  sequestration site and a single  $H_2$  demand center (see Figure 1.1.1). We developed "cost functions" for the  $CO_2$  disposal cost and the delivered  $H_2$  cost with explicit dependence on the many input parameters described above (e.g. size of demand, fossil energy complex process design, aquifer physical characteristics, distances, pressures etc.). Sensitivity studies of this "simple system" provided insights on which parameters are most important in determining hydrogen costs.

Later, we expanded this simple model to include better models of hydrogen demand and hydrogen distribution systems. To study more complex and realistic systems involving multiple energy complexes,  $H_2$  demand centers, and sequestration sites, we explored use mathematical programming methods to find the lowest cost system design. To facilitate regionally specific case studies, we developed an interface between our cost models and the Geographic Information System (GIS) database developed in Task 3. This allows us to make hydrogen system design and cost calculations based on quantities easily derived from GIS maps.

Through system modeling, we seek to distill "rules for thumb" for developing H<sub>2</sub> and CO<sub>2</sub> infrastructures.

### 1.2.3. Task 3.0 Case Study of Transition to a Fossil Energy System with CO<sub>2</sub> Sequestration

In this task, we explore how H<sub>2</sub> and CO<sub>2</sub> infrastructures might develop, in the context of a geographically specific regional case study. We focussed on the Midwestern United States, a region where coal is widely used today in coal-fired power plants, and good sites for CO<sub>2</sub> sequestration are available. We consider how fossil energy systems might develop over time to meet an evolving energy demand. The goal is to identify attractive transition strategies toward a regional hydrogen/electricity energy system in the Midwest with near zero emissions of CO<sub>2</sub> and air pollutants to the atmosphere.

To better visualize our results, use a geographic information system (GIS) format to show the location of H<sub>2</sub> demand, fossil energy complexes, coal resources, existing infrastructure (including rights of way), CO<sub>2</sub> sequestration sites and the optimal CO<sub>2</sub> and H<sub>2</sub> pipeline networks. First, a survey of relevant GIS data sets was conducted, and a database was built including hydrogen supply, demand and existing infrastructure. Network optimization methods were combined with the "Network analyst" capabilities of GIS software (ARCView) to find low cost hydrogen distribution networks. We used this

database to make preliminary design and cost studies of fossil energy systems with $\mathrm{CO}_2$ sequestration.

### 2.0 RESULTS AND DISCUSSION

### 2.1. Task 1.0. Implement Technical And Economic Models Of The System Components

In this Task we implement technical/economic models of various parts of a fossil hydrogen system with CO<sub>2</sub> sequestration. These include:

Task 1.1. The fossil energy complex for producing hydrogen and electricity from natural gas or coal (Appendix A)

Task 1.2. CO<sub>2</sub> compression and pipeline transport (Appendices B,C)

Task 1.3. CO<sub>2</sub> injection into underground geological formations (Appendix D)

Task 1.4. Hydrogen demand for vehicles

Task 1.5. Hydrogen fuel delivery infrastructure (including hydrogen compression, storage, pipeline transmission and refueling stations) (Appendix E)

Key results from the technical/economic models for each part of the system are summarized below <sup>6</sup>

### 2.1.1. Task 1.1. Modeling the Fossil Energy Complex

In the fossil energy complex, a synthetic gas (or syngas) is produced via gasification of coal or steam reforming of methane. The syngas undergoes a water gas shift reaction to increase the hydrogen content. CO<sub>2</sub> is removed from the syngas using a separation system (such as an amine scrubber, a physical adsorption system like Selexol or a pressure swing adsorption system or PSA) and is available at near atmospheric pressure. CO<sub>2</sub> is then compressed from capture pressure to a supercritical state and pumped to pipeline transmission pressures of 15-20 MPa (150-200 bar). In some cases, electricity is co-produced with hydrogen. Simplified diagrams of the processes for producing hydrogen from natural gas and coal shown in Figure 2.1.1 and Figure 2.1.2.

As a basis for modeling natural gas-based hydrogen plants, we use a recent study by Foster Wheeler (1996) and data from Air Products and Chemicals (Ogden 1999). As part of the CMI, researchers at Princeton have developed ASPEN-plus process and cost models for a variety of coal-based systems co-producing H<sub>2</sub> and electricity with CO<sub>2</sub> capture (Kreutz, Williams, Socolow and Chiesa 2002), that include alternative options for sulfur removal and disposal. We use the results of these detailed process design

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 $<sup>^6</sup>$  Base case economic assumptions are given in Appendix 0. Model details are given in Appendices A-E.

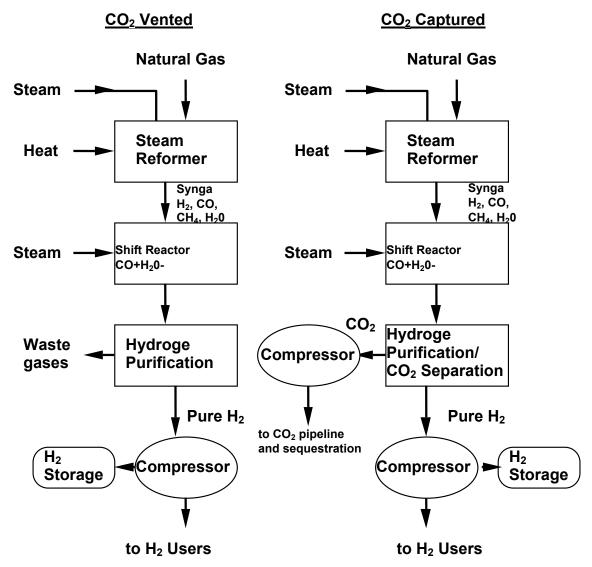


Figure 2.1.1. Hydrogen Production from Natural Gas with and without CO<sub>2</sub> Capture

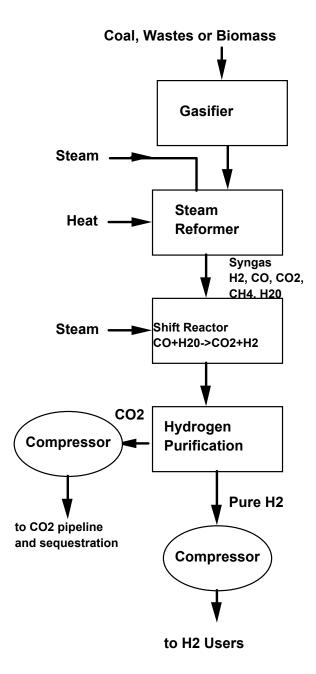


Figure 2.1.2. Production of Electricity and H<sub>2</sub> from Coal with CO<sub>2</sub> Capture

studies to produce a simplified model for the cost and performance of fossil H<sub>2</sub> plants as a function of scale, feedstock and process design. Summary costs for natural gas and coal-based hydrogen production systems are given in Table 2.1.1 through Table 2.1.3.

For each coal-to-hydrogen case in **Error! Reference source not found.**, the sizes, capital costs and O&M costs of the various fossil energy plant components were estimated, along with the energy consumption, hydrogen and electricity production, and carbon emissions (Kreutz 2002). From these studies, we can examine the impact of plant design on the economics of H<sub>2</sub> production and CO<sub>2</sub> capture (Table 2.1.3). This is complicated, because the plant design changes in several ways, depending on whether CO<sub>2</sub> is captured, and whether sulfur compounds are separated.

 ${
m CO_2}$  capture and compression add  $\sim 10\text{-}25\%$  to the hydrogen production cost depending on the plant design. In Figure 2.1.3, we plot the levelized cost of hydrogen production from natural gas and coal as a function of plant size, assuming the  ${
m CO_2}$  is either vented or captured. Fossil hydrogen plants exhibit strong scale economies. Because coal plants are more capital intensive than natural gas plants, the hydrogen cost is slightly more sensitive to scale for coal.

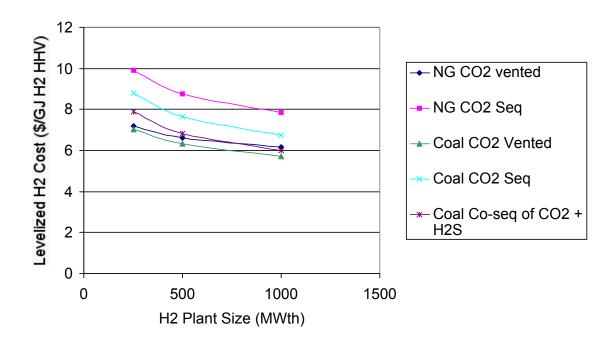


Figure 2.1.3. Cost of Hydrogen Production from Coal and Natural Gas with CO<sub>2</sub> Separation and Compression versus Hydrogen Plant Size

Table 2.1.1. Cost and Performance of Natural Gas Based Hydrogen Production Plants

w/ and  $w/o\ CO_2\ Capture\ (Foster\ Wheeler\ 1996)$ 

	CO <sub>2</sub> vented	CO <sub>2</sub> captured
Hydrogen Production MWth (at 60 bar output pressure)	1000	1000
First law efficiency HHV basis	81%	78%
CO <sub>2</sub> emission rate (kgC/GJ H <sub>2</sub> )	17.56	2.74
CO <sub>2</sub> Sequestration Rate (tonne/h)	0	204
Capital Investment (million \$)		
Reformer	48.65	67.90
Purification	23.65	58.08
CO <sub>2</sub> Compression	0	35.67 (for an estimated CO <sub>2</sub> compressor power of 18.6 MWe)
Other	123.95	174.67
Subtotal	196.25	336.32
Subtotal (excluding CO <sub>2</sub> compressor)	196.25	300.65
Added costs		
Engineering, construction management, commissioning, training	9.13	16.94
Catalysts and chemical	8.75	9.00
Clients costs	24.00	28.00
Contingency	23.81	39.03
TOTAL INSTALLED CAPITAL COST (million \$)	261.94	429.3
Incremental Installed Capital Cost for CO <sub>2</sub> Capture (million \$)		167.36

Table 2.1.2. Levelized cost of hydrogen production from natural gas with and without CO<sub>2</sub> separation and compression

Levelized Cost of H <sub>2</sub> Production with CO <sub>2</sub> separation, excluding CO <sub>2</sub> compression (\$/GJ H <sub>2</sub> ) HHV	CO <sub>2</sub> vented	CO <sub>2</sub> captured
Capital (excluding CO <sub>2</sub> compression)	1.56	2.28
Natural Gas Feedstock	4.20	4.36
Non-fuel O&M	0.42	0.61
CO <sub>2</sub> Compressor Capital and O&M	n.a.	0.34
CO <sub>2</sub> Compressor Electricity	n.a	0.27
Total	6.17	7.86
Incremental cost of CO <sub>2</sub> separation and compression	n.a.	
\$/GJ H2 HHV		1.69
\$/tonne CO <sub>2</sub>		29.8

Table 2.1.3. Cost and Performance for Hydrogen and Electricity Production from Coal (70 bar gasifier) (Kreutz 2002)

H2 Production MWth Electricity production (net power out) MWe	CO <sub>2</sub> Vented, sulfur removal	CO <sub>2</sub> Capture, sulfur removal	CO <sub>2</sub> capture, co-sequestration of CO <sub>2</sub> and H <sub>2</sub> S
First law efficiency HHV	0.736 35.6	0.705 2.61	0.705 2.61
CO <sub>2</sub> emission rate (kgC/GJ H2 HHV)	0	437.4	437.4
CO <sub>2</sub> captured (tonne/h)		137.1	137.1
Installed Capital Cost of Fossil Energy Complex (million \$) = 1.16 x Bare Capital Equipment Cost			
H2 Plant excluding CO <sub>2</sub> compressor	658.6	707.2	612.6
CO <sub>2</sub> Compressor	0	51.7 (36.6 MWe)	51.7 (36.6 MWe)
H2 Plant including CO <sub>2</sub> Compressor	658.6	758.9	663.4
Incremental plant cost for $CO_2$ capture including $CO_2$ compression	0	100.3	4.8
Incremental plant cost for $CO_2$ separation excluding $CO_2$ compression	0	48.7	-46.0
Levelized Cost of H2 Production (\$/GJ HHV)			
Plant capital except CO <sub>2</sub> Compressor	3.92	4.20	3.64
Non-fuel O&M	1.04	1.12	0.97
Feedstock cost	1.26	1.32	1.32
CO <sub>2</sub> compression capital + O&M		0.39	0.39
CO <sub>2</sub> compressor power		0.37	0.37
Electricity credit incl comp pwr	-0.52	-0.675	-0.675
Total without CO <sub>2</sub> compression	5.70	5.97	5.23
Total with CO <sub>2</sub> compression		6.73	6.01
Incremental Cost of CO <sub>2</sub> Capture, excluding CO <sub>2</sub> compression			
\$/GJ H2 (HHV)		0.27	-0.44
\$/tonne CO <sub>2</sub>		2.22	-3.56
Incremental Cost of CO <sub>2</sub> Capture, including CO <sub>2</sub> compression			
\$/GJ H2 (HHV)		1.02	0.31
\$/tonne CO <sub>2</sub>		8.43	2.56

### 2.1.2. Task 1.2. Modeling CO<sub>2</sub> Compression and Pipeline Transport

Once CO<sub>2</sub> has been captured at the fossil energy complex, it must be compressed to supercritical pressures and transported by pipeline to a suitable sequestration site.

### CO<sub>2</sub> Compression

Equations for compressor power requirements and cost models for CO<sub>2</sub> compressors are developed in Appendix B. The electric power required for compression of CO<sub>2</sub> to supercritical pressures (15 MPa) is modest, perhaps 6% of the total hydrogen power output (in MW thermal, based on the higher heat value of hydrogen). The levelized cost of compression is found to be about \$4-6/tonne CO<sub>2</sub>, for compressor electricity costing 3.6 cents/kwh.

CO<sub>2</sub> compression costs show the following sensitivities to varying parameters:

- The cost of electricity dominates the levelized cost of compression. For our base case assumptions, about \$3-3.5/tonne CO<sub>2</sub> is due to power costs, the remainder to capital costs.
- Compressor capital costs are sensitive to scale.
- Compression costs are somewhat sensitive to the compressor outlet pressure. This pressure is typically at least 15 MPa, to assure that the CO<sub>2</sub> stays above the critical pressure throughout the pipeline. There is a modest incremental cost of about \$1/tonne CO<sub>2</sub> to increase the CO<sub>2</sub> outlet pressure from 80 to 150 bar for pipeline transmission.

#### CO<sub>2</sub> Pipeline Transmission

We use a technical/economic model for supercritical CO<sub>2</sub> pipeline transmission developed by the principal investigator under the CMI program. Our model is based on pipeline flow equations developed in (Farris 1983) and (Mohitpour 2000). [Details of CO<sub>2</sub> pipeline flow and cost calculations are given in Appendix C.] This model has been benchmarked with existing CO<sub>2</sub> pipeline models in the literature (Farris 1983, Skovholt 1993), and with industry practice through conversations with engineers at BP.

One of the issues in estimating CO<sub>2</sub> pipeline costs is the wide variation in published estimates. This is shown in Figure 2.1.4, where installed CO<sub>2</sub> pipeline costs (in \$/m of pipeline length) according to various studies are plotted versus pipeline diameter (Doctor 1999; Skovholt 1993; Holloway 1996; Fisher, Sloan and Mortensen 2002). We have selected a mid-range value for our studies, recognizing that published estimates of capital costs for CO<sub>2</sub> pipelines vary over more than a factor of two above and below the midrange value. The wide variation is probably due to differences in local terrain,

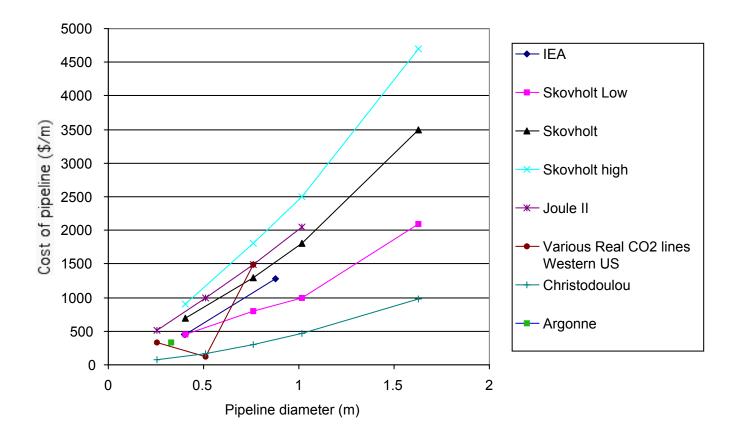


Figure 2.1.4. Installed Capital Cost of CO<sub>2</sub> Pipelines

construction costs and rights of way, all of which are important variables in determining the actual installed pipeline cost.

Using a cost function fit to published pipeline data, and inlet and outlet pressure of 15 MPa and 10 MPa, respectively, we find a pipeline capital cost per unit length (\$/m), in terms of the flow rate Q and the pipeline length L:

$$Cost(Q,L) = (\$700/m) \left(\frac{Q}{Q_0}\right)^{0.48} \left(\frac{L}{L_0}\right)^{0.24}$$
 [1]

Where Qo = 16,000 tonnes  $CO_2$  /day and Lo = 100 km.

Figure 2.1.5 and Figure 2.1.6 show the cost of CO<sub>2</sub> pipeline transmission as a function of pipeline flow rate and pipeline length.

The levelized cost of pipeline transmission (\$/t CO<sub>2</sub>) scales approximately as

(CO<sub>2</sub> flow rate)<sup>-0.52</sup> x (pipeline length) 1.24

The cost per tonne of  $CO_2$  is lower for the coal hydrogen plant than the natural gas hydrogen plant, because of its larger  $CO_2$  flow rate. However, the cost per GJ of hydrogen produced is higher for the coal plant, because more  $CO_2$  is produced per unit of hydrogen (Figure 2.1.7).

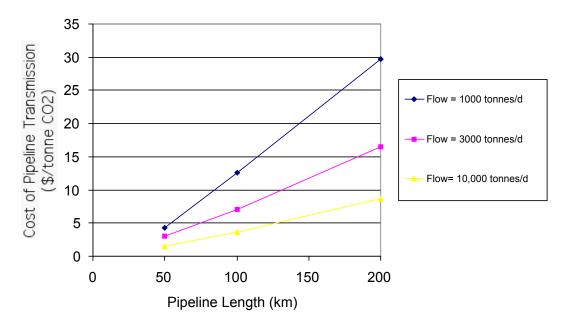


Figure 2.1.5. Levelized Cost of Pipeline Transmission (\$/tonne CO<sub>2</sub>) vs. Pipeline Length and Flow Rate

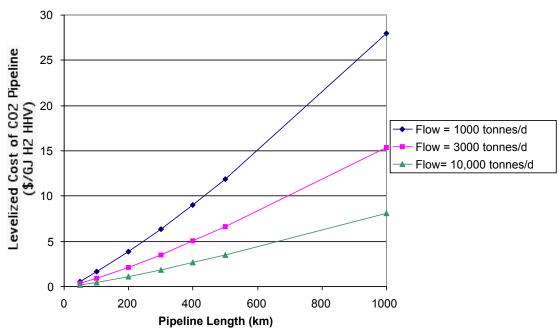


Figure 2.1.6. Levelized Cost of CO<sub>2</sub> Pipeline for Coal-Based H<sub>2</sub> Plant (\$/GJ H<sub>2</sub> HHV) vs. Pipeline Length and CO<sub>2</sub> Flow Rate

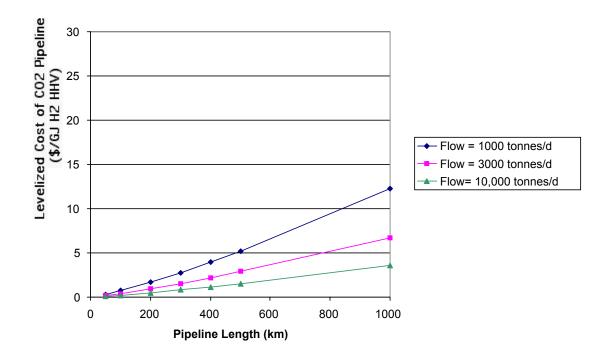


Figure 2.1.7. Levelized Cost of  $CO_2$  Pipeline (\$/GJ  $H_2$  HHV) for Natural Gas to  $H_2$  Plant vs. Length and  $CO_2$  Flow Rate

### 2.1.3. Task 1.3. Modeling CO<sub>2</sub> Sequestration sites

At the CO<sub>2</sub> sequestration site, CO<sub>2</sub> is injected into an underground geological formation such as a deep saline aguifer or depleted hydrocarbon reservoir. A CO<sub>2</sub> booster compressor might be needed at the injection well-head depending on the well depth and the aquifer pressure. Several injection wells might be needed, which would be connected via above ground piping. Models for injection rate and capacity of underground geological formations are described based on fundamental reservoir parameters (see Appendix D for details). The injection rate of CO<sub>2</sub> into an underground reservoir depends on the permeability and thickness of the reservoir, the injection pressure, the reservoir pressure, the well depth, and the viscosity of CO<sub>2</sub> at the injection pressure. A practical upper limit on the injection rate per well is taken to be 2500 tonnes per day, limited by pressure drop due to friction in the well at higher flow rates, assuming practical well diameters (Hendriks 1994). Using a standard equation for flow into an injection well (Hendriks 1994), this upper limit implies that for a layer thickness above 50 m and permeabilities above 40 milliDarcy, the flow rate is limited not by the reservoir characteristics, but by the pipe friction flow constraints. For the base case 1000 MW natural gas (coal) to H<sub>2</sub> plant, producing about 5,000 (10,000) tonnes CO<sub>2</sub> per day, 2 (4) wells are needed. The installed capital cost of each well is (Hendriks 1994):

Capital (\$/well) = \$1.56 million x well depth (km) + \$1.25 million.

In our base case, we assume a well depth of 2 km. CO<sub>2</sub> is distributed by surface piping at the injection site from well to well. We require each reservoir to store 20 years of CO<sub>2</sub> production from the H<sub>2</sub> plant. For our base case (reservoir thickness of 50 m), the length of surface piping required at the injection site is found to be 12 (37) km for the natural gas (coal) based H<sub>2</sub> plant. This implies a cost of \$3.2 (9.2) million, based on a piping cost from Equation [1], but assuming that the minimum cost is \$155,000/km (\$250,000/mile) (Ogden 1999). As long as the aquifer characteristics allow such a relatively high injection rate, the cost of injection wells and associated piping is quite small, less than \$2/tonne CO<sub>2</sub>.

The total levelized cost of  $CO_2$  pipeline transmission and storage is shown in Table 2.1.4, for hydrogen plants producing 1000 MW of hydrogen per day from natural gas and coal. Per tonne of  $CO_2$ , the cost of  $CO_2$  disposal is higher for natural gas, but because the coal plant produces about twice as much  $CO_2$  as the natural gas  $H_2$  plant, the contribution to the levelized cost of  $H_2$  (\$/GJ) is higher for coal.

Table 2.1.4. CO<sub>2</sub> Pipeline Transmission and Storage System for Base Case H2 Plants Producing 1000 MW of hydrogen output from Natural Gas and Coal

	H <sub>2</sub> from natural gas	H <sub>2</sub> from coal							
CO <sub>2</sub> captured (tonne/h) at full capacity	204	406							
CO <sub>2</sub> Disposal System (100 km pipeline, 2 km well depth, injection rate	= 2500 t CO <sub>2</sub> /day/well)								
CO <sub>2</sub> 100 km Pipeline Diameter (m) 0.25 0.34									
Number of CO <sub>2</sub> Injection Wells	2	4							
Injection Site Piping length (km)	12.2	37							
System Capital Cost (million \$)									
CO <sub>2</sub> 100 km Pipeline	40.5	55.7							
CO <sub>2</sub> Injection Wells	8.8	17.5							
CO <sub>2</sub> Injection Site Piping	3.2	9.2							
Total CO <sub>2</sub> Pipeline Transmission and Storage System	52.5	82.4							
Levelized Cost of CO <sub>2</sub> Disposal (\$/tCO <sub>2</sub> )									
CO <sub>2</sub> 100 km Pipeline	5.26	3.45							
CO <sub>2</sub> Injection Wells	1.16	1.17							
CO <sub>2</sub> Injection Site Piping	0.44	0.61							
Total CO <sub>2</sub> Pipeline Transmission and Storage System	6.87	5.23							
Total CO <sub>2</sub> Pipeline Transmission and Storage System (\$/GJ H <sub>2</sub> )	0.39	0.59							

### 2.1.4. Task 1.4. Modeling H2 Demand Centers

Designing a hydrogen fuel delivery infrastructure depends on the characteristics of the hydrogen demand. We model the magnitude, spatial distribution, and time dependence of hydrogen demand, based on Geographic information system (GIS) data on populations, estimates of vehicles per person, and projections for energy use in hydrogen vehicles, and market penetration rates. Our method for calculating a hydrogen demand map is described below (see Figure 2.1.8).

- First, population density is mapped as a function of location. This information is available in GIS format from US Census data.
- On average in the US there are about three light duty vehicles for every four people (Davis 2000). From this, we can approximate the numbers of light duty vehicles as a function of location (vehicles/km²). This obviously a simplification, as numbers of vehicles will not exactly track population. If more detailed information is known about the locations of vehicles, this could be shown as well. In addition, early markets for hydrogen might be found in heavy duty applications, such as fleets. If information is known about these vehicles, this could be added as well.
- Next, a market penetration rate for hydrogen is estimated (fraction of new vehicles using hydrogen). This could be done in various ways. For example, one could assume that a "ZEV mandate" is put in place, so that a fixed fraction of new vehicles sold must use hydrogen. Alternatively, one could devise other criteria for estimating

how many new hydrogen vehicles are sold each year, based on projections of when they become competitive with competing technologies like gasoline internal combustion engine technologies. From the market penetration rate, the number of hydrogen vehicles can be found as a function of location and time (H<sub>2</sub> vehicles/km<sup>2</sup> versus time).

### CREATING A H DEMAND MAP

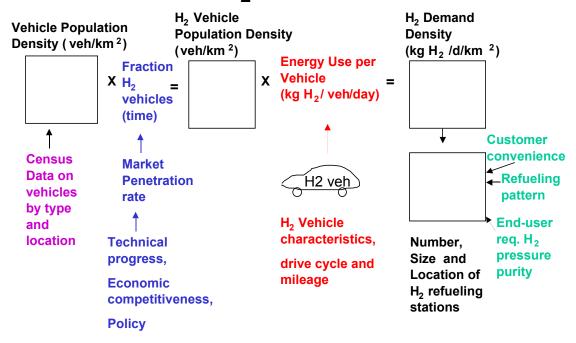


Figure 2.1.8. Mapping Hydrogen Demand Density

- The hydrogen use per vehicle (kg H<sub>2</sub>/d/vehicle) is estimated from assumptions about hydrogen vehicle fuel economy and miles traveled. A map of hydrogen demand density versus location and time can be calculated (kg/d/km<sup>2</sup>). This is shown in Figure 2.1.9, for the state of Ohio. The lighter colors are low demand density, the darker colors higher density. The cities of Cleveland, Columbus and Cincinnati are obvious areas of high demand.
- Once the hydrogen demand density is known, one has to decide how many refueling stations are required and where they should be sited. The number, location and size of refueling stations have a major effect of the cost of infrastructure. In the United States, on average, there is one gasoline refueling station for every 2000 light duty vehicles (Davis 2000). For several cities we examined, stations tend to cluster along major roads in "spoke" or "ring" like patterns. Often, more than one station is found at major intersections or at freeway exits. Recent analyses suggest that today's convenience level could be preserved, if perhaps 10-30% of current gasoline stations

offered hydrogen (Nicholas 2003). Methods for siting and sizing stations are discussed further in section 1.5 and in Appendix H.

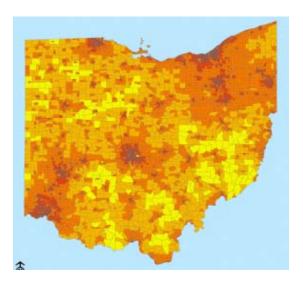


Figure 2.1.9. Hydrogen Demand Density in Ohio

An application of this hydrogen demand model is described for a case study of Ohio (Task 3).

### 2.1.5. Task 1.5. Modeling H<sub>2</sub> Delivery Infrastructure

There are many options for producing and delivering hydrogen to users. These include centralized production options (e.g. fossil energy complexes with CO<sub>2</sub> capture), and decentralized options (such as small reformers or electrolyzers located at refueling stations). We have developed cost and performance estimates for a variety of possible hydrogen supply and delivery options, which are likely to be important in future hydrogen energy systems:

Centralized, large-scale production of hydrogen from:

- Steam reforming of natural gas with and without CO<sub>2</sub> sequestration
- Coal gasification with and without CO<sub>2</sub> sequestration
- Large scale electrolysis

Distributed production of hydrogen at refueling sites from:

- Natural gas reforming
- Electrolysis using off-peak power

For centralized production, we consider hydrogen delivery via truck (compressed gas tube trailer or liquid tank truck), or via gas pipeline.

At refueling stations, we assume that hydrogen is dispensed to vehicles as a compressed gas for onboard storage at 5000 psi.

### 2.1.5.1. Modeling Hydrogen Distribution System Components

Models for hydrogen delivery infrastructure components are described in detail in Appendix E. These include:

- Hydrogen compressors
- Gaseous hydrogen bulk storage
  - Above ground pressure vessels
  - Underground storage
- Compressed gas tube trailer trucks
- Hydrogen gas pipelines
  - Long distance transmission lines
  - Local pipeline distribution networks
- Liquefiers
- Liquid hydrogen bulk storage
- Liquid hydrogen trucks
- Hydrogen refueling stations
  - o LH2 truck delivery
  - o Gas pipeline delivery
  - o Onsite small steam methane reformers at station
  - o Onsite small electrolyzers at station

### Hydrogen compression

Electricity needed for compression is about 5-10% of the energy content of the hydrogen (on a higher heat value basis), depending on the inlet and outlet pressures. Compression typically adds less than \$1/GJ (\$0.14/kg) to the cost of hydrogen. Most of this cost is due to the electricity cost. (See Appendix E for details.)

#### Gaseous Hydrogen Storage

In the case of large centralized fossil hydrogen production, it is desirable to run the hydrogen production plant continuously. However, the system-wide demand profile for transportation fuel will vary over the day, weekly and even seasonally, so that some storage capacity (ranging from ½ day to several days plant output) will be needed in the system.

Hydrogen can be compressed and storage as a high-pressure gas. For a gaseous hydrogen pipeline distribution system, several options are available. Hydrogen could be

<sup>&</sup>lt;sup>7</sup> Compression energy requirements are higher for hydrogen as compared to natural gas, by roughly a factor of three.

stored: 1) in the pipeline, 2) at the refueling station, 3) at the production site. We assume the last option is used, although some storage is also located at the refueling station.

Bulk gaseous storage at the central plant can be accomplished in several ways (Taylor et.al 1986). First hydrogen is compressed from production pressure (typically 200 psi for steam reforming or gasification systems) to storage pressure of perhaps 1000 psi (assuming that the pipeline will be fed from storage). For very large quantities (on the order of 100 million scf or more), underground gas storage might be used.

### Hydrogen Liquefaction and Liquid Hydrogen Storage

Alternatively, hydrogen can be liquefied (at 20 K), stored in a dewar and delivered to refueling stations via cryogenic tank trucks. Liquefaction is more energy intensive than compression: electricity needed for liquefaction is about 33-40% of the energy content of the hydrogen (on a higher heat value basis). Liquefiers have strong scale economies, making them most suitable for use with large central plants. Liquid hydrogen distribution is preferred when small quantities of hydrogen are shipped long distances.

#### Hydrogen Transmission Pipelines

The cost of a hydrogen pipeline depends on the pipeline diameter and length. If the flow rate, pipeline length and inlet and outlet pressures, temperatures and gas properties are known, we can use steady-state fluid flow equations to estimate the pipeline diameter and the cost. In some cases, it may be desirable to add "booster" compressors along the pipeline to recompress the gas.

In Appendix E, we develop equations for hydrogen pipeline transmission costs as a function of pipeline flow rate and length. The levelized cost of the hydrogen pipeline (not including compression or storage) is given approximately by:

$$C_{pipe}[\$/GJ] = 0.15 \left(\frac{Q[MW]}{1000MW}\right)^{-0.5} \left(\frac{L[km]}{100km}\right)^{1.25}$$

Pipeline capital costs scale inversely with hydrogen flow rate and almost linearly with distance.

Levelized costs are shown for hydrogen pipeline transmission including compression, storage at the central plant, and the pipeline are shown Figure 2.1.10, as a function of pipeline length and flow rate. We see that long distance transmission can add up to a few dollars per GJ to the cost of hydrogen. Hydrogen pipelines are well-suited for delivery of large quantities of energy.

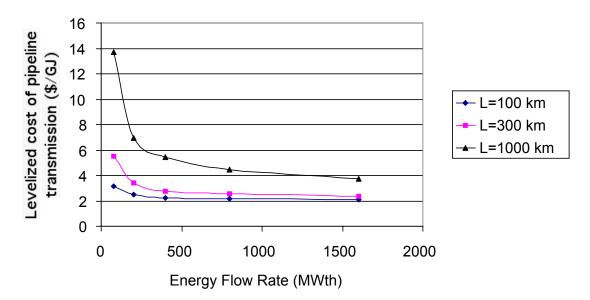


Figure 2.1.10. Levelized Cost of Hydrogen Pipeline Transmission (including compression, storage, and pipeline) vs. Pipeline Length and Energy Flow Rate (MWth)

### Hydrogen Truck Delivery

Hydrogen can be delivered by truck as well as by pipeline. For truck delivery, hydrogen is compressed to high pressure and carried in a tube trailer or liquefied and carried in a cryogenic tank truck.

Recent studies by NREL (Amos 1998) and SFA Pacific (Simbeck and Chang 2002) have given estimates for the cost and performance of tube trailers and LH2 trucks. The precise cost of truck delivery depends on the delivery route and the amount of hydrogen delivered.

### 2.1.5.2. A Comparison "Point-to-Point" Hydrogen Delivery Costs

The detailed cost models described above are used to determine the cost of "point-to-point" hydrogen delivery for different transport modes as a function of hydrogen flow rate and transportation distance.<sup>8</sup> Figure 2.1.11 and Figure 2.1.12 show the least cost

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<sup>&</sup>lt;sup>8</sup> Hydrogen delivery includes compression or liquefaction and hydrogen storage at the central plant, and hydrogen transport via pipeline or truck. By "point to point", we mean delivery from the central H2 production plant to the edge of the city. Transport within the city via a local pipeline network is NOT included. Local distribution costs are estimated in the next section.

mode for any given flow and distance for point-to-point hydrogen transport. We see that at large flow rates, pipeline transport is the lowest cost option. For small quantities of hydrogen, compressed gas trucks are best at short distance and liquid hydrogen trucks at longer distance. The overall cost of point-to-point transmission ranges from several \$/kg to less than \$0.5/kg (for pipelines with large flow rates). Figure 2.1.11

owrate								-	Trans	port E	istan	ce [kr	n]						
ig H₂/day]	25	50	75	100	125	150	175	200	225	250	275	300	325	350	375	400	425	450	475 {
2000	G	G	G	G	G	G	G	G	G	G	G	G	G	G	G	L	L	L	L
4000	G	G	G	G	G	G	G	G	G	G	G	L	L	L	L	L	L	L	L
6000	G	G	G	G	G	G	G	G	G	L	L	L	L	L	L	L	L	L	L
8000	Р	G	G	G	G	G	G	G	L	L	L	L	L	L	L	L	L	L	L
10000	Р	G	G	G	G	G	G	L	L	L	L	L	L	L	L	L	L	L	L
14000	Р	Р	Р	G	G	G	L	L	L	L	L	L	L	L	L	L	L	L	L
18000	Р	Р	Р	Р	Р	Р	L	L	L	L	L	L	L	L	L	L	L	L	L
22000	Р	Р	Р	Р	Р	Р	Р	L	L	L	L	L	L	L	L	L	L	L	L
24000	Р	Р	Р	Р	Р	Р	Р	L	L	L	L	L	L	L	L	L	L	L	L
28000	Р	Р	Р	Р	Р	Р	Р	Р	L	L	L	L	L	L	L	L	L	L	L
32000	Р	Р	Р	Р	Р	Р	Р	Р	Р	L	L	L	L	L	L	L	L	L	L
36000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	L	L	L	L	L	L	L	L
40000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	L	L	L	L	L	L	L
44000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	L	L	L	L	L	L
48000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	L	L	L	L	L
52000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	L	L	L	L
56000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	L	L	L
60000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	L	L
64000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	L
68000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р
72000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р
76000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р
80000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р
84000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р
88000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р
92000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р
96000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р
100000	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р	Р

Figure 2.1.11. Minimum cost delivery mode for a range of operating conditions (P – pipeline, G – compressed gas trucks, L – liquid trucks).

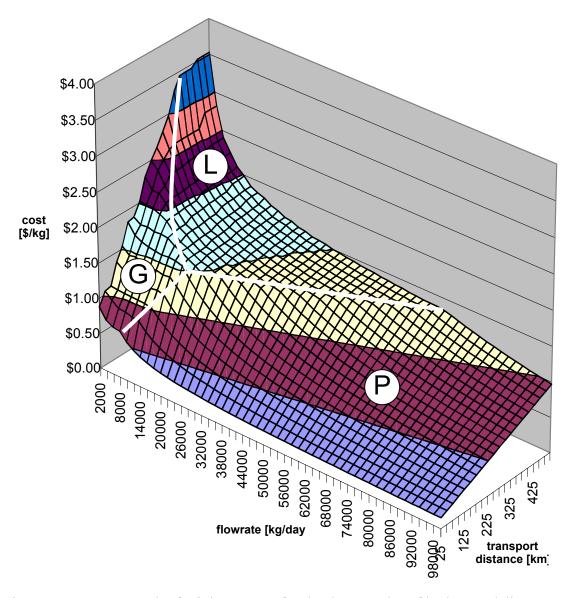


Figure 2.1.12. Graph of minimum cost for the three modes of hydrogen delivery as a function of flowrate and transport distance.

### 2.1.5.3. Designing a Local hydrogen distribution network

### Idealized City Model

Once hydrogen from a central production plant is delivered to the city gate, it must be distributed to refueling stations located throughout the city. (These stations are sited for adequate customer convenience.) Distribution could be accomplished via trucks traveling to stations or a network of small-scale pipelines.

To estimate the cost of local distribution, it is important to know the location and size of refueling stations. Several researchers have looked at possible configurations for a network of refueling stations (Ogden 1999, Mintz 2002, Nicholas 2003). We have modeled the distribution network serving hydrogen stations using an "idealized city model". We develop general expressions for a "generic" city in terms of its size, hydrogen demand and the resulting hydrogen infrastructure required to support this demand. This design is used to determine costs for hydrogen distribution. Using generalized, idealized city models speeds up the analysis and provides information about these distribution system characteristics for a wide range of cities. <sup>10</sup>

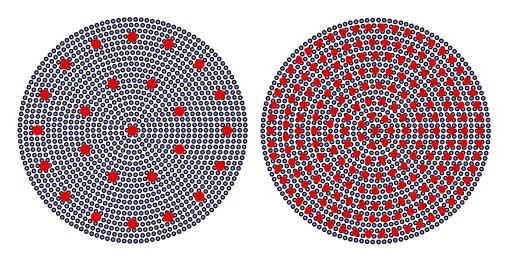


Figure 2.1.13. Idealized city model with 25 and 125 hydrogen stations distributed in rings throughout the city.

As shown in Figure 2.1.13 we assume the city is circular, with a radially distributed population. The city size is not specified as a fixed number of kilometers, but rather distribution system lengths are characterized as a function of the city radius. Distances are calculated in this city by following a grid (i.e. rectilinear) road network. The refueling stations are configured into rings that are concentric around the city center. Each city configuration consists of one or more rings of stations with varying numbers of stations in each ring. For a given station configuration, the radii of the rings of stations were varied in order to minimize the overall weighted average distance traveled

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<sup>&</sup>lt;sup>9</sup> Each demand area is treated as an ideal circular city. The layout of the distribution network (including the number of refueling stations and the length or distance of distributing hydrogen to those stations) is estimated as a function of the city's physical size (area) and hydrogen demand within the demand region.

<sup>10</sup> Where data is available, more datailed models can be used to determine station numbers, locations

Where data is available, more detailed models can be used to determine station numbers, locations, convenience and distribution system layout using a detailed geographic study of the distribution system of a specific city/region using GIS tools (such as in Nicholas 2003).

for users. This analysis does not find an optimal configuration of stations, because the average distance between users and stations is only one criteria among many that will be used to optimally site refueling stations. Reducing the length and cost of the pipeline network to supply these stations is another important criteria. As a result, a comparison is made as to how convenience trades off against the distribution network length (i.e. the length of pipe required to connect each of the stations together and to the edge of the city (city gate)). In Figure 2.1.14, we show the total distribution length (in city radii) and the average distance between stations for cases with 5 to 75 refueling stations.

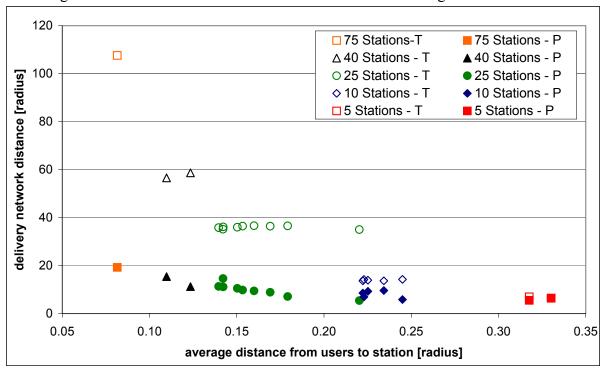


Figure 2.1.14. Tradeoff between convenience and delivery network distance for pipelines and trucks for different numbers and configurations of stations. ("P" denotes pipeline distribution, "T" truck distribution.)

In Figure 2.1.15, the pipeline length ( $L_{pipeline}$ ) is shown to be a power law function of the number of stations, while the truck route distance scales linearly with the number of stations. Thus as the number of stations grows, the pipeline distribution modes become more efficient than trucks. The model results are plotted to compare length of the pipeline network or truck driving distance as a function of the number of stations. The

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Other studies (Nicholas 2003) have indicated that if 10-25% of current gasoline stations offered hydrogen, this might be sufficient for customer convenience. In a typical US city (where there are about 3000-4000 people per gasoline station), 10% coverage corresponds to 1 hydrogen station for every 30,000-40,000 people. (For cities ranging from 100,000-3,000,000 people, the number of hydrogen stations needed varies from about 3-100 stations)

data for pipeline length vs station number is fitted to a power function and for the homogeneous population density, the equation that describes this relationship is:

$$L_{pipeline} = \beta \cdot N_{stations}^{\gamma}$$

where  $L_{pipeline}$  is the length of the pipeline (as a multiple of the city radius),  $N_{stations}$  is the number of stations,  $\beta$  is 3.524 and  $\gamma$  is 0.4115.

For the truck delivery scenario, it is assumed that trucks do not travel to multiple stations on a given trip so that a linear equation describes this distance:

$$D_{truck} = 1.44 \cdot N_{stations}$$

As demand increases along the demand profile, additional stations are added to the network of stations. Although this model is not designed to calculate the marginal increase in pipeline length resulting from adding new refueling stations, the curve fit can be used to estimate, on average, the length of pipeline needed to supply additional refueling stations.

Given the hydrogen demand in a city of a certain physical size, an estimate can be made of the required number of refueling stations and using the equations above, the total length of pipeline or truck travel distance required to supply the network of refueling stations. The cost for the network can be calculated using cost models for truck or pipeline hydrogen delivery.

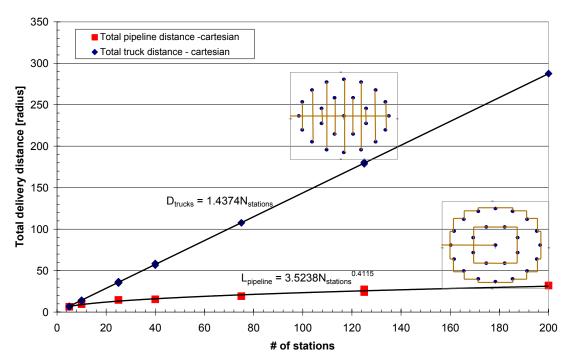


Figure 2.1.15. The relationship between the number of stations within the city and the total delivery distance for pipelines and trucks.

### 2.1.5.4. Hydrogen Refueling Stations

Costs for hydrogen refueling stations have been discussed by a number of authors (DTI et a. 1997, Ogden et al. 1998, Thomas et al 2000, Simbeck and Chang 2002, TIAX 2003, DTI 2003). 12

In Table 2.1.5, we list the capital and operating costs for four types of refueling stations, including pipeline-delivered hydrogen, LH2 truck-delivered hydrogen, onsite steam methane reformers and onsite electrolyzers. A range of sizes is shown for stations dispensing 100,000 to 2 million scf H2 per day (240 – 4800 kg H2/day). H<sub>2</sub> is dispensed to vehicles at refueling stations as a high-pressure gas for storage in onboard cylinders (at 34 MPa). Each station could serve a fleet of several hundred to several thousand cars. There is a wide range of estimates. The cost of hydrogen refueling stations scales approximately linearly with size. This suggests that the capital cost for refueling station equipment would be about the same for a few large stations or many small ones. Of course, other costs such as land or permitting, that don't scale with size, might be higher if many small stations were built.

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<sup>&</sup>lt;sup>12</sup> Currently, the H2A group is analyzing the costs of refueling station designs. We will update these estimates as newer data become available. Analysis is also ongoing at UC Davis on today's hydrogen refueling station costs (Weinert 2004) and on hydrogen energy stations that reform natural gas to produce power and heat for a nearby building as well as hydrogen (Lipman 2004).

Table 2.1.5. Characteristics Of Hydrogen Refueling Stations

Туре	Reference	Capital Cost as a function	Conversion	Electricity Use	Total O&M cost \$/y	Assumptions
	Size (kg/d)	of size	Efficiency Feedstock ->	(kWhe/kgH2)	COSt 5/y	
ONGITE CM	<u> </u>		H2			
ONSITE SM	240-4800	\$951.07 x	NG->H2	2.26 kWhe/kg	425.96 x kg/d	NG =
100 units	240-4800	(kg/d) + 300,352	η =0.707 HHV	H2	+ 53747	\$3/MBTU, Elec = \$0.072/kWh
DTI – first unit	37-7500	\$1155.6 x (kg/d) + 199,770	NG -> H2			
DTI – 100 units	37-7500	\$435.11 x (kg/d) + 54266				
DTI – 1000 units	37-7500	\$273.04 x (kg/d) + 34,054				
Simbeck 2002	470	1,480,000	η =70% LHV \$119,000 NG \$5.5/MBTU	2 kWhe/kg H2 \$19,000/yr @ 7 cent/kwh	\$235,000	NG=\$5.5/MB TU; elec= \$0.07/kWh
TIAX mature tech. 2003	690	1,175,000				
	ELIVERED H			1		
Princeton	240-4800	\$602.64 x kg H2/d + 34667		2.48 kWhe/kg H2	\$195.92 x (kg H2/d) + 43100	Elec = \$0.072/kWh
Simbeck	470	520,000				elec= \$0.07/kWh
TIAX	690	352,500				
	DELIVERED		1	T	1	
Princeton	240-4800	\$225.51 x kg H2/d + 94664		0.27 kWhe/kg H2	\$93.334 x kg H2/d + 45082	Elec = \$0.072/kWh
Simbeck	470	680,000				Elec =\$0.07/kWh
TIAX	690	423,000				
	ECTROLYSIS	T 44-140 - 4	T		1 4-4 ( 4 4	
Princeton	240-4800	\$2528.7 x kg H2/d + 20433	Electricity η =80% HHV	49 kWhe/kg electrolysis + 4.16 kWhe/kg H2 compression	\$736.63 x (kg H2/d) + 45990	Off-pk power Elec = 3 cent/kWh
DTI – first 1000 stations	37-75	\$2258.9 x kg H2/d + 69760	Electricity η =80%			
Simbeck	470	4,150,000 \$2157/kW	Electricity η =63.5% LHV	55 kWhe/kg H2 Electrolysis + 2.3 kWh/kg H2 Compression	700,000	elec= \$0.07/kWh
TIAX	690	1,128,000		, p		

# 2.1.5.5. Summary of Component Costs and Performance for Fossil Hydrogen Energy System with CO2 Sequestration

In Table 2.1.6 and Table 2.1.7, we summarize the costs and performance for various components of a hydrogen energy system. These simplified formulas allow us to estimate component capital and O&M costs as a function of size, feedstock, and electricity costs.

Table 2.1.6. Summary Economic Data for Large Central H2 Production Systems as a Function of Scale

	So = Reference H2 plant size	Cost(So) = Capital Investment for Ref. H2 Plant (million \$)	α= Plant capital Scale factor (scale range)	η = Feedstock Conv. Eff to H2 on HHV basis	Co-products	Source
SMR, CO <sub>2</sub> vented	613 tonne H2 /d	262	0.7 (153-613 t/d)	0.81		Foster Wheeler (1996, 1998)
SMR, CO <sub>2</sub> captured	613 tonne H2 /d (5000 tCO2/d)	384 for plant + 45 (CO <sub>2</sub> compressor) =429 total	0.7 (153-613 t/d) 0.7 (CO <sub>2</sub> comp)	0.78		Foster Wheeler (1996, 1998)
Coal Gasifier, CO <sub>2</sub> vented	613 tonne H2 /d	659	0.828 (153-613 t/d)	0.736	Electricity (2.04 kWh/kg H2)	Kreutz 2002
Coal Gasifier, CO <sub>2</sub> captured	613 tonne H2 /d (10,000 tCO2/d)	613 for plant +  50 (CO <sub>2</sub> compressor) =663 total	0.828 (153-613 t/d) 0.7 (CO <sub>2</sub> comp)	0.705	Electricity (1.21 kWh/kg H2)	Kreutz 2002
CO <sub>2</sub> Sequestration (CO <sub>2</sub> compressor is included in fossil	$16000$ tonne $CO_2$ /d $100$ km pipeline $2500$ tonne	\$70 million x (Q/16000) <sup>0.48</sup> x (L/100) <sup>1.24</sup> + Q/2500 x \$4.4 million/well	Pipeline + injection well			Ogden (2002)
H2 plant cost estimates above)	CO <sub>2</sub> /d/well	+ (Q/2500-1) x \$3.2 million	+ injection site piping			
Biomass Gasifier, CO <sub>2</sub> vented	165 tonne/d	172	0.7 (150-750 t/d)	0.636		Larson 1993; Simbeck and Chang 2002
Electrolysis	150 tonne/d 250 MW H2	\$75-150 million (\$300-600/kW)	0.9 (20-613 t/d)	0.8	Oxygen (8 kg/kg H2)	Ogden (1998)

CRF = 15%; non-fuel O&M = 4% of capital investment/y

Capital Cost at plant size S (\$) = Cost (S) = Cost (So) x  $(S/So)^{\alpha}$ 

S = H2 plant capacity (tonne/d)

O&M Cost at plant size S (\$/y) = O&M(S) = 4% x Cost (So) x (S/So)<sup> $\alpha$ </sup>

Feedstock Cost (S) (\$/y)

= S x 365 d/y x capacity factor x HHV H2 (GJ/kg)/η x feedstock Cost (\$/GJ)

Byproduct credit (S) (\$/y)

= S x 365 d/y x capacity factor x Byprod (unit/kg H2) x Byprod price (\$/unit)

Levelized cost of H2(S) \$/kg

= [CRF x Cost(S) + O&M(S) + Feedstck Cost(S) + Byproduct credit(S)]/(capacity factor x S x 365 d/y)

Table 2.1.7. Economic Data for Gaseous Hydrogen Pipeline Transmission Systems as a Function of Scale (including hydrogen compression, large scale gaseous storage and transmission pipeline)

Reference	Capital Investment	Equations with scaling factors
20 MWe	\$1600/kWe (multi stage)	Scale factor of 0.9 for large H2 compressors (Simbeck and Chang 2002). Costs match well with Kreutz et al. 2002)
	\$900/kWe (single stage)	H2 compressor electricity input = 2-10% of higher heating value of hydrogen compressed depending on compressor inlet and outlet pressures (see Appendix E). Assuming inlet pressure of 1.4 MPa, and outlet pressure of 6.8 MPa, and compressor efficiency of 70%, the electricity use is about 2% of the H2 energy.
		Compressor power (MWe) = [S (tonne/d) x (1000 MWH2/613 tonne/d) x (2-10% MWe/MWH2)]
		Capital cost of H2 compressor(\$) = (Compressor Power/20 MWe) <sup>0.9</sup> x \$1600/kWe x 20 MWe
		S= H2 plant size (tonne H2/d)
High pressure cylinders	\$700/kg (kg of H2 storage capacity)	Compressed gas storage is modular with little scale economy.
Bulk aboveground compressed gas storage	cc	For a H2 central plant, we assume storage equivalent to 1/2 day's production is needed.
Advanced	\$200-250/kg	If $S = plant$ output in tonne $H2/d$ ,
automotive	ψ200 230/kg	$Cost = $700,000 \times 0.5 \times S,$
pressure cylinders		for aboveground gas storage
Underground storage	\$280-420/kg	Cost = \$280,000-420,000 x 0.5 x S, for underground storage
100 km length; (Pin=6.8 MPa Pout=1.4 MPa) H2 Flow= 60 t/d 150 t/d 300 t/d	Pipe Diam. Cost (inch) (million\$) D=4.8";\$16-62 D=6.7",\$16-62 D=8.7"\$16-62	Pipeline capital cost (\$/m)  = max  \[ \int 0.3354 \times D^2 + 11.25 \times D + 2.31; \\ 155-620 \text{ (for rural-urban sites)} \]  D = pipeline diameter in inches  (D is found from hydrogen flow rate, pipeline inlet and outlet pressures, pipeline length, and flow regime (see Appendix E)
	High pressure cylinders  Bulk aboveground compressed gas storage  Advanced automotive pressure cylinders  Underground storage  100 km length; (Pin=6.8 MPa Pout=1.4 MPa) H2 Flow=60 t/d 150 t/d	equipment size  20 MWe  \$1600/kWe (multi stage)  \$900/kWe (single stage)  High pressure cylinders  \$700/kg (kg of H2 storage capacity)  Bulk aboveground compressed gas storage  Advanced automotive pressure cylinders  Underground storage  \$200-250/kg  100 km length; (Pin=6.8 MPa Pout=1.4 MPa) H2 Flow= 60 t/d 150 t/d 300 t/d  Pipe Diam. Cost (inch) (million\$) D=4.8";\$16-62 D=6.7",\$16-62 D=6.7",\$16-62 D=8.7"\$16-62

# 2.2. Task 2.0. Integrated Studies of the Entire System to Find the Lowest Cost Options

In Task 2, we combine our "component" models of hydrogen production, CO<sub>2</sub> capture, transmission and sequestration, hydrogen compression, storage, distribution and refueling to describe an integrated fossil hydrogen system with CO<sub>2</sub> capture and sequestration.

## 2.2.1. Task 2.1. Develop Simple Model for Entire System and Perform Sensitivity Studies

In Task 2.1, we studied total system design and economics, for the special case of a single large fossil energy complex connected to a single geological  $CO_2$  sequestration site and a single  $H_2$  demand center (such as a city with a large concentration of  $H_2$  vehicles). Results for this task were described in the first progress report for this contract. The system is shown in Figure 1.1.1. Using the component models from Task 1, we developed a simple analytical model linking the components into a total system. We then estimated the total delivered cost of  $H_2$  with  $CO_2$  sequestration for hydrogen produced from coal and natural gas (Figure 2.1.3). We conducted sensitivity studies to examine which parameters are most important in determining delivered hydrogen costs. For our base case assumptions (large  $CO_2$  and  $H_2$  flows; a relatively nearby reservoir for  $CO_2$  sequestration with good injection characteristics; a large, geographically dense  $H_2$  demand),  $H_2$  production, distribution and refueling were found to be the major costs contributing to the delivered  $H_2$  cost.  $CO_2$  capture and sequestration added only  $\sim 10\%$ . Better methods of  $H_2$  storage would reduce both refueling station and distribution system costs, as well as costs on-board vehicles.

As a second step, we expanded this simple model to include better models of hydrogen demand and hydrogen distribution systems. Further, this improved model provides a potential interface with GIS database being developed in Task 3, allowing hydrogen system design and cost calculations based on quantities easily derived from GIS maps (see Figure F.1). In the next sections we present results for the cost of fossil hydrogen production with CO<sub>2</sub> sequestration including distribution of hydrogen to vehicles, as a function of geographic factors (size of demand, geographic density of demand, location of fossil energy complexes and sequestration sites), level of hydrogen use (e.g. market penetration of hydrogen vehicles), and technology.

### 2.2.1.1. An Integrated Hydrogen System Model

We consider a variety of possible hydrogen supply and delivery options, which are likely to be important in future hydrogen energy systems:

Centralized, large-scale production of hydrogen from:

- Steam reforming of natural gas with and without CO<sub>2</sub> sequestration
- Coal gasification with and without CO<sub>2</sub> sequestration
- Large scale electrolysis

Distributed production of hydrogen at refueling sites from:

- Natural gas reforming
- Electrolysis using off-peak power

For centralized production, we consider hydrogen delivery via truck (compressed gas or liquid), or via gas pipeline. For fossil hydrogen with CO<sub>2</sub> sequestration, we consider a disposal system for CO<sub>2</sub>.

For each supply pathway, we estimate infrastructure costs as a function of a relatively small number of input variables embodying averaged and/or simplified information about geography, markets and technology.

#### **INPUT** variables:

### Geographic factors:

Total number of vehicles in a region

Region size (km<sup>2</sup>)

### Market Factors:

fraction of hydrogen vehicles in fleet

refueling station coverage factor (fraction of all refueling stations that must offer

H2 to assure adequate customer convenience)

Number of vehicles per gasoline refueling station today

Vehicle use miles/year

### **Technical Factors:**

Vehicle Fuel Economy

Cost and performance of infrastructure components

Layout of distribution system (from idealized city model in Task 1.5)

From these inputs, we estimate for different production and delivery pathways:

### OUTPUT OF MODEL:

H2 production capacity needed

Number of H2 refueling stations

H2 dispensed per station

Layout of hydrogen stations

Delivery system layout (pipeline length; truck route length)

Cost of entire system from production through delivery for different production and delivery options

Levelized cost of hydrogen

Details of this model are given in Appendix F.

## 2.2.1.2. Preliminary Results

We have just begun to work with this model to estimate the lowest cost alternatives as a function of market and geographic factors. As an example, we consider a city of 1 million people, where 10% of vehicles run on hydrogen (see Table 2.2.1 and Table 2.2.2).

Table 2.2.1. Characteristics of City and Calculated Infrastructure

People
LDVs/km2   1500     Area of city   500 km2     City radius (for circular city) km   12.6 km     Market factors     Fraction H2 vehicles = fH2   10%     Gasoline Vehicles/gasoline station   3000     Coverage factor   20%     Vehicle performance     H2 Vehicle Fuel Economy   57 mpgge     = 2.8 x Today's Gasoline LDV     Miles travelled/y   15,000     H2 energy use/LDV/d   0.7 kg H2/d/LDV     H2 Vehicles and Refueling Stations     # H2 vehicles in city   75,000
Area of city  City radius (for circular city) km  Market factors  Fraction H2 vehicles = fH2  Gasoline Vehicles/gasoline station  Coverage factor  Vehicle performance  H2 Vehicle Fuel Economy = 2.8 x Today's Gasoline LDV  Miles travelled/y  H2 energy use/LDV/d  H2 Vehicles and Refueling Stations  # H2 vehicles in city  500 km2  10%  10%  3000  57 mpgge  57 mpgge  15,000  15,000
City radius (for circular city) km  Market factors  Fraction H2 vehicles = fH2  Gasoline Vehicles/gasoline station  Coverage factor  Vehicle performance  H2 Vehicle Fuel Economy = 2.8 x Today's Gasoline LDV  Miles travelled/y  H2 energy use/LDV/d  H2 Vehicles and Refueling Stations  # H2 vehicles in city  12.6 km  10%  3000  5000  57 mpgge  57 mpgge  15,000  15,000
Market factorsFraction H2 vehicles = fH210%Gasoline Vehicles/gasoline station3000Coverage factor20%Vehicle performance57 mpggeH2 Vehicle Fuel Economy57 mpgge= 2.8 x Today's Gasoline LDV15,000Miles travelled/y15,000H2 energy use/LDV/d0.7 kg H2/d/LDVH2 Vehicles and Refueling Stations75,000
Fraction H2 vehicles = fH2  Gasoline Vehicles/gasoline station  Coverage factor  Vehicle performance  H2 Vehicle Fuel Economy = 2.8 x Today's Gasoline LDV  Miles travelled/y  H2 energy use/LDV/d  H2 Vehicles and Refueling Stations  # H2 vehicles in city  10%  3000  57 mpgge  57 mpgge  15,000  0.7 kg H2/d/LDV
Gasoline Vehicles/gasoline station Coverage factor  Vehicle performance H2 Vehicle Fuel Economy = 2.8 x Today's Gasoline LDV Miles travelled/y H2 energy use/LDV/d H2 Vehicles and Refueling Stations # H2 vehicles in city  3000 57 mpgge 15,000 15,000 0.7 kg H2/d/LDV
Coverage factor  Vehicle performance  H2 Vehicle Fuel Economy = 2.8 x Today's Gasoline LDV  Miles travelled/y  H2 energy use/LDV/d  H2 vehicles and Refueling Stations  # H2 vehicles in city  20%  57 mpgge  15,000  15,000  0.7 kg H2/d/LDV  75,000
Vehicle performance57 mpggeH2 Vehicle Fuel Economy57 mpgge= 2.8 x Today's Gasoline LDV15,000Miles travelled/y15,000H2 energy use/LDV/d0.7 kg H2/d/LDVH2 Vehicles and Refueling Stations75,000
H2 Vehicle Fuel Economy = 2.8 x Today's Gasoline LDV  Miles travelled/y H2 energy use/LDV/d  H2 Vehicles and Refueling Stations # H2 vehicles in city  57 mpgge 15,000  15,000
= 2.8 x Today's Gasoline LDV  Miles travelled/y  H2 energy use/LDV/d  H2 Vehicles and Refueling Stations  # H2 vehicles in city  75,000
Miles travelled/y H2 energy use/LDV/d O.7 kg H2/d/LDV  H2 Vehicles and Refueling Stations # H2 vehicles in city 75,000
H2 energy use/LDV/d  H2 Vehicles and Refueling Stations  # H2 vehicles in city  75,000
H2 Vehicles and Refueling Stations # H2 vehicles in city 75,000
# H2 vehicles in city 75,000
# H2 vehicles in city 75,000  Total H2 production required kg/d 52.5 tonne H2/d
Total H2 production required kg/d 52.5 tonne H2/d
# H2 refueling stations 50
H2 refueling station size 1050 kg/d/sta
H2 cars/H2 sta 1500
Central Production Model
Central production capacity tonne H2/d 65.6 tonne/d
Central plant storage capacity tonnes 26.25 compressed gas
52.5 Liquid H2
Pipeline Distribution Model
Local distrib. pipeline length/city radius (Figure 2.1.15)
Local distrib pipeline length 252 km
Truck Distribution Model (assumes each
truck makes 2 deliveries per day)
Compressed Gas Trucks required 55
LH2 Trucks Required 7

Table 2.2.2. Capital Costs for Hydrogen Infrastructure Options (million \$)

	Central	Central	Central	Onsite SMR	Onsite
	production	production	production		Electrolyzer
	SMR +	SMR + LH2	SMR + comp		
	pipeline	truck	gas truck		
	delivery, CO <sub>2</sub>	delivery, CO <sub>2</sub>	delivery, CO <sub>2</sub>		
	vented	vented	vented		
		Capital cost	s Million \$		
Central SMR	55	50.5	55		
Liquefier	-	54	-		
Comp Gas	18.3	2.54	18.3		
storage	1/2 day	1/2 day	1/ day		
Local	38-150	-	-		
Pipeline					
(\$155-620/m)					
Trucks	-	4.4	29.5		
Refueling	33.3	16.6	33.3	64.9	122
stations					
TOTAL	145-257	127	136	65	122
Capital cost					
(\$million)					
TOTAL	1933-3427	1699	1814	866	1628
Capital cost					
\$/LDV					
	ts (million \$/yr)				
Natural Gas	12.60	12.60	12.60	20.06	
Electricity	2.85	8.91	2.85	2.60	30.56
Other O&M	6.23	5.75	10.58	2.60	4.88
Total O&M	21.67	27.26	26.03	25.26	35.44
LEVELIZED	COST OF H2	\$/kg			
Capital	1.42-2.51	1.25	1.33	0.64	1.19
NG	0.82	0.82	0.82	1.31	0.00
Electricity	0.19	0.58	0.19	0.17	1.99
Other O&M	0.41	0.38	0.69	0.17	0.32
Total	2.84-3.93	3.03	3.03	2.28	3.51

For this level of hydrogen vehicle use, in this size city, onsite SMR gives the lowest capital costs and delivered hydrogen costs. In Figure 2.2.1, we plot the capital cost of  $H_2$  infrastructure per car as a function of hydrogen market penetration rate. For this set of assumptions, onsite SMRs are the lowest capital cost option for all values of  $fH_2 > 1\%$  of the fleet (at these very low  $H_2$  penetration rates, electrolyzers are less costly).

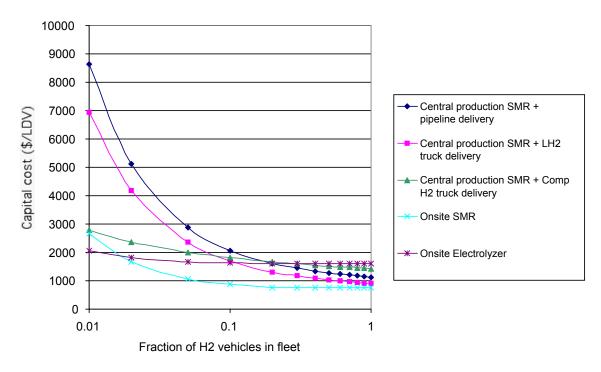


Figure 2.2.1. Capital Cost \$/LDV for H<sub>2</sub> Infrastructure vs. Fraction of H<sub>2</sub> Vehicles

The delivered hydrogen cost (\$/kg) is plotted versus fH2 in Figure 2.2.2. At very low hydrogen use, compressed gas trucks or electrolyzers give the lowest delivered costs. At very large fractions of H2 use, pipeline hydrogen gives the lowest delivered cost. This result is consistent with Figure 2.1.11.

# 2.2.2. Task 2.2 Explore Use of Mathematical Programming Techniques to Study More Complex Systems.

Although studies of the simple system in Task 2.1 are useful, a mature fossil hydrogen system would potentially involve a number of hydrogen production sites, hydrogen demand centers, and  $CO_2$  sequestration sites. To study more complex and realistic systems involving multiple energy complexes,  $H_2$  demand centers, and sequestration sites, we are exploring use of mathematical programming methods to find the lowest cost system design. Thus far, we examined the suitability of several mathematical programming methods that could be used to optimize the design of a hydrogen energy system with  $CO_2$  sequestration.

The basic design problem is shown in Figure 1.1.2. We have several hydrogen demand centers (shown in yellow) and primary resources. The question is how to connect these using the lowest cost system (including hydrogen production plants, hydrogen

distribution and for fossil hydrogen options, a CO<sub>2</sub> disposal system.) The longer-term goal is to compare various possible transition pathways to find the lowest overall cost.

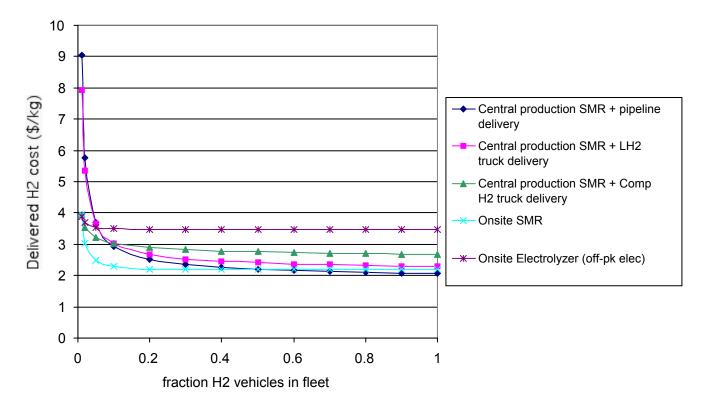


Figure 2.2.2. Delivered Cost of H<sub>2</sub> (\$/kg) vs. Fraction of H<sub>2</sub> vehicles in Fleet for City of One Million People

This is a complex nonlinear optimization problem. As a first step, we reviewed the literature to understand how mathematical programming techniques had been applied to modeling pipeline systems (see Appendix H). (This is a subset of the overall design problem, as hydrogen production systems are not specifically included in this analysis.)

Several general classes of problems have been studied, relating to optimizing pipeline systems.

**Design Optimization:** In this category, we consider the design of a new pipeline network. Since the network doesn't exist yet, we must decide how many compressor stations (if any) are needed, where they should be located, where the interconnection of two (or more) pipes should happen, and what size (diameter and length) each pipe segment should be. Constraints may include mass balance at each node, gas flow equation in every pipe segment, the work equation of compressors and limits on the pressure or flow rate. Infinitely many designs can meet the constraints. The design and

building cost is used as the objective function to select one design out of the design space.

**Steady-State Operation Optimization:** In this case, the network already exists, so pipe size, number and location of compressor stations are already known. The objective is to minimize the fuel consumption by compressors, which is determined by the suction and discharge pressure at each compressor station and the flow-rate of gas going through these compressors.

Table 2.2.3 summarizes the objective function (e.g. the cost function to be minimized), the constraints, and the optimization variables. Table 2.2.4 shows some of the approaches that have been applied to these two classes of pipeline design problems. Dynamic operation has also been treated, but we do not consider this here, because of its complexity.

Table 2.2.3. Objective Function Used in Various Pipeline Studies

	Design Optimization	Steady-state Operation optimization	
Objective function	building cost = f(pipe diameter, pipe length, # of compressor, terrain,)	$operation \cos t (fuel comsumed)$ = $f(pressure, flowrate,)$	
Constraints	<ol> <li>mass flow balance equation at each node</li> <li>gas flow equation at each pipe segment, i.e. pressure drop equation</li> <li>working equation of each compressor</li> <li>limits imposed on pressure or flow-rate</li> </ol>	Same as the left	
Optimization variables	pipe diameter and length, location of compressor stations and other interconnection points, etc.	flow-rate, suction and discharge pressure at each compressor station, etc.	

In our studies so far we have concentrated on minimizing pipeline distances as a surrogate for minimizing costs. As described below (Task 3) this was accomplished by finding the minimum spanning tree connecting hydrogen supply (a central hydrogen plant) with demand centers (cities).

Table 2.2.4. Mathematical Programming Methods Used in Various Studies to Model Pipelines

Traditional optimization techniques	Pure linear programming Nonlinear programming Sequential linear programming (SLP) General reduced gradient method (GRG) Inter-point method Newton-Raphson method Sequential unconstrained minimization technique (SUMT) Dynamic programming
Nontraditiona l optimization techniques	Genetic algorithms Simulated annealing Neural network Artificial ants

## 2.3. Task 3.0 Case Study of Transition to a Fossil Energy System with CO<sub>2</sub> Sequestration

#### 2.3.1. Task Overview

In this task, we explore how  $H_2$  and  $CO_2$  infrastructures might develop in the context of a geographically specific regional case study. We focus on the Midwestern United States, a region where coal is widely used today in coal-fired power plants, and good sites for  $CO_2$  sequestration are available. The goal is to identify attractive transition strategies toward a regional hydrogen/electricity energy system in the Midwest with near zero emissions of  $CO_2$  and air pollutants to the atmosphere.

In this task, the goal is to derive insights about.

- Time constants and costs. How fast can we implement hydrogen fuel infrastructure? How much will it cost? What are the best strategies? What level of demand is needed for widespread implementation of H<sub>2</sub> energy system?
- Sensitivities to: technology performance and costs, size and density of demand, local availability of primary sources, characteristics of CO<sub>2</sub> sequestration sites, market growth, policies.
- Rules for thumb for optimizing H<sub>2</sub> and CO<sub>2</sub> infrastructure development.

To better visualize our results, we use a geographic information system (GIS) format to show the location of  $H_2$  demand, fossil energy complexes, coal resources, existing infrastructure (including rights of way),  $CO_2$  sequestration sites and the optimal  $CO_2$  and  $H_2$  pipeline networks.

We developed a GIS database for the state of Ohio, an area where coal-fired power plants are widely used. A survey of relevant GIS data sets was conducted (see Appendix I), and a database was built, including:

- Population density data, which is used to estimate hydrogen demands
- Data on the existing natural gas system
- Information on the electricity system and power plants
- Information on roads, railroads
- Data on the existing gasoline refueling infrastructure
- Information on sites for CO<sub>2</sub> sequestration

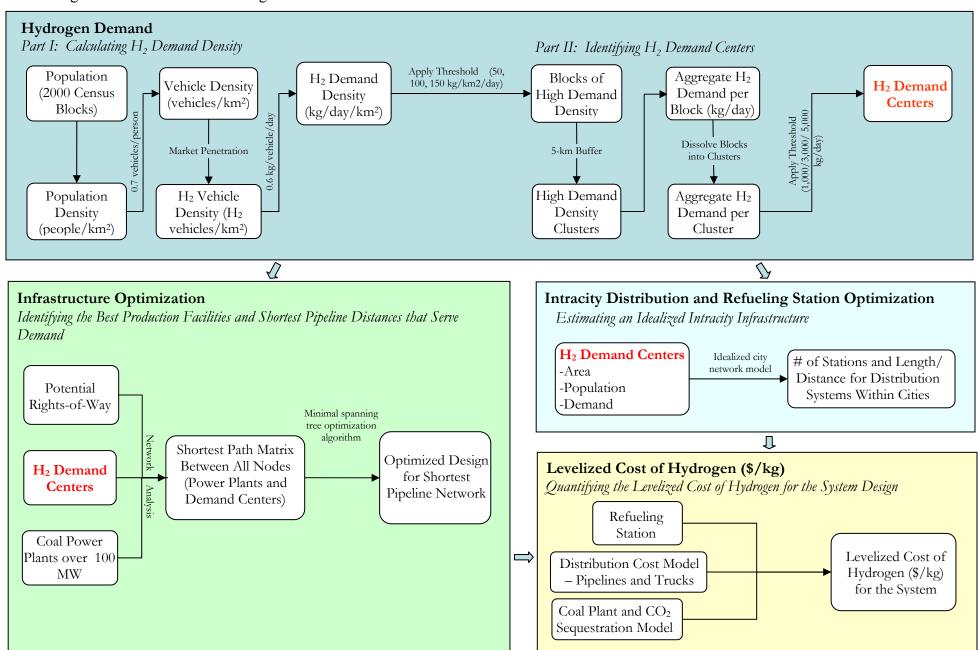
We combined this data into a single data base showing features such as hydrogen demand density, location of power plants, etc. <sup>13</sup> This is used a basis for analyzing alternative configurations for hydrogen supply and CO<sub>2</sub> disposal.

The overall flowchart for the GIS-based modeling is shown in Figure 2.3.1.

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<sup>&</sup>lt;sup>13</sup> Data sources used in building this database are given in Appendix H.

Figure 2.3.1. GIS modeling flowchart



### 2.3.2. Estimating Hydrogen demand

### 2.3.2.1. Methodology

In developing an optimized hydrogen infrastructure for the state of Ohio, it is first necessary to identify the quantity and location of hydrogen demand under different market penetration scenarios. In this study, hydrogen demand was calculated for two hypothetical steady-state scenarios in which: 1) hydrogen fuel cell vehicles (FCV's) make up 10% of the light duty vehicle (LDV) fleet and 2) FCV's make up 50% of the LDV fleet. The objective is to identify "demand centers" in which there is sufficient hydrogen demand to warrant investment in infrastructure.

To complete this analysis, a Geographic Information System (GIS) was used to derive hydrogen demand from block-level Census 2000 population data (US Census Bureau, 2000). The following steps were followed to identify hydrogen demand density in Ohio under the two FCV market penetration scenarios.

- 1. As FCV demand will occur in the future, a base year of 2030 was used for the analysis. Projected population change statistics (%) from 2000-2030 by county (Ohio Department of Development, 2004) were used to calculate population in the year 2030.
- 2. Population density was calculated by dividing the population of each census block by its area (km²) to arrive at persons/km².
- 3. An estimate of total LDV's per km<sup>2</sup> was calculated by multiplying the population density by an estimate of auto ownership per person. A factor of 0.7 vehicles/person was derived from Ohio Department of Public Safety data, which indicates that 8.3 million vehicles are registered among approximately 11,353,140 people.
- 4. Hydrogen vehicle density (H<sub>2</sub> vehicles/km<sup>2</sup>) was calculated for the two market penetration scenarios by multiplying the total LDV's per km<sup>2</sup> by 10% and 50%.
- 5. Hydrogen demand density (kg H<sub>2</sub>/day/km<sup>2</sup>) was derived by multiplying the number of H<sub>2</sub> vehicles with an estimate of average vehicle fuel use (0.6 kg H<sub>2</sub>/day/vehicle). This estimate is based on the assumption that the average vehicle travels 15,000 miles/year and has a fuel economy of 65 miles/kg.

In summary,

$$\frac{kgH_2/day}{km^2} = \left(\frac{persons}{km^2}\right)\left(\frac{total\ vehicles}{person}\right)\left(\frac{H_2vehicles}{total\ vehicles}\right)\left(\frac{kgH_2/day}{vehicle}\right)$$

$$(0.7) \qquad (10\% \text{ and } 50\%) \qquad 0.6$$

Given hydrogen demand density throughout the state, the next step was to identify census blocks with sufficient demand to warrant consideration for infrastructure. Three density thresholds (50, 100, and 150 kg/day/km²) were analyzed to examine their ability to capture hydrogen demand. The results of this sensitivity analysis will be presented in the next section. A GIS was used to select census blocks that met each threshold. Upon examining the results, it was apparent that the selections did not result in uniform areas of high density, but rather concentrations of high density census blocks with holes caused by low density blocks. Figure 2.3.2 illustrates this phenomenon within the city of Columbus for the three thresholds.

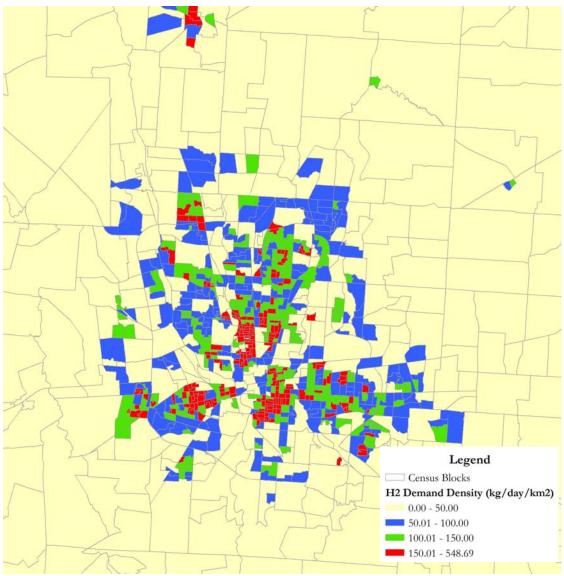


Figure 2.3.2. Hydrogen demand density given different density thresholds in Columbus, Ohio

In designing an optimized infrastructure, it was decided to identify uniform demand centers rather than islands of small disjointed clusters. Consequently, a 5-kilometer buffer was used to aggregate these clusters into uniform, consolidated shapes. The buffer was generated from the high demand density blocks and then all census blocks that were completely contained within the buffer were aggregated to form the demand clusters. Figure 2.3.3 illustrates the results from this analysis for the city of Columbus. Using the 100 kg/day/km² threshold, a total of 67 and 98 demand clusters were identified statewide for the 10% and 50% scenarios, respectively.

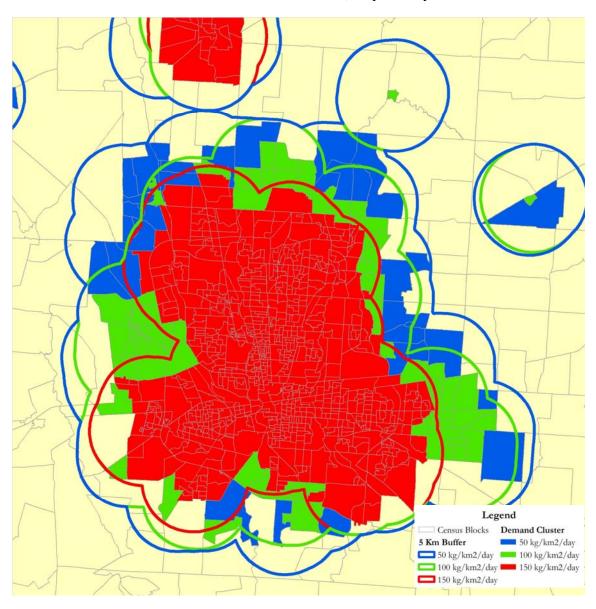


Figure 2.3.3. Demand clusters under different density thresholds in Columbus, Ohio

Given these demand clusters, the next step was to identify a subset consisting of clusters that have sufficient aggregate demand to support a single fueling station. To calculate aggregate demand, total hydrogen demand was identified for each census block by multiplying the demand per km² with the area (km²) of each block. Aggregate demand for each demand cluster was then calculated by summing the demand for all component blocks. A threshold was then used to eliminate clusters that do not have sufficient demand to support a fueling station. Three thresholds were tested, including 1,000, 3,000, and 5,000 kg/day. The results of the sensitivity analyses are discussed in the next section. For the "base" case that used a density threshold of 100 kg/day/ km², it was discovered that the hydrogen demand varied from 85 to 63,235 kg/day under the 10% scenario and from 115 to 754,836 kg/day under the 50% scenario. Figure 2.3.4 shows the results for the 10% scenario.

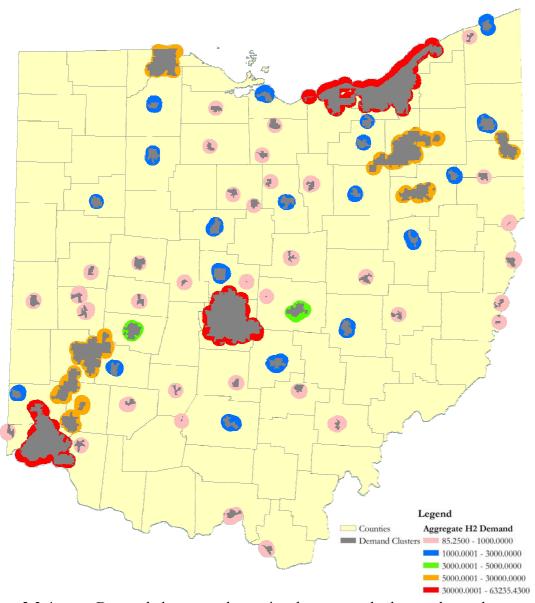


Figure 2.3.4. Demand clusters and associated aggregate hydrogen demand

Using the "base" case aggregate threshold of 3,000 kg/day, all demand clusters with a demand below this threshold were erased, leaving twelve demand centers under the 10% scenario and thirty-nine under the 50% scenario. The final demand centers using the "base" thresholds are illustrated for the 10% and 50% scenarios in Figure 2.3.5 and Figure 2.3.6, respectively.

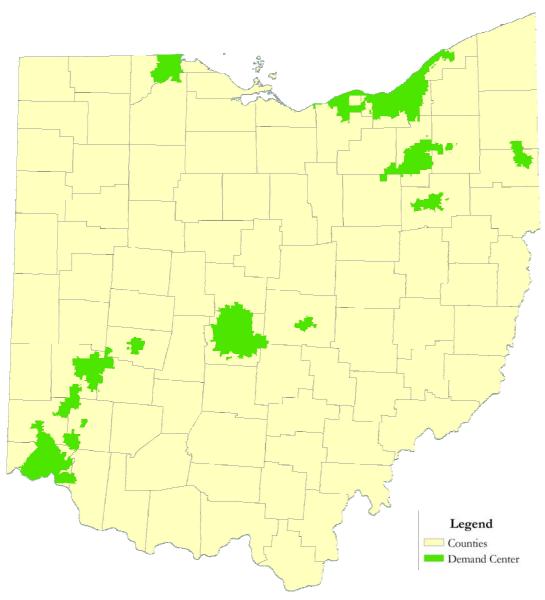


Figure 2.3.5. Demand centers with 10% market penetration

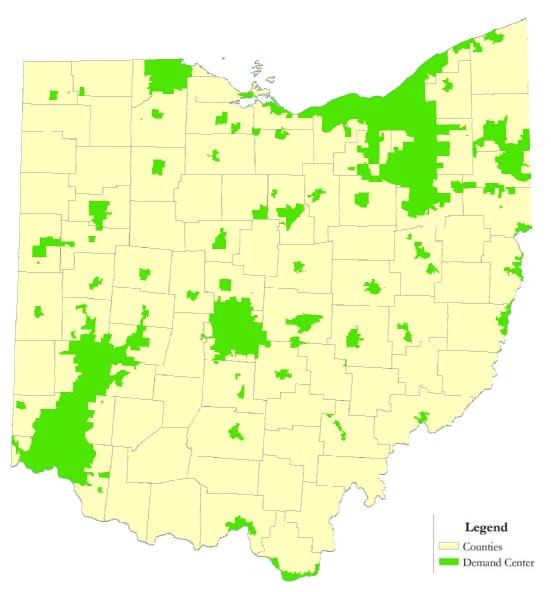


Figure 2.3.6. Demand centers with 50% market penetration

### 2.3.2.2. Sensitivity Analysis

In order to understand the spatial distribution and quantity of hydrogen demand under the 10% and 50% market penetration scenarios, we used two thresholds to identify areas of high demand. The first threshold (density threshold) was used to identify high demand density and develop demand clusters. The second threshold (aggregate threshold) was used to highlight areas with sufficient aggregate demand to warrant investment in infrastructure. As a result, it served to identify the optimized demand centers as a subset of the initial demand clusters. In order to determine appropriate thresholds, we conducted a sensitivity analysis using three threshold scenarios to analyze their impact on the extent and quantity of hydrogen demand. The three scenarios considered are shown in Table 2.3.1.

Table 2.3.1. Threshold values for each scenario

	Scenario 1	Scenario 2	Scenario 3		
	[low threshold]	[base]	[high threshold]		
Density Threshold	50	100	150		
	$(kg H_2/day/km^2)$	(kg H <sub>2</sub> /day/km <sup>2</sup> )	$(kg H_2/day/km^2)$		
Aggregate Threshold	1000	3000	5000		
	(kg H <sub>2</sub> /day)	(kg H <sub>2</sub> /day)	(kg H <sub>2</sub> /day)		

To compare these scenarios, we calculated the percent of statewide hydrogen demand captured within the demand centers (kg  $H_2$ /day), the percent of statewide land area captured (km<sup>2</sup>), and the number of demand centers. Table 2.3.2 summarizes the results.

Table 2.3.2. Results for each threshold scenario

	Scenario 1	Scenario 2	Scenario 3
	[low threshold]	[base]	[high threshold]
H <sub>2</sub> Demand	63.65%	47.21%	32.32%
(% of Ohio total)			
Area	8.83%	4.84%	2.59%
(% of Ohio total)			
Number of Demand	25	12	8
Centers			

As expected, a greater percentage of hydrogen demand is captured over a larger land area and in more demand centers as the threshold is lowered. The following figures illustrate the results for demand centers with varying levels of hydrogen demand. We

categorized the demand centers into five groups based on the quantity of aggregate hydrogen demand: 0 - 5,000 kg/day, 5,000 - 10,000 kg/day, 10,000 - 20,000 kg/day, 20,000 - 40,000 kg/day, and greater than 40,000 kg/day. Figure 2.3.7 identifies the number of demand centers in each group.

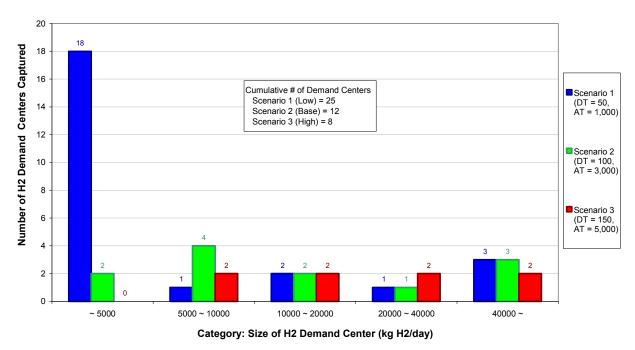


Figure 2.3.7. Number of hydrogen demand centers

This figure indicates that the "low" threshold results in a large number of centers with low hydrogen demand (1,000 to 5,000 kg/day). Depending on the location of these small centers, it may be cost prohibitive to supply them with hydrogen given their low demand. Consequently, it may be preferable to use a higher threshold to eliminate some of these smaller demand centers. The "low" threshold scenario not only results in more demand centers, but also cause demand centers to increase in size, resulting in more large demand centers (> 40,000 kg/day). Figure 2.3.8 illustrates the percent of total hydrogen demand for each group.

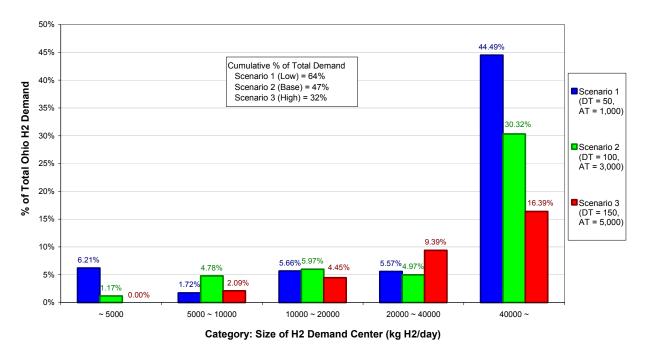


Figure 2.3.8. Percent of statewide hydrogen demand captured

This figure indicates that the "low" threshold captures more of the hydrogen demand within Ohio. In particular, it captures more demand in small and large demand centers because less small demand centers are eliminated and larger centers expand in size. Although this scenario does result in a 36% increase in the capture of demand over the "base" scenario, it requires infrastructure to be installed to over twice as many demand centers. The "high" scenario captures only 50% of the demand met by the "low" threshold. Figure 2.3.9 indicates the percent of total Ohio land area captured within each group.

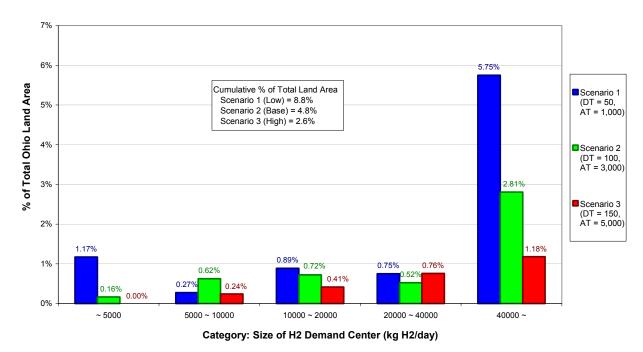


Figure 2.3.9. Percent of statewide land area captured

The "low" threshold scenario captures significantly more land area, especially in small and large demand centers. This result suggests that the "low" threshold would require more extensive intracity infrastructures, resulting in higher costs. The "low" scenario occupies 83% more land than the "base" scenario and 238% more land than the "high" threshold. Figure 2.3.10 illustrates the spatial distribution of the three scenarios given 10% market penetration.

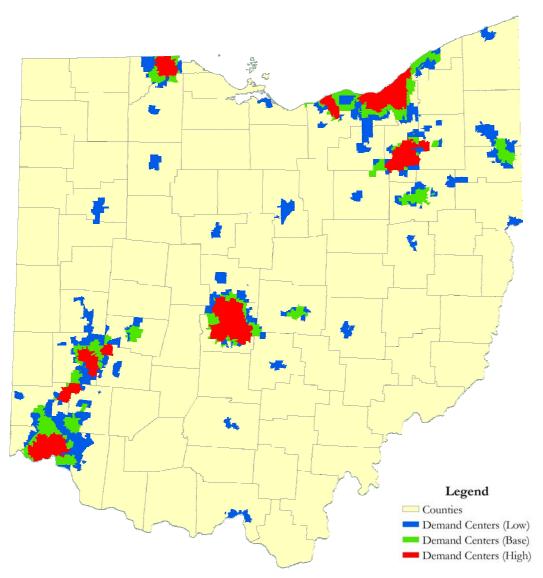


Figure 2.3.10. Spatial distribution of demand centers given the three threshold scenarios

This figure illustrates how the demand centers expand in size and number as the thresholds are lowered. In comparison with the "base" scenario, the "low" scenario captures 36% more of the state hydrogen demand, but requires service to twice as many demand centers and 83% more land area. However, it does capture 64% of hydrogen demand in less than 10% of the land area. In contrast, the "high" scenario captures 32% less hydrogen demand than the "base" and addresses 46% less land area and 33% fewer demand centers. It captures 32% of the hydrogen demand in 2.6% of the land area. The

"base" scenario captures 47% of hydrogen demand in less than 5% of the land area. In the future, it will be interesting to calculate the levelized cost of hydrogen under each scenario in order to determine which thresholds are the most cost-effective. For example, although the "low" threshold scenario requires extensive expansion of infrastructure for a relatively small gain in the capture of hydrogen demand, it may allow for the capture of economies of scale, resulting in favorable economics. An analysis of cost will be conducted in the near future.

### 2.3.3. Infrastructure Components

Determination of Hydrogen production capacity - Central plant

Information about coal electricity plants in Ohio is obtained from the EPA's eGrid database, including plant data such as electricity output, coal input, CO<sub>2</sub> emissions, and plant efficiency. This information is used to predict the hydrogen production capacity for each of these locations (see Table 2.3.3). This H<sub>2</sub> capacity can be calculated a number of different ways. One key assumption is that each coal plant site is currently limited with respect to its coal supply and handling capacity. This assumption will limit the ability of these coal plants to increase their coal inputs significantly. The first is to constrain only the existing coal input and re-direct that feedstock from electricity production to hydrogen production. Given a 65% conversion coal-to-H<sub>2</sub> efficiency, the hydrogen production capacity can be easily calculated.

A second strategy is to maintain both the coal input and electricity output, while coproducing hydrogen. Advanced integrated coal gasifier combined cycle (IGCC) technology can dramatically increase coal-to-electricity efficiency, requiring less coal input for the same electricity output. This allows the excess coal input to be converted to hydrogen by oversizing the gasifier and diverting a stream of hydrogen to be utilized as a transportation fuel. This can significantly reduce the capital costs associated with hydrogen production as compared to a standalone plant of the same  $H_2$  capacity.

Other strategies can be used to determine the potential hydrogen capacity of existing coal plant sites as well as other non-existing sites. For the initial analysis, the potential production plant locations was limited to existing utility coal plants over 100 MW electricity output and conversion to a dedicated H<sub>2</sub> production facility was considered.

In this analysis, coal plants producing mostly hydrogen with some co-production of electricity were considered with associated capture and compression of  $CO_2$  for sequestration based upon Kreutz et al 2002. The majority of the energy output is in the form of hydrogen (~97%) with the remaining energy output as electricity (~3%). The gross electricity production is about 14% of the total output, but electricity demands within the plant for compression lead to lower net electricity output. The plant has a coal input to  $H_2$  output efficiency of 66% and an overall net efficiency of 69% (coal to  $H_2$  + electricity). Hydrogen is compressed to approximately 1000 psi for transport.

Table 2.3.3. Data for utility coal plants over 100MW electricity output and estimates for H<sub>2</sub> capacity given complete coal conversion and efficiency improvements.

		H2 Capacity - Full Conversion	Plant	H2Capacity - IGCC Conversion (42%)	CO <sub>2</sub> emissions
ID	Plant Name	(kg/day)	Efficiency	(kg/day)	(kg/kWh)
1	ASHTABULA	138,530	40.14%	2,578	0.87
2	AVON LAKE	429,126	34.81%	30,840	1.01
3	BAY SHORE	445,308	32.33%	43,042	1.08
4	CARDINAL	1,449,802	36.62%	77,933	0.96
5	CONESVILLE	1,556,646	33.82%	127,330	1.04
6	EASTLAKE	791,977	32.27%	77,023	1.08
7	GEN J M GAVIN	2,505,969	32.11%	247,850	1.09
8	HAMILTON	51,944	23.22%	9,756	1.46
9	KAMMER	568,833	36.75%	29,841	0.95
10	KYGER CREEK	1,088,682	35.74%	68,132	0.98
11	LAKE SHORE	70,761	23.73%	12,928	1.47
12	MIAMI FORT	1,294,250	31.38%	137,507	1.12
13	MITCHELL	1,213,062	35.39%	80,196	0.99
14	<b>MOUNTAINEER (1301)</b>	1,004,843	35.53%	65,047	0.99
15	MUSKINGUM RIVER	1,147,087	35.62%	73,158	0.98
16	NILES	188,992	30.64%	21,474	1.14
17	O H HUTCHINGS	150,727	28.51%	20,334	1.21
18	PHIL SPORN	909,740	36.42%	50,726	0.96
19	PICWAY	67,121	30.36%	7,814	1.15
20	PLEASANTS	1,053,605	34.50%	79,068	1.01
21	R E BURGER	292,972	32.31%	28,389	1.08
22	RICHARD GORSUCH	247,459	26.98%	37,164	1.30
23	W H SAMMIS	1,861,267	33.06%	166,415	1.06
24	WILLOW ISLAND	249,229	28.98%	32,457	1.18
	TOTAL	18,777,930	33.87%	1,527,001	1.04

### Carbon capture

In the plant configuration chosen, 92% of the  $CO_2$  is captured and sequestered while approximately 8% is emitted to the atmosphere. This system uses "conventional" technologies for gas separation: glycol absorption for  $CO_2$  capture and pressure swing adsorption for hydrogen purification. Kreutz et al. also describe advanced technologies for separations including an inorganic membrane for coupled separation and water gas shift reaction.  $CO_2$  is separated from the syngas stream after the WGS reactors using an absorption tower with (Selexol). The  $CO_2$  stream is dehydrated and compressed to 2200 psi creating a supercritical stream for transport.

### On-site production

Natural gas steam methane reformers (NG-SMRs) are used for producing hydrogen at the refueling station. Small natural gas steam reformers are curently being developed by a number of companies including H2Gen, Plug Power, Air Products, and Ztek for stationary and transportation fuel cell applications. These small reformers, which are combined with compressors, hydrogen storage tanks and hydrogen fuel dispensers form the basis of a stand-alone hydrogen vehicle refueling station.

### 2.3.4. Infrastructure Optimization

### Network Analysis

One of the main components of this analysis is the determination of the lowest cost network for supplying hydrogen to the demand clusters from a hydrogen production plant that is located at one of the existing coal plant sites. The network components, as described in Tasks 1.4 and 1.5, include the identified demand clusters, existing energy rights-of-way (i.e. natural gas pipelines), coal plants, and CO<sub>2</sub> sequestration sites (some of which are shown on Figure 2.3.12). The optimization of this network in order to minimize the cost of hydrogen production, distribution and refueling is a critical component of this model.

### Optimization modeling

The spatial design of the infrastructure, i.e. the location(s) of hydrogen production plant locations, sequestration sites and the network (pipelines) for hydrogen distribution to the demand clusters is carried out by a network optimization algorithm. This optimization routine minimizes the total pipeline length to connect all demand clusters to one or more H<sub>2</sub> production plants. It is based upon the minimal spanning tree algorithm, which minimizes pipeline length from a number of potential hydrogen production plant locations (sources) to a series of demand clusters (sinks). The main constraint is that each of the sinks must be connect to a source, either directly or through another sink. The input of this optimization routine is a matrix that specifies the shortest network length for every given pair of nodes (i.e. sources or sinks). To generate this matrix (shown in Table 2.3.4), an algorithm was developed using the GIS network analyst.

### Network methods used in this study

A network is an interconnected or interrelated chain, group, or system. It can be represented conceptually and digitally by nodes and links (Figure 2.3.11). Nodes represent intersections, interchanges, or confluence points on the network, and links represent transportation or transmission paths between nodes. Types of nodes can be: stops, which are locations visited along a path, or; centers, which are locations where there is a supply or attraction.

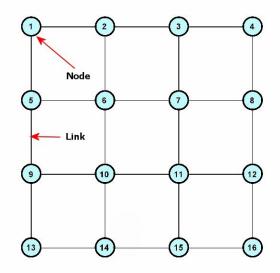


Figure 2.3.11. Conceptual Network Structure

ArcView 3.2 Desktop GIS was selected for the GIS-based network analysis. This software package was chosen for being readily available, customizable, expandable, and familiar to GIS users in the research group. ArcView, with the Network Analyst extension, allows the user to solve many network-based problems, such as: finding the most efficient travel route from one location to the next; generating travel directions; finding the closest service facility to a market; defining service areas based on travel time; finding the best location for a service center; and determining the number of trips that will be generated from one location to another.

This project used Network Analyst to find the shortest route between two locations along the network. In this case, we calculated the shortest routes between all of the coal power plants over 100MW capacity (sources) and the centers of the demand clusters (sinks) along the natural gas pipeline right-of-way (network). The output is a table of the shortest distances between all sources and sinks. Given more time, the GIS software could be re-programmed to optimize routes and locations for a more seamless modeling effort. However, pre-existing optimization routines were used for calculating the best routes between locations and minimizing network costs.

Table 2.3.4. Distance matrix for network optimization indicating distance between demand clusters to other demand clusters and coal plants

						Deman	d Cluste	ers	-	-	-	-
	3	7	13	16	23	43	48	49	52	57	62	65
101	283	72.18	171.2	139.9	163.8	288	406.4	308	428	446.7	458.8	481
102	158.2	104.9	152	81.06	106.8	181.3	299.7	201.3	321.3	340	352.1	374.3
103	21.36	209.9	257	186	211.8	226.5	344.9	246.6	366.5	385.2	397.3	419.5
104	363.3	242.3	186.5	181.2	150.1	218.2	311.9	237	333.5	337.4	349.4	371.6
105	266.2	195.8	161.8	131.4	101	69.58	205.3	107	227	245.7	257.8	280
106	229.5	17.19	128.6	90.43	114.3	234.4	352.8	254.5	374.4	393.1	405.2	427.4
107	406.5	338.8	304.2	273.8	243.3	194.2	258.2	189.3	279.8	283.7	295.7	317.9
108	405.2	393.6	411.9	350	337.3	204.4	89.04	156.3	53.8	25.39	40.27	21.93
109	338	218.9	163	156	124.8	192.9	279.6	204.7	301.2	305.1	317.2	339.4
Coal 110	408.7	341.1	306.5	276.1	245.6	196.5	260.5	191.5	282.1	285.9	298	320.2
Plants 111	191.6	67.37	117	57.83	83.61	198.1	316.5	218.2	338.1	356.8	368.9	391.1
112	445.1	433.4	451.8	389.9	377.1	244.2	134	196.2	98.72	70.52	73.13	54.79
113	336.7	217.5	161.7	154.6	123.5	191.6	278.3	203.4	299.9	303.7	315.8	338
114	396.9	329.3	294.7	264.3	233.8	184.7	248.7	179.7	270.3	274.1	286.2	308.4
115	358.3	250.9	216.3	185.9	155.4	146	210	141	231.6	235.4	247.5	269.7
116		114.3	49.47	81.53	83.2	229.3	357.2	258.8	378.8	397.5	409.6	431.8
117	385	373.4	391.7	329.8	317.1	184.2	57.48	136.1	22.23	6.17	31.08	53.28
118	396.9	329.3	294.7	264.3	233.8	184.7	248.7	179.7	270.3	274.1	286.2	308.4
119	285.2	273.6	291.9	230	217.2	72.96	98.97	51.77	120.6	125.8	137.9	160.1
120	390	291	242.1	226	195.5	177.8	241.7	172.8	263.4	267.2	279.3	301.5
121	336.1	215.2	159.3	154.1	122.9	191	284.7	209.9	306.4	310.2	322.3	344.5
122	366.2	272	235.3	206.9	176.5	154	218	149	239.6	243.4	255.5	277.7
123	309.8	161.8	97.94	126.1	122.1	207.3	343	244.7	364.6	379.5	391.6	413.8
124	389.6	290.6	241.7	225.6	195.1	177.4	241.3	172.4	263	266.8	278.9	301.1
3	0	212.3	259.3	188.4	214.2	228.9	347.3	248.9	368.9	387.6	399.7	421.9
7	212.3	0	111.4	73.24	97.15	217.2	335.6	237.3	357.2	375.9	388	410.2
13	259.3	111.4	0	78.56	80.23	226.1	354	255.6	375.6	394.3	406.4	428.6
16		73.24	78.56	0	32.13	173.6	292.1	193.7	313.7	332.4	344.5	366.7
23	214.2	97.15	80.23	32.13	0	160.9	279.3	181	300.9	319.6	331.7	353.9
Demand 43		217.2	226.1	173.6	160.9	0	159.9	69.65	181.5	186.7	198.8	221
Clusters 48		335.6	354	292.1	279.3	159.9	0	98.34	35.25	63.66	88.56	110.8
49		237.3	255.6	193.7	181	69.65	98.34	0	120	138.7	150.7	172.9
52	368.9	357.2	375.6	313.7	300.9	181.5	35.25	120	0	28.41	53.31	75.51
57		375.9	394.3	332.4	319.6	186.7	63.66	138.7	28.41	0	33.64	47.31
62	399.7	388	406.4	344.5	331.7	198.8	88.56	150.7	53.31	33.64	0	49.93
65	421.9	410.2	428.6	366.7	353.9	221	110.8	172.9	75.51	47.31	49.93	0

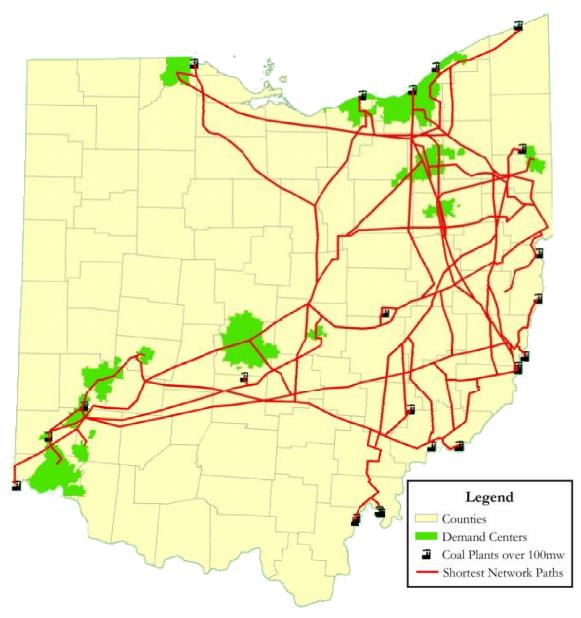


Figure 2.3.12. Nodes and paths for the hydrogen distribution infrastructure network including demand clusters, coal plants and potential hydrogen pipeline locations

# Network Cost Minimization

The goal of minimizing network costs is approximated by minimizing the total length of pipeline passing through a specified number of sources and connecting all the sinks. The minimal spanning tree is by definition the shortest connection path to meet the specified criteria and by definition reaches links all of the specified nodes without any loops (or duplicative pipelines).

The optimization routine chooses the shortest path from the sources to all sinks. The sink that is chosen in this shortest path now becomes a "source" and again the shortest path between the new set of sources and remaining sinks is chosen. This process is repeated until all sinks are connected together via pipeline to other sources or sinks. Once the locations of the hydrogen production plants and pipelines are determined (shown in Figure 2.3.13 and Table 2.3.5), the capacity of the hydrogen production plant and flow through the pipelines is determined and costs can be calculated.

Table 2.3.5. Decision table indication which pipelines are built for the minimal spanning pipeline network for one coal plant source.

		Demand Clusters											
		3	7	13	16	23	43	48	49	52	57	62	65
Coal Plant	105	0	0	0	0	1	1	0	0	0	0	0	0
	3	0	0	0	0	0	0	0	0	0	0	0	0
	7	0	0	0	0	0	0	0	0	0	0	0	0
	13	0	0	0	0	0	0	0	0	0	0	0	0
	16	1	1	1	0	0	0	0	0	0	0	0	0
	23	0	0	0	1	0	0	0	0	0	0	0	0
Demand	43	0	0	0	0	0	0	0	1	0	0	0	0
Clusters	48	0	0	0	0	0	0	0	0	1	0	0	0
	49	0	0	0	0	0	0	1	0	0	0	0	0
	52	0	0	0	0	0	0	0	0	0	1	0	0
	57	0	0	0	0	0	0	0	0	0	0	1	1
	62	0	0	0	0	0	0	0	0	0	0	0	0
	65	0	0	0	0	0	0	0	0	0	0	0	0

74

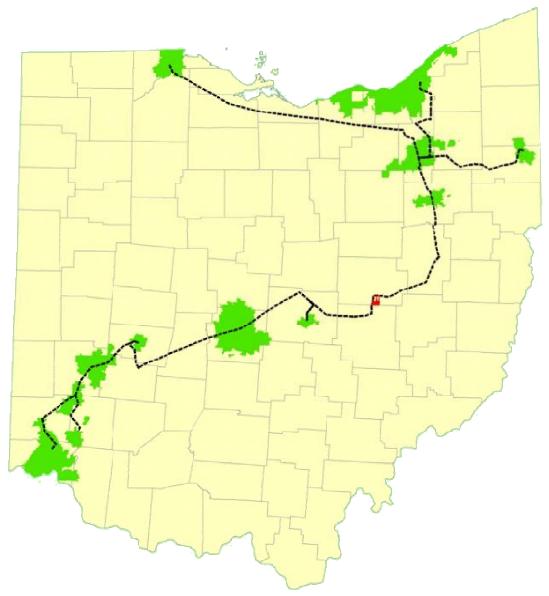


Figure 2.3.13. Layout of the minimum network length for one hydrogen production plant at the 10% hydrogen vehicle market penetration level

# Idealized city models

In addition to the central hydrogen production facility and the intercity pipelines, additional infrastructure is required. This includes refueling stations as well as the hydrogen distribution systems within the city gate to supply refueling stations. The number of refueling stations in each demand cluster is calculated from an average sized refueling station and then the idealized city model, described earlier under Task 1.5, is applied to each of the demand clusters to determine intracity distribution network length. From the total hydrogen demand, an estimate is made for the required number of

refueling stations within each cluster. The number of stations is related functionally to the length of the hydrogen distribution length and multiplied by the radius of the demand cluster. The equivalent radius is used, which is determined from the calculated area of each demand cluster as identified from GIS. The data for the 10% demand case is shown in Table 2.3.6.

Table 2.3.6. 10% Demand cluster information including intracity distribution pipeline network length

		10% H <sub>2</sub> demand	Estimated refueling	10% of	Cluster Area	Equiv City R	Pipe Length
Cluster name	Population	(kg/day)	stations	stations	(km²)	(km)	(km)
Toledo	374,722	14,740	125	13	329.3	10.2	93
Greater Cleveland Metro Area	1,589,673	63,235	530	53	1242.7	19.9	339
Youngstown	147,732	5,535	50	5	159.8	7.1	42
Cuyahoga Falls	470,162	26,454	157	16	558.4	13.3	134
Canton	168,996	6,853	57	6	170.3	7.4	47
Newark	54,111	3,105	19	2	83.0	5.1	19
Springfield	74,291	3,105	25	3	93.2	5.4	25
Greater Columbus Metro Area	1,043,387	56,281	348	35	958.3	17.5	248
Dayton	425,515	17,145	142	15	440.7	11.8	115
Carlisle	109,448	6,585	37	4	205.0	8.1	42
Mason	81,984	6,380	28	3	130.5	6.4	29
Greater Cincinnati Metro Area	880,316	43,300	294	30	798.2	15.9	212
TOTAL	5,420,337	252,718	1,812	185			1,345

# 2.3.5. Early Results for Infrastructure Design and Delivered Cost

The following figure shows the hydrogen cost comparison for on-site and centralized production of hydrogen. The total delivered hydrogen cost (\$/kg) in the centralized case is broken down into several categories including the costs associated with the central coal gasification plant, the H<sub>2</sub> transmission pipelines and compressors, the pipeline distribution network within the demand clusters, the refueling stations, and CO<sub>2</sub> pipelines and injection wells. The total delivered costs for the onsite production are not further separated because all of the costs are associated with the refueling station.

Figure 2.3.14 and Table 2.3.7 show that at the 10% level, onsite production is cheaper than centralized production with distribution, whereas at the 50% level, central production is less expensive. The costs are influenced strongly by the extent of the intercity and intracity pipeline distribution lengths and thus are very region specific. In areas with higher hydrogen demand density, the transportation costs will be reduced, while lower demand density will lead to higher transportation costs.

The feedstock costs are significant because of the differences in price for natural gas (assumed to be \$6/MMBTU at the refueling station) and coal prices (approximately \$1.36/MMBTU).

Table 2.3.7. Details of final hydrogen infrastructure for 10% and 50% market penetration levels.

Final Network Details						
Demand Level	10%	50%				
Coal Plant	Conesville	Conesville				
Coal plant capacity ( $H_2$ flow)	252,718 kg/day	1,975,074 kg/day				
Number of clusters	12	39				
Length of intercity pipeline	936 km	2656 km				
Length of intracity pipeline	1082 km	4452 km				
CO <sub>2</sub> sequestration flowrate	4,196 tonnes/day	32,444 tonnes/day				
CO <sub>2</sub> emissions	$4.4 \text{ kg CO}_2/\text{kg H}_2$	$4.3 \text{ kg CO}_2/\text{kg H}_2$				
Total capital cost	\$1.3 billion	\$5.5 billion				
$H_2$ price	\$3.65/kg	\$2.60/kg				

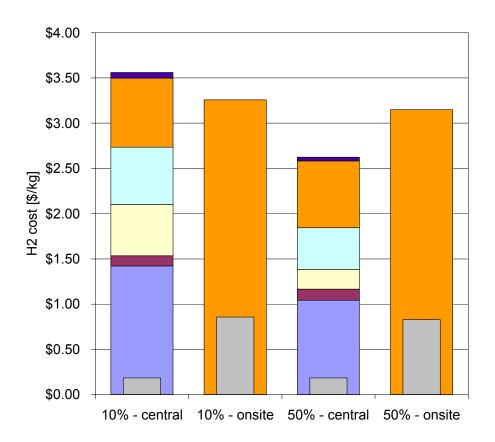


Figure 2.3.14. Costs comparision for central and distributed hydrogen production for the 10% and 50% market penetration levels.

# 3.0 CONCLUSION

In our research under this contract, we have made significant progress toward understanding the systems aspects of fossil hydrogen systems with CO<sub>2</sub> sequestration, and meeting our objectives for the overall project. Below, we summarize by Task the current status of the project and plans for future work.

# 3.1. Task 1.0 Implement Technical and Economic Models of the System Components

We have synthesized cost and performance estimates for hydrogen production systems with CO<sub>2</sub> capture, hydrogen pipelines, hydrogen refueling stations, CO<sub>2</sub> pipelines, and CO<sub>2</sub> injection sites. As new results become available we plan to improve these cost and performance estimates.

# 3.2. Task 2.0. Integrated Studies of the Entire System to Find the Lowest Cost Network

Studies with a simple analytic model linking one hydrogen production center, one hydrogen demand center and one sequestration site were completed, and papers were presented at conferences. Further, we have extended this model to allow us to calculate the system design and cost as a function of relatively few, easily defined parameters. Inputs to the model include: Geographic factors (Total number of light duty vehicles (LDV) per square kilometer, City size); Market Factors (fraction H2 vehicles in fleet; fraction of all stations serving H2 for customer convenience; LDVs/station; Vehicle use miles/year); Technical Factors (Vehicle Fuel Economy, Cost and performance of infrastructure components, Layout of distribution system). We can estimate for different production and delivery pathways: H2 production capacity needed, number of H2 refueling stations, H2 dispensed per station, geographic density of H2 stations, cost of entire system from production through delivery for different production and delivery options, levelized delivered cost of hydrogen.

To study more complex and realistic systems involving multiple energy complexes, H<sub>2</sub> demand centers, and sequestration sites, we explored use mathematical programming methods to find the lowest cost system design. We have looked at several nonlinear programming approaches to modeling CO<sub>2</sub> pipeline disposal systems, and used a minimum spanning tree approach to model hydrogen pipelines.

# 3.3. Task 3.0 Case Study of Transition to a Fossil Energy System with CO<sub>2</sub> Sequestration

In this task, we studied how H<sub>2</sub> and CO<sub>2</sub> infrastructures might develop, in the context of a geographically specific regional case study. We focus on the Midwestern United States, a region where coal is widely used today in coal-fired power plants, and good sites for CO<sub>2</sub> sequestration are available. To better visualize our results, we use a geographic information system (GIS) format to show the location of H<sub>2</sub> demand, fossil energy complexes, coal resources, existing infrastructure (including rights of way), CO<sub>2</sub> sequestration sites and the optimal CO<sub>2</sub> and H<sub>2</sub> pipeline networks.

We have developed a GIS data base showing potential demand for hydrogen, location of existing infrastructure, including current coal-fired power plants and major road and railroads (which are potential rights of way for hydrogen or CO<sub>2</sub> pipelines) and possible sites for CO<sub>2</sub> sequestration. We used this database to estimate costs for a coal based hydrogen infrastructure, corresponding to different levels of hydrogen use in Ohio.

# 4.0 FUTURE WORK

As an extension of this work, we are proposing a three-year research program to assess possible transition strategies from today's energy system toward one based on large-scale fossil energy systems co-producing hydrogen, electricity, and possibly other fuels, coupled with capture and sequestration of CO<sub>2</sub>. This will be accomplished by using a variety of analytic and simulation methods for studying the entire system in an integrated way. The project will make use of geographic information system (GIS) data to develop geographic-specific case studies for various regions of the United States. The proposed regional modeling studies will interface closely with the USDOE's Carbon Sequestration Regional Partnership program.

# **Key Questions**

- What are the technical, geographic, and market conditions that must be met for fossil-derived hydrogen with carbon capture and storage to compete in future energy markets. What are the most important technical goals that must be met for the components and for the entire system?
- What is the impact of regional specific/geographic issues. Which areas of the US
  are likely to become adopters of fossil hydrogen energy with CO2 sequestration.
  What is the effect of existing infrastructure on the design of a future fossil
  energy system?
- How do multi-product strategies impact the economics and transition strategies?
- What is the potential impact of policy (for example, how would a carbon tax or other polices impact economics?)
- What are a range of plausible scenarios for future development of fossil hydrogen systems with CO<sub>2</sub> capture and sequestration?

Specific future tasks are described below.

# 4.1. Task 1. Improve and Extend Models of Fossil Hydrogen Energy Systems with Carbon Capture and Sequestration

Task 1.1. Incorporate new information that is now becoming available, and will be developed over the next few years, as input to our models.

Task 1.2. Extend the techniques we have developed to model regional energy system transitions.

# 4.2. Task 2. Understand The Implications Of New Carbon Capture And Sequestration Technologies For Widespread Use Of Fossil Hydrogen As An Energy Carrier

Task 2.1. Understand implications of alternative CCS technologies for fossil hydrogen energy, considering natural gas and coal-based hydrogen plants. (NETL is sponsoring technical/economic studies providing up-to-date information on current and future technologies for CCS for various applications. These studies will form the basis for the analysis, which will be carried out in collaboration with Princeton researchers.)

Task 2.2. Study how current fossil energy plants might evolve over time to reduce carbon emissions. Consider conversion of current coal-fired power plants to coal gasification-based energy complexes, producing both electricity and hydrogen, with CO<sub>2</sub> capture and sequestration.

# 4.3. Task 3. Carry out a series of regional case studies of a transition to fossil hydrogen energy systems with CO2 capture and sequestration.

Assess possible transition paths from the present "fleet" of fossil energy plants toward widespread use of fossil-derived energy carriers (hydrogen and electricity) with CO<sub>2</sub> capture and sequestration. Through GIS-based case studies, we will seek to understand how a transition might occur in different regions. The underlying question is "What are the necessary conditions for successful transition to a fossil hydrogen economy?"

- Task 3.1. Understand the current "fleet" of fossil power plants and other energy production facilities (refineries) that might become part of a future low carbon emitting energy system. In collaboration with NETL, implement GIS data with this information.
- Task 3.2. Understand the potential for regional CO<sub>2</sub> sequestration, using data being developed by NETL under the Carbon Sequestration Regional Partnership Program. Use regional GIS databases on characteristics of potential CO<sub>2</sub> sequestration sites, including depleted oil and gas fields, deep saline aquifers and coal beds. Incorporate GIS layers for regional CO<sub>2</sub> sequestration sites into our models.
- Task 3.3. Develop a series of integrated GIS databases for various regions within the US, including estimates of energy demands, location and characteristics of existing fossil energy plants and other infrastructure (such as rights of way, gasoline refueling sites and roads), information on possible future supplies, location and characteristics of CO<sub>2</sub> sequestration sites.
- Task 3.4. Use the models and techniques developed in Phase I and Task 1 to analyze the economics of fossil hydrogen systems in various regions in the US.

Task 3.5. Develop a national assessment of the long term potential for fossil hydrogen with  $CO_2$  sequestration for the United States. Starting from today's fossil energy system, assess transition paths.

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# LIST OF ACRONYMS AND ABBREVIATIONS

CMI Carbon Mitigation Initiative. Begun in 2001, the Carbon Mitigation

Initiative is a ten-year \$15-20 million dollar joint project of Princeton University, BP and Ford Motor Company to find solutions to global

warming and climate change.

FCV fuel cell vehicle

GIS geographic information system

GJ gigajoule (= 10<sup>9</sup> Joules)

LDV light duty vehicle

SMR steam methane reforming.

USDOE United States Department of Energy

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## APPENDIX 0. CONVERSION FACTORS AND ECONOMIC ASSUMPTIONS

```
1 GJ (Gigajoule) = 10^9 Joules = 0.95 Million BTU

1 EJ (Exajoule) = 10^{18} Joules = 0.95 Quadrillion (10^{15}) BTUs

1 million standard cubic feet (scf)

= 26,850 Normal cubic meters (mN^3)

= 343 GJ (HHV)

1 million scf/day = 2.66 tons/day

= 3.97 MW H<sub>2</sub> (based on the HHV of hydrogen)

1 scf H<sub>2</sub> = 343 kJ (HHV) = 325 BTU (HHV); 1 lb H<sub>2</sub> = 64.4 MJ (HHV) = 61.4 kBTU (HHV) = 187.8 scf

1 mN<sup>3</sup> = 12.8 MJ (HHV); 1 kg H<sub>2</sub> = 141.9 MJ (HHV) = 414 scf

1 gallon gasoline = 130.8 MJ (HHV); 115,400 BTU/gallon (LHV)

Gasoline Heating value = 45.9 MJ/kg (HHV); 43.0 MJ/kg (LHV)

$1/gallon gasoline = $7.67/GJ (HHV)
```

## BASE CASE ECONOMIC ASSUMPTIONS

In estimating levelized costs of hydrogen and CO<sub>2</sub>, we use the "base case" economic assumptions in Table 1.

Table 1. Economic assumptions

CRF = annual capital charge rate	0.15
Annual non-fuel O&M as a fraction of installed capital	0.04
cost	
Capacity factor	80%
Natural Gas Price (\$/GJ) HHV	3.75
Coal Price (\$/GJ) HHV	0.95
Electricity Price (\$/kWhe)	0.036
Off-peak Electricity (\$/kWhe)	0.03
Biomass (\$/GJ)	2.0

Feedstock costs are USDOE projections for 2020 costs to electric utilities: \$3.75/GJ for natural gas and \$0.95/GJ for coal (US DOE EIA 2002). The electricity price of \$0.036/kWh is based on electricity produced in a natural gas turbine combined cycle, assuming a natural gas price of \$3.75/GJ (Williams 2002.) Costs are in constant 2001 US dollars.

In Table 2, we summarize the assumptions and range of parameters considered for fossil hydrogen systems with CO<sub>2</sub> sequestration. We consider energy systems producing H<sub>2</sub> and electricity from fossil feedstocks (natural gas or coal), with capture of CO<sub>2</sub>, compression to 15 MPa for pipeline transmission as a supercritical fluid, and injection into an underground reservoir. H<sub>2</sub> is compressed to 6.8 MPa (1000 psi) for on-site storage, pipeline transmission and local distribution to H<sub>2</sub> vehicles. We consider H<sub>2</sub> plants with an output capacity of 250-1000 MW of H<sub>2</sub>, higher heating value basis (150-600 tonnes H<sub>2</sub>/day). At an assumed 80% capacity factor, annual H<sub>2</sub> production is 6.3-25.2 million GJ (45,000-178,000 tonnes)—enough to fuel 0.25-1 million H<sub>2</sub> fuel cell cars having a fuel economy of 4 liters gasoline per 100 km (60 miles per gallon) and driven 25,000 km (15,000 miles) per year (the US average). Hydrogen refueling stations are assumed to dispense 2500 kg of hydrogen per day or about 1 million standard cubic feet per day. This would be enough to support a fleet of about 4000 cars.

In Table 3, we compare hydrogen demands with hydrogen supply options. (Large demands and large supplies are shown in boldface type. For large fossil supplies, we indicate the amount of CO2 that could be captured during hydrogen production.) Large

Table 2. Parameter Ranges Considered in this Study for Fossil Hydrogen Systems with CO2 Sequestration

with CO2 Sequestration					
Hydrogen Production Capacity Range at Fossil	$250 - 1000 \text{ MW H}_2 \text{ (HHV)}$				
Energy Complex	$(150-600 \text{ tonnes H}_2/\text{day})$				
	$(62-252 \text{ million scf H}_2/\text{d})$				
Associated CO <sub>2</sub> production Range					
Natural gas -> H2 Plant, 85% of CO <sub>2</sub> captured	51-204 tonne CO <sub>2</sub> /h				
Coal -> H2 Plant, 90% of CO <sub>2</sub> captured	101-406 tonne CO <sub>2</sub> /h				
H <sub>2</sub> Plant Capacity Factor	80%				
H <sub>2</sub> Buffer Storage Capacity at Production Site	1/2 day's production				
H <sub>2</sub> Local Distribution Pipeline					
H <sub>2</sub> Inlet Pressure	6.8 MPa (1000 psi)				
H <sub>2</sub> Outlet Pressure (at refueling station)	>1.4 MPa (200 psi)				
Pipeline capital cost (\$/m)	\$155-622/m				
	(\$0.25-1 million/mile)				
Hydrogen Demand					
1 H2 Fuel Cell Car (60 mpgge, 15,000 mi/y)	0.6 kg/day				
1 H2 Bus (7 mpgge, 50,000 mi/yr)	20 kg/day				
H <sub>2</sub> Refueling Stations					
Hydrogen dispensed per day	2.4 tonne/day				
	(1 million scf/d)				
Dispensing Pressure to Vehicle	6000 psia				
Onboard H <sub>2</sub> Storage Pressure	34.5 MPa (5000 psia)				
CO <sub>2</sub> Pipeline					
CO <sub>2</sub> Pipeline flow rate (range)	1,000-10,000 tonnes/day				
Inlet Pressure (at H <sub>2</sub> Plant)	15 MPa				
Outlet Pressure (at Sequestration Site)	10 MPa				
Pipeline Length (range)	10-1000 km				
CO <sub>2</sub> Sequestration Site					
Well depth	2 km				
Permeability (milliDarcy)	> 50 milliDarcy				
Reservoir Layer Thickness	50 m				
Maximum flow rate per well	2500 tonnes/day/well				

Table 3. Hydrogen Supply and Demand

H <sub>2</sub> Demands	kg H₂/day			
1 H <sub>2</sub> FC car (60 mpg, 15,000 mi/y)	0.6			
1 H <sub>2</sub> FC Bus (7 mpge, 50,000 mi/y)	20			
100-1000 H <sub>2</sub> FC car fleet cars (60 mpg, 20,000 mi/y)	80-800			
100 –1000 FC Buses	2000-20,000			
100,000 cars (~1% of cars in LA)	60,000			
1 million cars (~10% of cars in LA)	600,000			
10 million cars (~100% cars in LA)	6,000,000			
H <sub>2</sub> Supplies	kg H₂/day	Size of H <sub>2</sub> FC car fleet supported	Size of H <sub>2</sub> FC Bus fleet	CO2 Captured from Large Fossil H2 Plants (tonne/d)
6.0 Compressed H <sub>2</sub> gas truck (1/day)	420	700	21	n.a
7.0 Liquid H2 truck (1/day)	3600	6000	180	n.a
8.0 Onsite electrolyzer	2.4-2400	4-4000	0.12-120	n.a.
9.0 Onsite steam methane reformer (SMR)	240-4800	400-8000	12-240	n.a
Industrial scale steam methane reformer	48,000- 480,000	80,000- 800,000	2400-24,000	400-4000
Coal gasifier H <sub>2</sub> plant w/CO <sub>2</sub> seq.	150,000- 600,000	250,000- 1,000,000	7500-30,000	2500-10,000
H <sub>2</sub> from 10% of NG Flow into LA	1,700,000	3 million	85,000	15,000
H <sub>2</sub> from 1000 MW off-peak power	240,000	400,000	12,000	n.a

#### APPENDIX A. MODELING THE FOSSIL ENERGY COMPLEX

In this section, we describe simplified models of fossil hydrogen production plants with CO2 capture. We consider hydrogen production from natural gas and from coal.

In the fossil energy complex, a synthetic gas (or syngas) is produced via gasification of coal or steam reforming of methane. The syngas undergoes a water gas shift reaction to increase the hydrogen content. CO<sub>2</sub> is removed from the syngas using a separation system (such as an amine scrubber, a physical adsorption system like Selexol or a pressure swing adsorption system or PSA) and is available at near atmospheric pressure. CO<sub>2</sub> is then compressed from capture pressure to a supercritical state and pumped to pipeline transmission pressures of 15-20 MPa (150-200 bar). In some cases, electricity is co-produced with hydrogen. Simplified diagrams of the process from producing hydrogen from natural gas and coal shown in Figures 3 and 4.

The term "CO<sub>2</sub> capture" generally refers to CO<sub>2</sub> separation and compression prior to pipeline transport to a sequestration site. In this report, we disaggregated the costs of CO<sub>2</sub> separation as distinct from those of CO<sub>2</sub> compression. This allows us to vary the parameters controlling compression costs (such as CO<sub>2</sub> outlet pressure and electricity cost) separately from the plant design, to examine the impact of CO<sub>2</sub> outlet pressure on cost.

As a basis for modeling natural gas-based hydrogen plants, we use a recent study by Foster Wheeler (1996) and data from Air Products and Chemicals (Ogden 1999). As part of the CMI, researchers at Princeton have developed ASPEN-plus process and cost models for a variety of coal-based systems co-producing H<sub>2</sub> and electricity with CO<sub>2</sub> capture (Kreutz, Williams, Socolow and Chiesa 2002), that include alternative options for sulfur removal and disposal. We use the results of these detailed process design studies to produce a simplified model for the cost and performance of fossil H<sub>2</sub> plants as a function of scale, feedstock and process design.

#### Hydrogen Production from Natural Gas

For natural gas steam methane reforming plants, we use cost and performance estimates from a recent study by Foster Wheeler (Foster Wheeler 1996). Hydrogen is produced at 60 bar output pressure, at the rate of 1000 MWth on a higher heating value basis (this is equivalent to 600 tonnes H2 per day or 252 million standard cubic feet per day). Two cases are shown: one with CO<sub>2</sub> vented and one with capture of 85% of the CO<sub>2</sub>. The CO<sub>2</sub> is compressed to 112 bar. Capital costs for these plants are given in Table 4.

From the capital costs in Table 4, the levelized cost for hydrogen production with and without CO<sub>2</sub> separation can be estimated, given the natural gas price, other operation and maintenance costs, the capacity factor and the capital recovery factor (CRF) (see Table 1). The levelized cost of hydrogen production from natural gas with and without CO<sub>2</sub> sequestration is shown in Table 5. CO<sub>2</sub> sequestration adds about 25% to the hydrogen production cost.

Another estimate of the cost of CO<sub>2</sub> separation during hydrogen production is based on data from engineers at Air Products and Chemicals (Ogden 1999) for a vacuum swing adsorption (VSA) CO<sub>2</sub> capture system (see Table 6). This type of system could be added as a retrofit to capture CO<sub>2</sub> at an existing steam methane reformer plant. The cost of CO<sub>2</sub> separation (not including compression) is estimated to be about \$0.36-0.38/GJ H<sub>2</sub> on a HHV basis, or about \$13.0-13.7/tonne CO<sub>2</sub>. (This is based on capture of about The total capital cost was obtained by multiplying the equipment cost by 1.40 to account for taxes, freight, installation, owner's costs and engineering.

The levelized cost is found assuming a capital recovery factor of 15%, annual non-fuel O&M costs of 4%, and an 80% capacity factor.

56% of the carbon input in the natural gas feedstock or 28 kg CO<sub>2</sub> captured/GJ H<sub>2</sub> HHV. Electricity for the vacuum swing adsorption system accounts for about 45% of the cost and capital and non-electricity O&M about 55%). CO<sub>2</sub> is available at 0.1 MPa, and ambient temperature. The cost of CO<sub>2</sub> separation is less than that with the Foster-Wheeler system, but a substantially lower fraction of the carbon is captured (56% versus 85%).

# Hydrogen and Electricity from Coal Gasification

Kreutz, Chiesa and Williams (2002) have modeled the performance and economics of systems for co-producing hydrogen and electricity from gasified coal, with separation and capture of 85% of the CO<sub>2</sub> emissions. (A simplified process flow diagram for the system is shown in Figure 4.) A variety of cases were considered with and without CO<sub>2</sub> capture, varying the gasifier pressure and the treatment of sulfur (see Table 7).

Table 4. Cost and Performance of Natural Gas Based Hydrogen Production Plants w/ and w/o CO<sub>2</sub> Capture (Foster Wheeler 1996)

w/ and w/o CO <sub>2</sub> Capture (Foster Wheeler	t /	
	CO <sub>2</sub> vented	CO <sub>2</sub> captured
Hydrogen Production MWth (at 60 bar output pressure)	1000	1000
First law efficiency HHV basis	81%	78%
	17.56	2.74
CO <sub>2</sub> emission rate (kgC/GJ H <sub>2</sub> )	0	2.74
CO <sub>2</sub> Sequestration Rate (tonne/h)	U	204
Capital Investment (million \$)	10.65	(7.00
Reformer	48.65	67.90
Purification	23.65	58.08
CO <sub>2</sub> Compression	0	35.67 (for an
		estimated CO <sub>2</sub>
		compressor power
041	122.05	of 18.6 MWe)
Other	123.95	174.67
Subtotal	196.25	336.32
Subtotal (excluding CO <sub>2</sub> compressor)	196.25	300.65
Added costs	0.15	1.504
Engineering, construction	9.13	16.94
management, commissioning, training		
Catalysts and chemical	8.75	9.00
Clients costs	24.00	28.00
Contingency	23.81	39.03
TOTAL INSTALLED CAPITAL COST (million \$)	261.94	429.3
TOTAL INSTALLED CAPITAL	261.94	384.0 (to get the
COST (excluding CO <sub>2</sub> compressor)		installed capital
		cost the subtotal
		without the CO2
		compressor has
		been scaled using
		the same ratio as
		subtotal for the total
		plant)
<b>Incremental Installed Capital Cost for</b>		167.36
CO <sub>2</sub> Capture (million \$)		
Incremental Installed Capital Cost for CO <sub>2</sub>		122.06
Capture excluding CO <sub>2</sub> compression		
(million \$)		

Table 5. Levelized cost of hydrogen production from natural gas with and without  $CO_2$  separation and compression

Levelized Cost of H <sub>2</sub>	CO <sub>2</sub> vented	CO <sub>2</sub> captured
Production with CO <sub>2</sub>		
separation, excluding CO <sub>2</sub>		
compression		
(\$/GJ H <sub>2</sub> ) HHV		
Capital (excluding CO <sub>2</sub>	1.56	2.28
compression)		
Natural Gas Feedstock	4.20	4.36
Non-fuel O&M	0.42	0.61
CO2 Compressor Capital	n.a.	0.34
and O&M		
CO2 Compressor Electricity	n.a	0.27
Total	n.a.	7.86
(including CO2		
compression)		
Total	6.17	7.25
(excluding CO <sub>2</sub>		
compression)		
Incremental cost of CO <sub>2</sub>	n.a.	
separation and		
compression		
\$/GJ H2 HHV		1.69
\$/tonne CO <sub>2</sub>		29.8
Incremental cost of CO <sub>2</sub>	n.a.	
separation only (excluding		
CO2 compression)		
\$/GJ H2 HHV		1.08
\$/tonne CO <sub>2</sub>		19.0

Table 6. Cost of CO<sub>2</sub> Separation During Hydrogen Production Via Large Scale Retrofit to Steam Methane Reforming Plant

Hydrogen Draduction	90 million gof/day
Hydrogen Production	80 million scf/day
	193 tonnes/day
go p 1 d	27,440 GJ/day HHV
CO <sub>2</sub> Production	850 ton/day (771 tonnes/day)
	0.18 scf CO2/scf H2
	3.99 kg CO2/kg H2
CO <sub>2</sub> Purity	95%
CO <sub>2</sub> pressure	1 atm
Power required for VSA Compressor	3400 kW
Equipment Cost of PSA only	\$4-4.5 million
Equipment Cost of VSA only, including	\$6-6.6 million
compressor	
Added factor for freight, taxes, installation	15%
Owner's costs and engineering	25%
Total installed capital cost for PSA only	\$5.6-6.3 million
(no CO <sub>2</sub> recovery) <sup>a</sup>	
Total installed capital cost for PSA + VSA	\$14-15.5 million
(CO <sub>2</sub> recovery)	
Incremental installed capital cost for CO <sub>2</sub>	\$8.4-9.2 million
recovery	
Incremental Levelized Hydrogen	
Production Cost for CO <sub>2</sub> Separation <sup>b</sup>	
Incremental Capital Cost for VSA	\$0.16-0.17/GJ HHV H2
Incremental Non-fuel O&M for VSA	\$0.04-0.05/GJ HHV H2
Cost for VSA Compressor Power @ 5.6	\$0.17/GJ HHV
cents/kWh	
Total Incremental Cost for CO <sub>2</sub> Separation	\$0.37-0.38/GJ HHV
in VSA	\$13.0-13.7/tonne CO2
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Source: Bob Moore, Air Products and Chemicals. Inc., private communications, May 1997.

Table 7. Cases Considered for Hydrogen and Electricity Production from Coal

CASE	Gasifier Pressure	Sulfur removal	Sequestration
Hi P, No CO <sub>2</sub>	120 bar	Yes	No
Seq			
Hi P, CO <sub>2</sub> Seq	120 bar	Yes	CO <sub>2</sub> only
Hi P, CO <sub>2</sub> +	120 bar	No	$CO_2 + H_2 S$
H <sub>2</sub> S Co-Seq			
Lo P, No CO <sub>2</sub>	70 bar	Yes	No
Seq			
Lo P, CO <sub>2</sub> Seq	70 bar	Yes	CO <sub>2</sub> only
Lo P, CO <sub>2</sub> +	70 bar	No	$CO_2 + H_2 S$
H <sub>2</sub> S Co-Seq			

For each case in Table 7, the sizes, capital costs and O&M costs of the various fossil energy plant components were estimated, along with the energy consumption, hydrogen and electricity production, and carbon emissions (Kreutz 2002). From these studies, we can examine the impact of plant design on the economics of H<sub>2</sub> production and CO<sub>2</sub> capture (Table 8). This is complicated, because the plant design changes in several ways, depending on whether CO<sub>2</sub> is captured, and whether sulfur compounds are separated.

With CO<sub>2</sub> capture (versus CO<sub>2</sub> venting), additional electricity can be co-produced at the plant, for a given hydrogen output. Although some of this electricity is used in the plant for CO<sub>2</sub> compression, there is still excess electricity produced, above the plant demands. A credit is claimed for by-product electricity.

When co-sequestration of H<sub>2</sub>S and CO<sub>2</sub> is done, sulfur removal equipment is not needed, so there are savings on capital costs, compared to a case with sulfur removal and CO<sub>2</sub> separation. As compared to the case where CO<sub>2</sub> is vented, the capital cost of the fossil energy complex is almost unchanged when H<sub>2</sub>S is co-sequestered with CO<sub>2</sub>, when CO<sub>2</sub> compressor costs are included. The savings on sulfur removal equipment approximately balance the extra costs for separating and compressing CO<sub>2</sub>.

For a case with sulfur removal and CO<sub>2</sub> capture, the plant capital costs and levelized cost of hydrogen are higher than the case where CO<sub>2</sub> is vented.

Figure 5 shows the levelized cost of hydrogen production (in \$/GJ) from natural gas and coal with and without CO<sub>2</sub> capture. We assume that each plant has a hydrogen output of 1000 MWth. Each component contributing to the cost is shown (e.g. capital costs, feedstock costs, O&M and by-product credits). For coal plants, by-product electricity is a factor in determining the hydrogen cost. (We show a by-product credit for the total amount of electricity produced. In cases with CO<sub>2</sub> compression, some of this credit is applied to the cost of compressor power, so the net power exported is the by-product electricity minus the compressor electricity.) The cost of hydrogen from natural gas is

increased by about 25% with CO2 capture. The cost of hydrogen from coal is about the same with co-sequestration of CO2 and H2S.

For our assumptions, the cost of hydrogen production from coal is slightly less than for hydrogen from natural gas, with or without CO2 sequestration.

## **Sensitivity to the Electricity Cost**

The cost of hydrogen from coal is sensitive to the assumed cost of electricity. For the cases shown in Figure 5, electricity is valued at 3.6 cents/kWh. If electricity is worth more than this, the by-product credit is increased, and the cost of hydrogen from coal is reduced by about \$0.2/GJ for each added cent per kWh of electricity cost.

# Effects of Scale on the Cost of H2 Production and CO2 Separation in Fossil Energy Complexes

The cost of hydrogen production and CO2 separation depend on the plant size. We assume that process equipment capital costs depend on size according to a power law,

$$Cost(C) = Cost(Co) \times (C/Co)^{\alpha}$$

where Co is a reference capacity, Cost(Co) is the cost at capacity Co, C is the actual capacity, and the power  $\alpha$  is typically in the range 0.3-1, depending on the technology.

For hydrogen from coal, Kreutz (2002) estimated that the capital cost of the plant scales approximately as  $\alpha = 0.828$ , where Co = 863 MWth H2 output. For hydrogen from natural gas, we assume that for capital equipment  $\alpha = 0.7$ , except for CO2 compressors, which are assumed to scale as  $\alpha = 0.3$  (see section on CO2 compressors below and in Appendix C).

The cost contribution of capital to the levelized hydrogen scales as

$$PH_2(C) = PH_2(Co) \times (C/Co)^{\alpha-1}$$

In Table 9, the cost contributions of capital and non-fuel O&M to the levelized hydrogen cost scale as the 1- $\alpha$  power, while the other contributions (for compressor power, coal feedstock) are unchanged with scale. The levelized cost of hydrogen can be calculated as a function of plant size for coal-based and natural gas based hydrogen plants (see Tables 9 and 10). The cost of hydrogen increases at smaller plant sizes. For example, for a natural gas based hydrogen plant with CO2 capture, the cost of hydrogen increases from \$7.86/GJ to \$9.91/GJ, about 27%, as the plant size decreases from 1000 to 250 MWth hydrogen output.

In Figure 6, we plot the levelized cost of hydrogen production from natural gas and coal as a function of plant size, assuming the CO2 is vented. In Figure 6, we show how the cost of H<sub>2</sub> production with CO<sub>2</sub> separation varies with plant size for natural gas based and coal based hydrogen plants. CO<sub>2</sub> capture is costlier in the natural gas based hydrogen plant than in the coal plant. This is true even though more carbon must be processed in the coal plant, because of the electricity byproduct credit for electricity produced at the coal plant.

Because coal plants are more capital intensive than natural gas plants, the hydrogen cost is slightly more sensitive to scale for coal.

Table 8. Cost and Performance for Hydrogen and Electricity Production from Coal (70 bar gasifier) (Kreutz 2002)

(70 bar gasifier) (Kreutz 2002)		<del></del>	T
	$CO_2$	CO <sub>2</sub> Capture,	CO <sub>2</sub> capture,
	Vented,	sulfur removal	co-sequestration
	sulfur		of CO <sub>2</sub> and H <sub>2</sub> S
	removal		or coz ana 1125
H2 Production MWth		1000	4000
	1000 52.2	1000 30.9	1000 30.9
Electricity production (net power out) MWe			
First law efficiency HHV CO2 emission rate (kgC/GJ H2 HHV)	0.736 35.6	0.705 2.61	0.705 2.61
CO2 captured (tonne/h)	33.0	437.4	437.4
CO2 captured (tonne/n)	-	437.4	437.4
Installed Capital Cost of Fossil Energy Complex (million \$) = 1.16 x Bare Capital Equipment Cost			
H2 Plant excluding CO <sub>2</sub> compressor	658.6	707.2	612.6
CO2 Compressor	0	51.7 (36.6 MWe)	51.7 (36.6 MWe)
H2 Plant including CO2 Compressor	658.6	758.9	663.4
Incremental plant cost for CO2 capture including CO2 compression	0	100.3	4.8
Incremental plant cost for CO2 separation excluding CO2 compression	0	48.7	-46.0
Levelized Cost of H2 Production (\$/GJ HHV)			
Plant capital except CO2 Compressor	3.92	4.20	3.64
Non-fuel O&M	1.04	1.12	0.97
Feedstock cost	1.26	1.32	1.32
CO2 compression capital + O&M		0.39	0.39
CO2 compressor power		0.37	0.37
Electricity credit incl comp pwr	-0.52	-0.675	-0.675
Total without CO2 compression	5.70	5.97	5.23
Total with CO2 compression		6.73	6.01
Incremental Cost of CO2 Capture, excluding CO2 compression			
\$/GJ H2 (HHV)		0.27	-0.44
\$/tonne CO2		2.22	-3.56
Incremental Cost of CO2 Capture, including			
CO2 compression			2.5
\$/GJ H2 (HHV)	1	1.02	0.31
\$/tonne CO2		8.43	2.56

Table 9. Cost of Hydrogen Production from Coal as a Function of Plant Size

Table 7. Cost of Hydrogen Froud	CHOII I	t UIII (	oar a	3 a 1 u	псиот	1 01 1 1	ant D	izc	
	CO <sub>2</sub> Vented, sulfur removal		CO <sub>2</sub> Capture, sulfur removal		CO <sub>2</sub> capture,				
					co-				
							sequ	estrati	on
						of CO <sub>2</sub> and H <sub>2</sub> S			
H2 Production MWth	1000	500	250	1000	500	250	1000	500	250
CO2 captured (tonne/h)				437. 4	218. 7	109. 4	437. 4	218. 7	109. 4
Levelized Cost of H2 Production (\$/GJ HHV)									
Plant capital except CO2 Compressor	3.92	4.41	4.97	4.20	4.74	5.34	3.64	4.10	4.62
Non-fuel O&M	1.04	1.18	1.33	1.12	1.26	1.42	0.97	1.09	1.23
Feedstock cost	1.26	1.26	1.26	1.32	1.32	1.32	1.32	1.32	1.32
CO2 compression capital + O&M				0.39	0.63	1.03	0.39	0.63	1.03
CO2 compressor power				0.37	0.37	0.37	0.37	0.37	0.37
Electricity credit incl comp pwr	-0.52	-0.52	-0.52	-0.68	-0.68	-0.68	-0.68	-0.68	-0.68
Total without CO2 compression	5.70	6.33	7.03	5.97	6.65	7.41	5.26	5.84	6.50
Total with CO2 compression				6.73	7.64	8.80	6.01	6.84	7.89
Incremental Cost of CO2 Capture, excluding CO2 compression									
\$/GJ H2 (HHV)				0.27	0.32	0.37	-0.44	-0.48	-0.53
\$/tonne CO2				2.22	2.64	3.07	-3.65	-3.98	-4.38
Incremental Cost of CO2 Capture, including CO2 compression									
\$/GJ H2 (HHV)				1.02	1.32	1.77	0.31	0.51	0.86
\$/tonne CO2				8.43	10.9	14.5	2.56	4.24	7.08

Table 10. Cost of Hydrogen Production from Natural Gas as a Function of Plant Size

	CO <sub>2</sub> Vented		CO <sub>2</sub> Captured		red	
H2 Production MWth	1000	500	250	1000	500	250
CO2 captured (tonne/h)	0	0	0	204	102	51
Levelized Cost of H2 Production (\$/GJ HHV)						
Plant capital except CO2 Compressor	1.56	1.92	2.36	2.28	2.81	3.46
Non-fuel O&M	0.41	0.50	0.62	0.61	0.75	0.92
Feedstock cost	4.20	4.20	4.20	4.36	4.36	4.36
CO2 compressor capital + non-electric O&M				0.34	0.55	0.90
CO2 compressor power				0.27	0.27	0.27
Total without CO2 compression	6.17	6.63	7.19	7.25	7.92	8.74
Total with CO2 compression				7.86	8.74	9.91
Incremental Cost of CO2 Separation only, excluding CO2 compression						
\$/GJ H2 (HHV)				1.08	1.29	1.55
\$/tonne CO2				19.06	22.81	27.43
Incremental Cost of CO2 Capture, including CO2 separation and compression						
\$/GJ H2 (HHV)				1.69	2.11	2.72
\$/tonne CO2				29.82	37.32	48.03

# APPENDIX B. CO<sub>2</sub> COMPRESSION AT THE FOSSIL ENERGY COMPLEX

The power required for CO<sub>2</sub> compression can be approximated by the formula for isentropic compression of a gas in a multi-stage compressor (Christodoulou 1984):

 $P_{cm}=$ 

$$Q \times (P_b/T_b) \times (T_1/n_c) \times Z_{ave} \times [N\gamma/(\gamma-1)] \times [(P_{cout}/P_{cin})^{[(\gamma-1)/N\gamma]} -1]/1000$$
 [B.1]

where:

```
P_{cm} = compressor power requirement (kW)

Q = gas flow rate in Nm<sup>3</sup>/s

P_b = reference pressure = 101,300 Newtons/m<sup>2</sup> (atmospheric pressure)

T_b = reference temperature = 298°K

T_1 = average gas temperature = 313°K (40 C)

P_{cin}=inlet pressure to compressor = 0.1 MPa = P_{plantout}

P_{cout}=outlet pressure from compressor = 15.0 MPa

N = number of compressor stages = 5

n_c = compressor efficiency = 70% for large (pipeline scale) CO_2

Z_{ave}= average compressibility = [Z(Pin) + Z(Pout)]/2 = 0.625 for CO_2

\gamma = ratio of specific heats

(for hydrogen = 1.41, for methane = 1.30, for CO_2 = 1.289)
```

This formula gives results that closely match those from more detailed calculations by Chiesa and Kreutz at Princeton University. The power for compression is about 6% of the electrical output of a coal fired power plant with pre-combustion CO<sub>2</sub> capture (Kreutz 2001).

# Capital Cost of CO<sub>2</sub> Compressors

A wide range of capital costs for CO<sub>2</sub> compressors have been reported in the literature.

Hendriks estimated the cost of a 500 tonne/h CO<sub>2</sub> compressor to be \$730/kWe (Hendriks 1994).

Researchers at Argonne National Laboratory (in R. Doctor, et al. "Hydrogen Production and  $CO_2$  Recovery, Transport and Use from a KRW Oxygen Blown Gasification Combined Cycle System," ANL , May 1999, Table 7.3) estimated the installed costs for 3-stage  $CO_2$  compressors operating from 50 to 2100 psia, for several  $CO_2$  flow rates. In one case, each stage was estimated to require a power of 4276 hp = 3.19 MWe and the total installed cost for each stage is \$2.734 million. The total power required is 9.57

MWe and the total cost is \$8.2 million. This gives a capital cost of \$857/kWe. Capital costs were also given for a smaller capacity compressor (6.52 MWe), costing \$1048/kWe.

Power requirement	\$	\$/kWe
kWe		
9570	8.20 million	857
6521	6.84 million	1048

In an earlier report Doctor 1994 gives a lower capital cost estimate for compressors.

CO2 Flow rate (million scf/d)	Capital Cost for Compressor and Drying \$/kW	Power Req. (MWe)
13354	392	82
2671	457	16
1335	548	8.2

Foster Wheeler (1996) estimated considerably higher capital costs for CO<sub>2</sub> compressors. For a CO<sub>2</sub> compressor from 1 to 110 barg, F-W estimated installed equipment costs at two flow rates. I estimated the power requirements for CO<sub>2</sub> compression at these pressures and flow rates using the equations in the previous section (power requirements were not explicitly given in F-W study). The specific costs (\$/kW) are in the range \$1900-2500/kW, more than twice Doctor's estimate.

CO <sub>2</sub> Flow rate	Power	Capital Cost	\$/kWe
(tonne/d)	Requirement	(million \$)=	
	(MWe)	bare equip. cost	
	(calculated	x 1.3 for	
	using equations	engineering,	
	in previous	contingency,	
	section)	etc.	
4903	18.6	35.7 x 1.3	2493
15,658	59.6	88.2 x 1.3	1923

In a recent study by the Carbon Capture Project (CCP 2000), the capital cost of CO<sub>2</sub> compressors for compression from 1 to 80 bar was estimated at several flow rates

(tonne/d)	Requirement (MWe) (calculated using equations in previous section)	installed (million \$) (includes factor of 1.848 for engineering, contingencies, etc.	
2599	9.1	13.9	1518
5471	19.2	17.0	902
10,192	35.8	20.7	583

Figure B.1 shows the various estimates for compressor installed capital cost (\$/kWe) plotted versus CO<sub>2</sub> flow rate. There is a wide range of costs, which highlights the need to get better cost estimates. We are in the process of obtaining these from various sources.

In the calculations that follow, we use the CCP CO<sub>2</sub> compressor capital cost estimates. The capital costs fit reasonably well to the following expressions:

 $CO_2$  Compressor capital cost = \$13.86 x  $10^6$  x (flow rate in tonnes  $CO_2/d/2599$ )<sup>0.3</sup>

or (using power requirements calculated using the equations in the previous section)

The compressor lifetime is taken to be 20 years. The capacity factor of the system is taken to be 80%. The levelized cost of CO<sub>2</sub> compression is then

```
Levelized Cost of Compression (\$/tonne CO_2) = (CRF + O&M) x
Pcm(kW) x \$1518/kW x [9130/Pcm(kWe)]<sup>0.7</sup>/(8760 x 0.8 x tonnes CO<sub>2</sub>/year)
+ Pelec (\$/kWh) x Pcm(kW)/ (tonnes CO<sub>2</sub>/h) [B.2]
```

Where:

```
tonnes CO_2/year = Q (Nm^3/s) \times 3.17 \times 10^7 \text{ sec/year} \times 1.965 \text{ kg } CO_2/Nm^3/(1000 \text{ kg/tonne})
```

And the values for CRF, O&M and Pelec are given in Table 1 of the main text.

The levelized cost of compression is plotted in Figures B.2 and B.3 for various compressor sizes and pressure differences, for CO<sub>2</sub> flows from a 1000 MW H2 plant

producing 437 tonnes CO<sub>2</sub>/h (H<sub>2</sub> from coal) and 204 tonnes CO<sub>2</sub>/h (H<sub>2</sub> from natural gas). The levelized cost of compression is found to be about \$4-6/tonne CO<sub>2</sub>, for compressor electricity costing 3.6 cents/kwh. About \$3/tonne CO<sub>2</sub> is due to power costs, the remainder to capital costs.

Compressor capital costs are sensitive to scale, although power costs per GJ of hydrogen or tonne of  $CO_2$  are independent of the compressor power. The power cost of compression per GJ of  $H_2$  is sensitive to the electricity cost.

Compression costs are somewhat sensitive to the compressor outlet pressure. This pressure is typically at least 15 MPa, to assure that the CO<sub>2</sub> stays above the critical pressure throughout the pipeline. Figures B.2 and B.3 show the dependence of the levelized cost of compression on the compressor outlet pressure, assuming at inlet pressure of 0.1 MPa. There is a modest incremental cost of about \$1/tonne CO<sub>2</sub> to increase the outlet pressure from 80 to 150 bar for pipeline transmission.

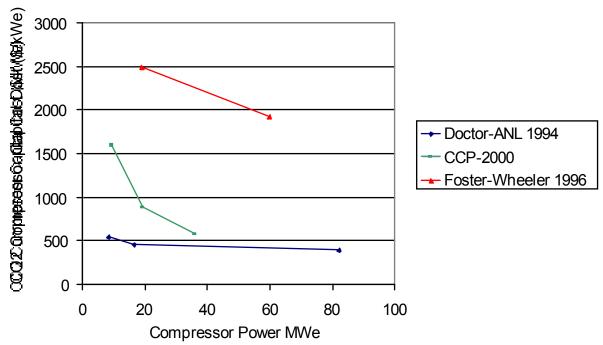


Figure B.1 Capital Cost of CO2 Compressors versus power according to several studies.

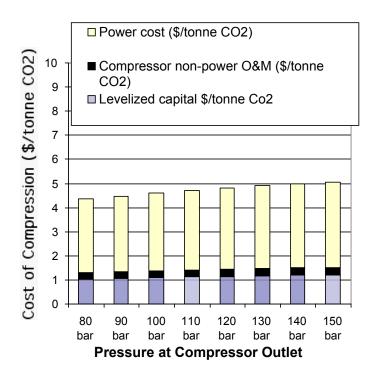
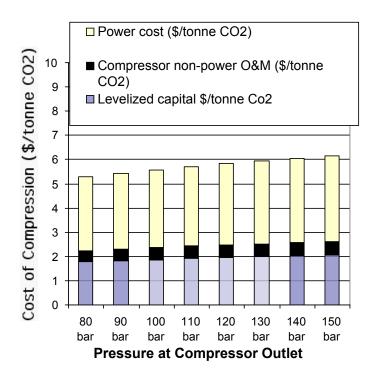


Figure B.2. Levelized Cost of CO2 Compression for a 1000 MWth Coal Based Hydrogen Plant Capturing 437 tonne CO2/h

Figure B.3. Levelized Cost of CO2 Compression for a 1000 MWth Natural Gas-Based Hydrogen Plant Capturing 204 tonne CO2/h



#### APPENDIX C. CO<sub>2</sub> PIPELINE CALCULATIONS

### Flow rate of supercritical CO<sub>2</sub> as function of pipeline parameters

The equations determining the steady state flow rate of supercritical  $CO_2$  as a function of pipeline diameter, inlet and outlet pressure, operating temperature pipeline length and gas composition have been adapted from (Farris 1983). For a pipeline of length L, the upstream and downstream pressures  $P_{inpipe}$  and  $P_{outpipe}$ , the volumetric flow rate Q, and the pipeline diameter D are related as follows (Farris 1983, p.150):

$$Q = C_1 \sqrt{(1/f) \left[ (P_{inpipe}^2 - P_{outpipe}^2 - C_2 \{ G\Delta h P_{avg}^2 / Z_{avg} T_{avg} \} \right) / (G T_{avg} Z_{avg} L) \right]^{0.5} D^{2.5} E}$$
[C.1]

where:

Q = gas flow rate, Nm<sup>3</sup>/s (MSCF/D 1000 standard cubic feet per day)

 $P_{inpipe}$  = pipeline inlet pressure, kPa (psia) = Pcout

P<sub>outpipe</sub> = pipeline outlet pressure, kPa (psia)

G = specific gravity compared to air with pure  $CO_2$ , the specific gravity G = 44.011/28.97 = 1.519

 $T_{avg}$  = average temperature, °K (°R)

In our calculations, average temperatures will range from 40-100°F

(499.67-559.67°R), or 4.44-37.78°C

Z<sub>avg</sub> = fluid compressibility at average pipeline pressure, P<sub>avg</sub>
 For typical parameters this is about 0.17-0.30 (see Tables 1 and 2 below) for pure CO<sub>2</sub> and 2-5% slightly higher if 1.5% SO<sub>2</sub> impurity is present

f = friction factor (see Eq. 2 below)

L = length of pipeline, km (mi)

D = internal pipeline diameter, m (in)

 $\Delta h$  = change in elevation downstream minus upstream, m (ft)

E = pipeline efficiency, fraction

 $C_1$  = constant, 18.921 (1.3688)

 $C_2$  = constant, 0.06836 (0.03750)

The friction factor f depends on the flow regime (laminar, partially turbulent, or fully turbulent). The flow regime can be determined from Reynolds number. For CO<sub>2</sub> pipelines with flow rates appropriate to capture from large fossil energy complexes, we find that the Reynolds number is very large, and the flow can be assumed to be fully turbulent.

We use the Nikuradse equation for fully turbulent flow to find f (Mohitpour et al. 2000, p.76):

$$\sqrt{(1/f)} = 4 \log_{10} \left[ 3.7 \, (D/K_e) \right]$$
 [C.2]

This equation only depends on the inner diameter D of the pipeline and the effective roughness of the pipe,  $K_e$ . A coated pipe is assumed, with  $K_e$  value of approximately 250 x  $10^{-6}$  in. (Mohitpour et al. 2000, p.76). This gives f = 0.002268 for a 12 in. pipe and f = 0.002088 for a 20 in. pipe. (Note that the friction factor f is defined differently in many fluid dynamics textbooks, to be a value  $f = 4 \times f$ .)

Graphs for the density of  $CO_2$  and compressibility  $Z_{avg}$  as a function of pressure and temperature (Farris) have been used to estimate  $Z_{avg}$ .

The compressibility factor for pure  $CO_2$  near the critical point is shown in Table C.1. At pressures near atmospheric, the compressibility is near 1.

Table C.1: Compressibility Factors of Pure CO<sub>2</sub>

	Temperature		
Pressure (psia)	<20 C	40 C	
1281	0.175	0.325	
1428	0.195	0.305	
1581	0.21	0.295	
1745	0.235	0.300	

The compressibility factor changes with the addition of impurities. With 1.5% SO<sub>2</sub> added, the compressibility changes by 2-5% (see Table C.2).

Table C.2: Compressibility Factors of CO<sub>2</sub> with 1.5% wt. SO<sub>2</sub>

	Temperature		
Pressure	<20 C 40 C		
(psia)			
1281	0.183	0.332	
1428	0.203	0.312	
1581	0.218	0.302	
1745	0.243	0.307	

According to Farris, velocities of 2-4 m/s give the best economics. The pressure drop per length used in Farris's base case is 19.3 psi/mile (or 82.7 Pa/m).

The flow rates we calculate from these equations match well with those given in various references on CO<sub>2</sub> pipeline transmission (Farris 1983, Mohitpour 2000).

We have not considered booster compressor stations in this analysis, although this will be included in later work.

### **Pipeline Capital Cost Equations**

I have compared CO<sub>2</sub> pipeline capital costs cited in the literature for a range of pipeline diameters. These costs are summarized in Figure C.1. All costs are expressed in 2001 US\$. The conversion rate of \$1.25 per ECU is used.

Estimates given by Joule II (Holloway 1996), IEA and Argonne National Laboratory (Doctor et al. 1999) included only pipeline capital. Skovholt's (1993) costs included the cost of CO<sub>2</sub> compressors (for initial compression from atmospheric to 110 bar) as well as pipeline costs.

Cost estimates differ widely among the studies. This is probably due to of differing assumptions about the terrain, and labor costs. The slope of the lines are similar, even though the values vary considerably with the study. This might reflect the fact that the total installed pipeline capital cost is the sum of the cost for the pipe itself plus pipelaying and other installation costs that could vary greatly with terrain. An average of IEA and Joule II gives about the same as Skovholt's middle range cost (even though Skovholt included compressors in his capital cost estimate.) Christodoulou's costs are much lower than the others. I would be skeptical of any cost less than about \$155/m (or \$250,000/mile which everyone I've talked to in the pipeline world quotes as a minimum cost even for small diameter high pressure gas pipelines under ideal conditions: level ground, no road crossings.)

To estimate the pipeline capital costs we use capital costs from Skovholt 1993, as representing an average of the data. From Figure 3 of Skovholt, we find the following

costs

Table C.3

Pipeline diameter (inches)	Base Case Cost	High Cost Case	Low Cost Case
	(\$/m)	(\$/m)	(\$/m)
16	700	900	450
30	1300	1800	800
40	1800	2500	1000
64	3500	2100	4700

The capital cost per unit length can be written approximately as a function of D

Cost (D) = Cost (Do) x 
$$(D/Do)^{1.2}$$
 [C.3]

Where:

D = pipeline diameter

Cost (D) is the capital cost of the pipeline per unit length \$/m

Do = reference diameter = 16 inches

Cost (Do) = cost/m at reference diameter of 16 inches = \$700/m (from Table C.3 above)

The total capital cost of the pipeline (\$) is

 $Capital_{pipeline} = Cost(D) (\$/m) \times L (m)$ 

## Sensitivity of the Pipeline Cost to Flow Rate Q and Length L

We would like to rewrite the cost equation (C.3) as a function of CO2 flow rate Q and length L, rather than D. This will allow us to look at the sensitivity of the pipeline cost as a function of Q and L without explicitly solving for the pipeline diameter.

The diameter D can be related to the flow rate Q and pipeline length L via Equation (C.1).

To simplify the cost equations, we assume that all the parameters are the same for each arc in the pipeline network, except for the length L, diameter D and flow rate Q. Also, we assume that there is no elevation change in the pipeline,  $\Delta h=0$ .

Consider a pipeline segment (or arc) with flow rate Q, diameter D and length L, we find

$$Q = Const \times D^{2.5}/L^{0.5}$$

Where

Const = 
$$C_1 \sqrt{(1/f) [(P_u^2 - P_d^2) / (G T_{avg} Z_{avg})]^{0.5}} E$$

Actually, "Const" is not quite a constant, since  $\sqrt{(1/f)}$  depends weakly on the diameter D through the Nikuradse Eqn.

$$\sqrt{(1/f)} = 4 \log_{10} [3.7 (D/K_e)]$$

where 
$$K_e = 250 \times 10^{-6}$$
 in

However,  $\sqrt{(1/f)}$  varies by only about 10% over the range of interest D =16 to 64 inches, so we approximate it as a constant.

Then:

$$D = [Q \times L^{0.5} / Const]^{0.4}$$
 (C.4)

We can use this equation to derive an estimate of pipeline cost per unit length as a function of flow rate and pipeline length. From Eq. C.3

$$Cost (D) = Cost (Do) \times (D/Do)^{1.2}$$

Cost(D) can be rewritten as:

$$Cost(D) = Cost(Q,L),$$

where Q is the flow rate at diameter D and length L,

Cost (Q, L) = Cost (Qo, Lo) x 
$$(Q/Qo)^{0.48}$$
 x  $(L/Lo)^{0.24}$ 

For a given flow rate, the capital cost per unit length goes up as the 0.48 power of (Q/Qo) times the 0.24 power of (L/Lo). The higher the flow rate, the higher the cost per unit length, but the cost increases more slowly than linearly. The longer the pipeline compared to the reference length, the higher the cost per unit meter, but this increases quite slowly.

For Qo = 16,000 tonnes/day and Lo=100 km, Do=16 inches, and

Cost (Qo, Lo) = 
$$$700/m$$

Then scaling

Cost (Q,L) = 
$$$700/m \times (Q/Qo)^{0.48} \times (L/Lo)^{0.24}$$
 [C.5]

For Q= 11,000 tonne/day, L=100 km

Cost (Q,L) = \$700 x 
$$(11000/16000)^{0.48}$$
 x  $(100/100)^{0.24}$  = \$585/m

For Q = 11,000 tonne/day, L=200 km

Cost (Q,L) = \$700 x 
$$(11000/16000)^{0.48}$$
 x  $(200/100)^{0.24}$  = \$691/m

$$Capital_{pipeline} = Cost(D) (\$/m) \times L (m)$$

The capital cost Capital<sub>pipeline</sub> is approximately proportional to  $Q^{0.48}$ ,  $L^{1.24}$ 

The levelized cost of CO2 disposal is given by

Cpipeline (\$/tonne CO2) = (CRF + O&M) x Capital<sub>pipeline</sub>/tonnes CO2 per year = (CRF + O&M) x Capital<sub>pipeline</sub>/[Q (Nm<sup>3</sup>/s) x 3.17 x 
$$10^7$$
 sec/year x 1.965 kg  $CO_2/Nm^3/(1000 \text{ kg/tonne})$ ]

The levelized cost is proportional to  $Q^{-0.52}$ ,  $L^{1.24}$ . As the flow rate increases, the cost goes down as approximately the  $Q^{-0.52}$  power. As length increases the levelized cost increases slightly faster than linearly, as  $L^{1.24}$ 

In Figures C.2 and C.3, we show the cost of pipeline transmission as a function of flow rates (from 1000 to 10,000 tonnes CO2/day) and pipeline length (from 50 to 1000 km). For reference, a 1000 MWth (250 million scf/day) H2 plant using steam methane reforming would produce about 4800 tonnes CO2/day. A 1000 MWth hydrogen plant based on coal gasification would produce about 11,000 tonnes CO2/day. We assume that the inlet pressure is 15 MPa, and the outlet pressure is 10 MPa. The cost of pipeline transmission varies from less than \$10 per tonne CO2 (for 50 km pipelines) to almost \$100/tonne CO2 for a 1000 km pipeline with a CO2 flow rate corresponding to 200 MWth H2 production per day (enough to fuel a fleet of several hundred thousand hydrogen fuel cell cars).

The contribution of CO2 pipeline capital to the hydrogen cost from coal and natural gas hydrogen plants are shown in Figures C.4 and C.5. The CO2 pipeline cost per GJ of hydrogen is generally much less than the production cost of hydrogen (\$6-7/GJ) except for long distances and small flow rates. Costs per GJ of H2 are higher for coal plants than for natural gas, because more CO2 is produced per GJ of hydrogen.

Comparing the costs estimated from this formula, we find values that are quite similar (Figure C.6). The Joule II formula for the capital cost per meter shows no dependence

on L, while the cost function derived here has a dependence on L that is slightly greater than linear.

### Installed Capital Cost of CO2 Pipelines

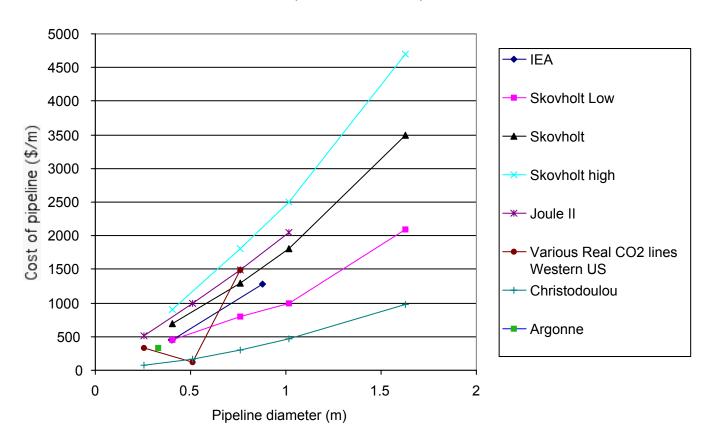


Figure C.1. Installed Capital Cost of CO2 Pipelines in \$/m

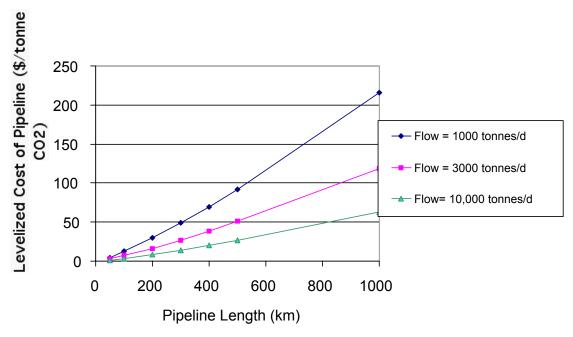
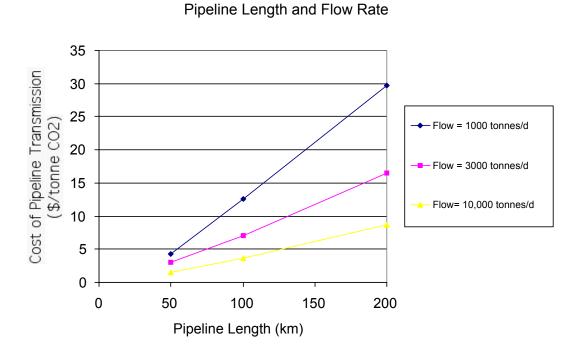


Figure C.2. Levelized cost of Pipeline Transmission vs. pipeline length and flow rate
Figure C.3

Levelized Cost of Pipeline Transmission (\$/tonne CO2) vs.



# Levelized Cost of CO2 Pipeline for Coal-Based H2 Plant (\$/GJ H2 HHV) vs. Pipeline Length and CO2 Flow Rate

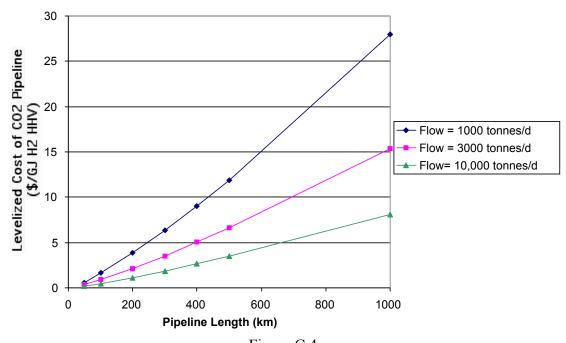


Figure C.4

# Levelized Cost of CO2 Pipeline (\$/GJ H2 HHV) for Natural Gas to H2 Plant vs. Length and CO2 Flow Rate

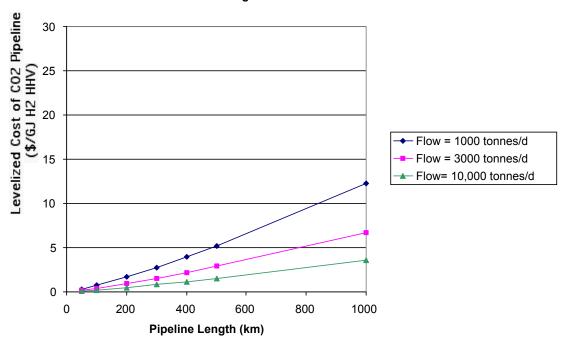


Figure C5

#### APPENDIX D. INJECTION RATE INTO UNDERGROUND RESERVOIRS, CALCULATIONS FOR INJECTION SITE COSTS

CO<sub>2</sub> is injected into an underground reservoir, such as an aquifer or depleted gas or oil reservoir. The injection rate into the well is given by (Hendrik 1994)

$$q_s = \rho_r/\rho_s \times 2\pi \, k \, h \, \Delta P/[\ln(r_e/r_w) \times \mu]$$
 [D.1]

where:

 $q_s$  = flow rate of CO<sub>2</sub> into injection well (Nm<sup>3</sup>/s)

 $\rho_s$  = density of gas under standard conditions (kg/m<sup>3</sup>) = 1.964 kg/m<sup>3</sup> for CO<sub>2</sub>

 $\rho_r$  = density of gas at reservoir pressure (kg/m3) = 750 kg/m<sup>3</sup> for CO2

k = permeability of reservoir (m<sup>2</sup>), range = 0.6 - 60 x 10-14

h = thickness of reservoir = 10-200 meters

 $\Delta P$  = pressure difference between pressure of CO2 at the bottom of the well, and the pressure of the aquifer at a point far from the well = Pinjout – Paquifer.

For flow,  $\Delta P > 0$ . To avoid problems  $\Delta P < 0.09$ -0.18 x Paquifer

re = radius of influence of injected CO2 in the aguifer

rw = radius of the well

ln(re/rw) = 7.5 (Hendrik 1994 gives a range of 7-8 for this parameter)

 $\mu$  = viscosity = 6 x 10-5 Pa.s (at injection pressure of 8000 kPa) to 9 x 10-5 Pa.s (at injection pressure of 20,000 kPa)

#### Where:

Pinjout = pressure at the bottom of the well Paquifer = pressure in the aguifer far from the well

The pressure in the aquifer is given by

Paquifer = 
$$dP/dz \times depth$$
 [D.2]

Where:

dP/dz = 11.5 - 23.0 kPa/m (range from Hendrik, 1994). depth = depth of well in meters

The pressure at the bottom of the well is given by the injection pressure plus the weight of the water column in the well. This can be approximated by:

$$Pinjout = +10.5 \text{ kPa/m x depth (Hendrik, 1994)}$$
 [D.3]

Where

 $P_{injin}$  = pressure at the top of the well.

If  $P_{\text{outpipe}} > 10$  MPa, it should be possible to inject into an aquifer with a low pressure gradient, without any additional compression. In this case

$$P_{injin} = P_{outpipe}$$

For deep wells into aquifers with high pressure gradients, an additional compressor might be needed at the wellhead.

If compression is needed at the well, the compressor power can be estimated as in Eq. [B.1] above. The compression needs are quite low for injection site compression from 10 to 15 MPa, as compared to compression at the energy complex from 0.1 to 15 MPa.

The flow rate per well is given in Figure D.1 as a function of permeability and aquifer thickness for low and high pressure aquifers.

We limit the CO2 flow rate at any one well to 2500 tonne/day, as suggested in the Joule II report. (This limit occurs because of frictional losses at higher flow rates that lead to undesirable heating.)

#### **Number of Wells**

The number of wells needed is

$$N_{\text{well}} = Q/q_{\text{s}}$$
 [D.4]

The cost per well has been estimated by Hendrik as

$$Cost_{well}$$
 (\$/well) = \$1.25 million/well/km x depth (km) + \$1.0 million [D.5]

The total capital cost for wells is

$$Capital_{well} (\$) = Cost_{well} (\$/well) \times N_{well}$$
 [D.6]

The capital cost of wells varies as h<sup>-1</sup>, k<sup>-1</sup>,  $\Delta P^{-1}$ ,  $\mu$ ,  $\rho_r^{-1}$ 

In Figure D.2, we show the number of wells needed to dispose of the CO2 output from 1000 MWth hydrogen plants based on natural gas and coal, as a function of permeability, for a reservoir thickness of 50 m. We see that at low permeability 12 wells will be needed to dispose of the CO2 from the coal plant. As permeability (or equivalently thickness) increases, the number of wells needed drops rapidly. For permeabilities above about 40 milliDarcy, at the limiting flow rate of 2500 tonne CO2/day, only 2 wells are needed to take up the CO2 output of a natural gas based H2 plant, and 5 wells are needed to take up the output of a coal to hydrogen plant.

#### Associated Piping at the Injection Site

The area needed for the injection field is given by

Area (m<sup>2</sup>) = 
$$Q_{tot}/(\phi_{eff} x n_{se} x \rho x h)$$
 [D.7]

Where:

 $Q_{tot}$  = quantity of CO2 to be stored (kg)

 $= Q (Nm^3/s) \times 1.964 \text{ kg/Nm}^3 \times 3.17 \times 10^7 \text{ s/year } \times 20 \text{ years}$ 

= 20 years output from fossil energy complex plant.

 $\phi_{\text{eff}}$  = effective porosity = 20% (Hendrik 1994)

 $n_{se}$  = sweep efficiency = 2% (aquifer); 90% (gas or oil well)

 $\rho$  = density of CO<sub>2</sub> at the bottom of the well = 750 kg/m<sup>3</sup>

h = thickness of aguifer (m)

The area needed to dispose of 20 years' worth of CO2 from 1000 MWth natural gas to hydrogen and coal to hydrogen plants is shown in Figure D.3 as a function of aquifer thickness. An area of about 500 km<sup>2</sup> is needed to accept CO2 from a coal plant, if the layer thickness is 50 m. For a natural gas to hydrogen plant, the area is 235 km<sup>2</sup>.

The length of pipe at the field needed to connect the wells depends on the number of wells needed.

The layout of the injection piping will try to minimize costs. For the case of a 1000 MWth coal plant, and an injection site with good permeability, 5 wells will be needed.

Assuming that each well has a circle of influence of radius  $r_{\text{well}}$ , then the total area

Area = 
$$N_{\text{well}} \times \pi r_{\text{well}}^2$$
 [D.8]

Assuming the flow is split into Nwell equal parts, each pipe going to a well has a diameter

$$= D/(N_{\text{well}})^{0.5}$$

The cost of field piping varies with diameter as in Eq. C.5.

The total length of associated piping =  $(N_{well}-1) \times 2 r_{well}$ 

The cost of piping varies as  $n_{se}$  -1/2 ,  $\varphi_{eff}$  -1/2 , h -3/2 ,  $~k^{\text{-}1},~\Delta P$  -1,  $~\mu,~\rho_{r}^{\text{-}3/2}$ 

Capital costs at the injection site depend on the permeability and the reservoir thickness. The viscosity increases with increased aquifer pressure, which reduces the flow into each well and increases the need for associated piping. In Figure D.5, we show the kilometers of field piping needed to dispose of 310 tonnes CO2/h, as a function of permeability and aquifer pressure. The length of injection field piping rises rapidly for low permeability.

#### Simplified expression for above ground piping costs.

Assume that the aquifer parameters are such that the CO2 flow rate into each well is 2500 tonne/day or 104 tonne/h CO2.

Then the number of wells is:

 $N_{\text{well}} = Q/2500 \text{ tonne/d}$ , rounded up to the nearest integer

The length of associated pipeline at the site is

$$(N_{\text{well}}-1) \times 2 r_{\text{well}}$$

where:

$$r_{\text{well}} = (\text{Area}/ \pi N_{\text{well}})^{0.5}$$

$$r_{well} = \left[Q_{tot}/(\varphi_{eff} \ x \ n_{se} \ x \ \rho \ x \ h \ x \ \pi \ N_{well} \ \right]^{0.5}$$

$$r_{well} = \{ \ Q \ (tonne/d) \ x \ 365 \ d/y \ x \ 20 \ years \ / [\varphi_{eff} \ x \ n_{se} \ x \ \rho \ x \ h \ x \ \pi \ N_{well}] \ \}^{0.5}$$

 $r_{\text{well}} =$ 

{ 2500 t/d x 365 d/y x 20 y/[ $\phi_{eff}$  x  $n_{se}$  x  $\rho$  x h  $\pi$ ] Q (tonne/d)/(Nwell x 2500)}  $^{0.5}$  For our base case values:

```
\phi_{eff} = effective porosity = 20% (Hendrik 1994)

n_{se} = sweep efficiency = 2% (aquifer)

\rho = density of CO<sub>2</sub> at the bottom of the well = 750 kg/m<sup>3</sup>

h=50 m
```

$$r_{\text{well}} = 6223 \text{ m x } [Q \text{ (tonne/d)/(Nwell x 2500)}]^{0.5}$$

The diameter of the injection field piping is given by:

$$Dwell = D/(N_{well})^{0.5}$$

Where D is the diameter of the main pipeline

$$D = Do [(Q/Qo) x (L/Lo)^{0.5}]^{0.4}$$

Q = flow rate in main pipeline (tonne/d)

L = length of main pipeline (km)

Do = 16 inches

Qo = 16,000 tonne/d

Lo=100 km

Dwell = Do 
$$[(Q/Qo) \times (L/Lo)^{0.5}]^{0.4}/(N_{well})^{0.5}$$

And the capital cost of the associated piping (\$/m) is given by

$$Cost (Dwell) = Cost (Do) \times (Dwell/Do)^{1.2}$$

Cost (Dwell) = Cost (Do) x 
$$\{[(Q/Qo) \times (L/Lo)^{0.5}]^{0.4}/(N_{well})^{0.5}\}^{1.2}$$

Where

Cost (Do) = \$700/m

Do = 16 inches

Qo = 16,000 tonne/d

Lo=100 km

Q = flow in main pipeline (tonne/d)

L = length of main pipeline (km)

The total capital cost of the associated piping is:

Cost of injection field piping (\$) = \$700/m x 
$$\{[(Q/Qo) x (L/Lo)^{0.5}]^{0.4}/(N_{well})^{0.5}\}^{1.2}x (N_{well}-1) x 2 r_{well}$$

Cost of injection field piping (\$) = \$700/m x {[(Q/Qo) x (L/Lo) 
$$^{0.5}$$
] $^{0.4}$ /(  $N_{well}$ ) $^{0.5}$ } $^{1.2}$ x ( $N_{well}$ -1) x 2 x 6223 m x [Q (tonne/d)/(Nwell x 2500)] $^{0.5}$ 

For flow rates in the 100 to 500 tonne per h range, for a 100 km pipeline

Hydrogen	Capital Cost of Injection site piping	Levelized
Plant CO2	2 (million \$)	Cost of
output		Injection
tonne/h		(\$/tonne
		CO2)

100	0 (because only 1 well is needed)	0
200	3.16 (2 wells)	0.43
300	6.02 (3 wells)	0.54
400	8.73 (4 wells)	0.59
500	11.32 (5 wells)	0.61

The contribution of the injection piping to the levelized cost of CO2 disposal is given by:

```
Levelized cost ($/tonne CO2) = (CRF + O&M) x capital cost/(capacity factor x tonnes CO2/h x 8760 h/y) = (0.15 + 0.04) x $700/m x {[(Q/Qo) x (L/Lo) ^{0.5}] ^{0.4}/(N<sub>well</sub>) ^{0.5}} ^{1.2}x (N<sub>well</sub>-1) x 2 x 6223 m x [Q (tonne/d)/(Nwell x 2500)] ^{0.5}/(capacity factor x Q x 8760 h/y)
```

Figures D.4-6 summarize the cost of injection field piping. The "jumps" are due to the fact that the number of wells is an integer. Below flow rates of about 100 t CO2/h, only one well is needed, so the field piping costs are zero. As the flow rate increases the piping length goes up. Cost is almost linear above flow rates of 100 t/h, and the levelized cost approaches \$0.62/tonne CO2 in the limit of large flows. (Levelized costs are smaller at smaller flow rates because a shorter length of pipe is required per unit of CO2 sequestered.) The capital cost for injection field piping is considerably less than for the main pipeline (assumed to be 100 km in length).

Figure D.1

Maximum CO2 flow rate per well as a function of aquifer permeability (tonne CO2/day); maximum flow < 2500 t/d

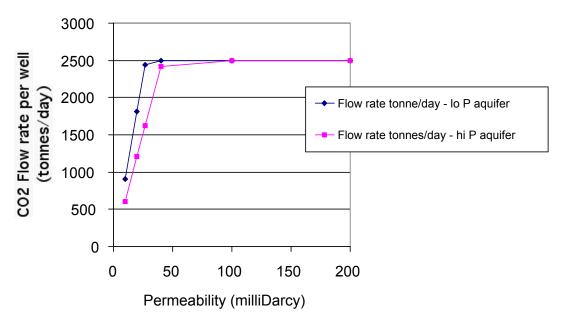
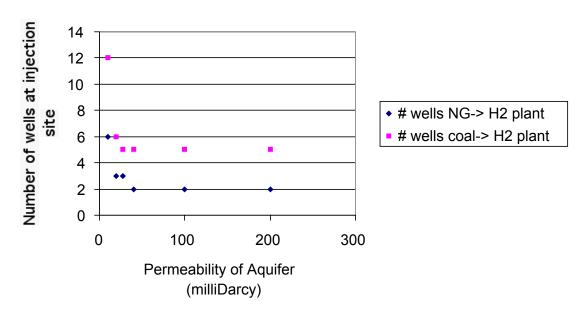


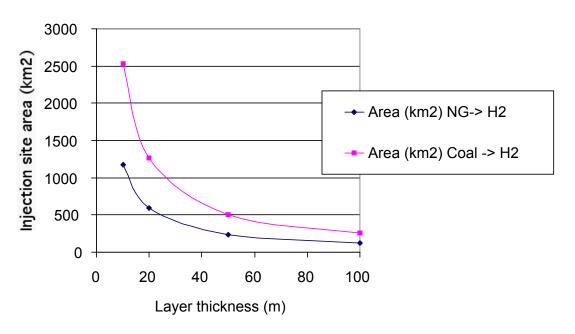
Figure D.2

Number of wells needed to inject CO2 from 1000 MWth Hydrogen Plants using Natural Gas and Coal Feedstocks; 2 km well depth; aquifer thickness = 50 m

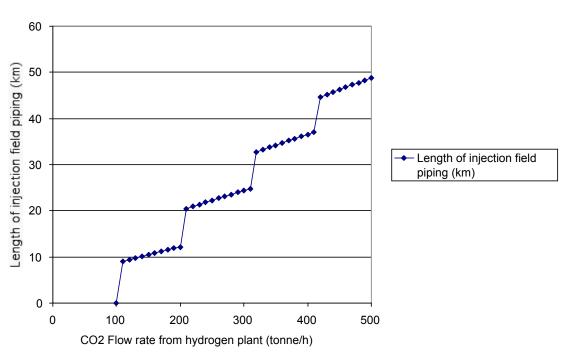


Area of Injection site versus layer thickness for injecting CO2 from 1000 MWth H2 plants

Figure D.3



 $Figure \ D.4$  Length of injection field piping (km)



# APPENDIX E. HYDROGEN FUEL DELIVERY INFRASTRUCTURE: HYDROGEN COMPRESSION, STORAGE, PIPELINE TRANSMISSION, LOCAL PIPELINE DISTRIBUTION AND REFUELING STATIONS

In this Appendix, we estimate the costs of the hydrogen fuel delivery infrastructure required to bring hydrogen from the fossil energy complex to vehicles. There are many ways to store and distribute hydrogen. These include:

- storage as a compressed gas with delivery via compressed gas truck (tube trailer)
- storage as a compressed gas with delivery by pipeline
- storage as a cryogenic liquid with delivery by liquid hydrogen truck

Truck and pipeline delivery are used commercially today. Generally, truck delivery is preferred when small quantities of hydrogen must be delivered long distances. For large scale fossil hydrogen plants with CO2 sequestration, located near a city with a high geographic density of hydrogen demand, gaseous storage with delivery by gas pipeline is projected to give the lowest costs (Ogden 1999, Amos 1998). In this report, we focus on this alternative.

A sketch of the assumed hydrogen infrastructure is shown in Figure E.1 The hydrogen delivery system includes hydrogen compression and storage (at the H2 production plant site), pipeline transmission from the plant to the hydrogen demand (assuming that the hydrogen plant is located some distance from the city), recompression for local pipeline distribution (this might or might not be needed depending on the distance between the hydrogen plant and the demand), a local pipeline distribution network, and hydrogen refueling stations.

In the sections that follow, we develop equations for the costs of hydrogen compression, storage, pipeline delivery and refueling stations.

#### **Hydrogen Compression**

#### **Compressor Power Requirements:**

The compressor power is calculated via:

$$P_{cm}=$$

$$Q_h \times (P_b/T_b) \times (T_1/n_c) \times Z \times [N\gamma/(\gamma-1)] \times [(P_{out}/P_{in})^{[(\gamma-1)/N\gamma]} -1]/1000$$
 [E.1]

where:

P<sub>cm</sub> = compressor power requirement (kW)

 $Q_h = gas flow rate in Nm^3/s$ 

 $P_b$  = reference pressure = 101,300 Newtons/m<sup>2</sup> (atmospheric pressure)

 $T_b$  = reference temperature = 298°K

 $T_1$  = initial gas temperature = 298°K

Pin=inlet pressure to compressor

Pout=outlet pressure from compressor

N = number of compressor stages

 $n_{\text{C}}$  = compressor efficiency = 55% (from RIX) for small hydrogen compressors (100 kW - 1 MW) and 70% for large (pipeline scale) natural gas and hydrogen compressors.

```
Z = \text{compressibility} = 1

\gamma = \text{ratio of specific heats}

(for hydrogen = 1.41, for methane = 1.30)
```

For hydrogen the compressor power needed is given by:

$$P_{cm}H2 = Q_{scfm}H2 \times 0.164/n_c \times N \times [(P_{out}/P_{in})^{0.291/N} - 1]$$
 [E.2]

where:

Q<sub>scfmH2</sub> = hydrogen flow rate in scf/minute

For methane the compressor power needed is:

$$P_{cm}CH4 = Q_{scfmCH4} \times 0.2068/n_c \times N \times [(P_{out}/P_{in})^{0.231/N} - 1]$$
[E.3]

where:

Q<sub>scfmCH4</sub> = methane flow rate in scf/minute

This power equation gives a good match to manufacturers' data for power requirements.

Solving Eq. E.2 and E.3 for the power requirements for hydrogen and methane compression, we see that for the same energy flow rate, the ratio of the hydrogen compressor power requirement to the methane compressor power requirement is:

$$PcmH2/PcmCH4 = (HHV CH4/HHV H2) \times (0.164/0.2068) \times [(P_{out}/P_{in})^{0.291/N} - 1]/[(P_{out}/P_{in})^{0.231/N} - 1]$$

= 
$$2.366 \text{ x} [(P_{out}/P_{in})^{0.291/N} - 1]/[(P_{out}/P_{in})^{0.231/N} - 1]$$

For a variety of compressor inlet pressures, keeping the same energy flow rate of gas in the pipeline, the compressor power is about three times higher for hydrogen than for natural gas.

Table E.1. Ratio of Power Requirements for Compression of H2 and CH4

Pin (psia)	Pout (psia)	N =	PcmH2/
		#compressor	PcmCH4
		stages	
14.7	1000	4	3.08
100	1000	2	3.09
200	1000	2	3.06
300	1000	1	3.10

#### **Compressor Capital Costs**

Based on data for a number of hydrogen compressors in the range 50-500 kW we find that the capital cost is about \$2000/kW for multi-stage compressors, and about \$700-1100/kW for single stage compressors with pressure ratios of 2.5-4.

It is also possible to estimate hydrogen compressor costs based on a formula given by (Darrow et. al 1977).

$$C_c = 535 \text{ x} (1 - Q_h/2.832) + 268 + C_{drive}$$

where

 $C_c$  = compressor capital cost (\$/kW)

 $Q_h$  = hydrogen flow rate in Nm<sup>3</sup>/s

 $C_{drive} = cost of motor drive (\$/kW)$ 

and

$P_{cm}(kW)$	C <sub>drive</sub> (\$/kW)
< 522	200
522-1679	160
1679-2611	80
2611-4103	65
> 4103	42

This formula appears to match the cost of single stage compressors fairly well, but underestimates the capital cost of multi-stage compressors as compared to manufacturers' data.

For pipeline applications, we find that compressor powers of 10's to 100's of MW are needed. The cost of hydrogen compressors in this size range is assumed to be \$750/kW, with efficiency of 70% (Directed Technologies 1997)

Natural gas compressors in this size range are assumed to cost \$600/kW.

Comparing costs for natural gas and hydrogen compressors, we see that the power requirement is about 3 times larger for hydrogen than for methane, and the capital cost is about 4 times larger.

#### Hydrogen compression costs at the hydrogen plant.

The levelized cost contribution of hydrogen compression is:

```
P<sub>C</sub>($/GJ) =

(CRF + OM) * (Ccm + Pcm*8760 h/y * Pelec) / Eflow(GJ/yr) [E.4]

where

P<sub>C</sub> = levelized cost of hydrogen compression in $/GJ

CRF = capital recovery factor = 0.15 (See Table 1)

OM = O&M costs per year as a fraction of installed capital cost = 0.04 (See Table 1)

Ccm = installed capital cost of compressor ($)

Pcm = compressor power (kW)

Pelec = electricity cost ($/kwh) = 3.6 cents/kWh (Table 1)

Eflow = energy flow per year (GJ/year) = energy flow/day*365 d/y

=H2 plant capacity (GJ/d) x capacity factor x 365 d/y
```

From Table E.2, we find that the cost of large scale hydrogen compression at the central plant from hydrogen plant outlet pressure of 200 psia to pipeline pressure of 1000 psia is about \$0.5/GJ. About 70% of the levelized compression cost is associated with electricity costs (assuming that power costs 3.6 cents/kWh).

The energy requirement for hydrogen compression from 200 to 1000 psi is about 2% of the energy content of the hydrogen (on a higher heating value basis). In Figure E.2 we show the hydrogen compression energy requirement as a function of inlet and outlet pressures.

.

Table E.2 Cost of Compression for Hydrogen, assuming Pin=200 psia, Pout=1000 psia

Max	QH2	Hydrogen	H2	H2	Power cost	Total	Total
Energy	(million	flow	Pipeline	Compresso	(\$/GJ H2)	Compresso	Compressi
Flow in	scf/day)	(kg/d)	Compresso	r Cost	for	r Cost	on Cost
piepline			r Power	(million \$)	electricty	capital +	(\$/kg H2)
(MWth			Required		@ 6	O&M +	
H2)			(MW)		cents/kwh	Power	
						(\$/GJ)	
100	25	60	2.2	1.6	0.33	0.49	0.07
250	63	150	5.4	4.1	0.33	0.49	0.07
500	126	300	10.8	8.1	0.33	0.49	0.07
1000	252	600	21.6	16.2	0.33	0.49	0.07
2000	504	1200	43.2	32.4	0.33	0.49	0.07

#### Hydrogen storage at the production plant

In the case of large centralized fossil hydrogen production, it is desirable to run the hydrogen production plant continuously. However, the system-wide demand profile for transportation fuel will vary over the day, weekly and even seasonally, so that some storage capacity (about 12 to 24 hours of production) will be needed in the system. For a pipeline distribution system, several options are available.

- 1) Hydrogen could be stored in the pipeline. No extra capital costs would be incurred, although some extra compression might be required. The viability of this option depends on the pipeline length and operating pressures as well as the demand profile. For example, with inlet pressure of 500 psia and outlet pressure of 200 psia a pipeline 30 km in length, and 3 inches in diameter could be used to transmit 5 million scf/day. The total storage volume available would be about 19000 cubic feet. If the pipeline pressure were raised to 1000 psia, if would be possible to store about 1.3 million scf in the pipeline or about 6 hours production from a system producing 5 million scf/day. Depending on the demand profile, this might be sufficient.
- 2) Hydrogen could be stored at the refueling station. Storage cylinders would be available to accept the nighttime production of hydrogen, delivered by pipeline. Since some storage is already required at the station to meet demand peaks, this storage strategy would increase the filling station contribution to the delivered cost of hydrogen by only about \$0.2-0.5/GJ. This is the option chosen in our designs, where we assume that 6 hours of storage is located at the station. This also covers pipeline outages.
- 3) Hydrogen could be stored at the production site. This would add costs for compression and storage of perhaps 2 dollars per GJ of hydrogen. This option is also used in our study, where is is assumed that 12 hours of bulk central storage is used.

Bulk gaseous storage at the central plant can be accomplished in several ways (Taylor et.al 1986). First hydrogen is compressed from production pressure (typically 200 psi for steam reforming or gasification systems) to storage pressure of perhaps 1000 psi (assuming that the pipeline will be fed from storage). For very large quantities (on the order of 100 million scf or more), underground gas storage might be used. Capital costs for underground storage are typically \$2000-3000 per GJ of hydrogen storage capacity (Taylor et al. 1986)

Otherwise, above ground pressure vessels are favored. High pressure (1000-8000 psi) bulk hydrogen storage in standard aboveground pressure cylinders costs about \$4000-5000/GJ of hydrogen stored. A 1997 study by Air Products and Chemicals gave costs for high pressure (5000 psia) gas storage of \$11.7 million for a system storing 36,000 lb H2m and \$117 million for a system storing 360,000 lb H2. There appears to be no economy of scale for storage in pressure cylinders. The capital cost is about \$5000/GJ. (It is interesting to note that advanced composite high pressure cylinders for storing hydrogen on vehicles are projected to cost about \$1500 per GJ of stored hydrogen capacity, at 5000 psia. So it is conceivable that future capital costs for storage might be reduced.)

Our base case hydrogen plant with an output of 1000 MW H2 produces 86,400 GJ/day. So 1/2 day's storage would be 43,200 GJ and would cost

 $5000/GJ \times 43200 GJ = 216 million$ 

The levelized cost contribution of storage for this case would be:

$$P_{sto}(\$/GJ) = (CRF + OM) * Csto(\$) / Eflow(GJ/yr)$$
 [E.5]

For our base case assumptions,

Psto 
$$(\$/GJ) = \$1.62/GJ$$

In this study, we have assumed that the demand is large and geographically concentrated, so that gaseous hydrogen distribution by pipeline gives the lowest costs. We have focussed on gaseous hydrogen storage, but it is also possible to liquefy hydrogen (at 20 K), store it in a cryogenic dewar and deliver it to refueling stations via cryogenic tank truck as a liquid. Liquid hydrogen delivery is more cost effective for small demands that are widely dispersed geographically.

#### Hydrogen pipeline costs

The costs of hydrogen transmission (from the central hydrogen plant to the citygate) and the cost of local hydrogen pipeline distribution are estimated below.

#### **Equation for Gas Flow In A Pipeline**

For a gas pipeline of length L, the inlet and outlet pressures P1 and P2, the volumetric flow rate Q, and the pipeline diameter D are related as follows (see Eq. A-13, p. 238, Christodoulou 1984):

$$Q = \frac{\pi T_b}{8 P_b} \left(\frac{1}{f}\right)^{0.5} \left(\frac{R}{W_a G T L Z}\right)^{0.5} (P_1^2 - P_2^2)^{0.5} D^{2.5}$$
 [E.5]

where:

Q = flow rate  $(mN^3/s)$ 

R = universal gas constant = 8314.34 J/(kg·mol·oK)

 $W_a$  = molecular weight of air = 28.97

G = dimensionless gas specific gravity

(= 0.0696 for H<sub>2</sub>, 0.553 for CH<sub>4</sub> 1.0 for air)

 $T_b$  = reference temperature = 298°K

Pb = reference pressure =  $101325 \text{ N/m}^2 \text{ (1 atm)}$ 

Z = compressibility = 1

L = length of pipeline (m)

 $P_1 = inlet pressure (N/m^2)$ 

 $P_2 = outlet pressure (N/m^2)$ 

T = gas temperature (OK)

D = pipe diameter (m)

f = dimensionless friction factor (depends on flow regime)

#### **Evaluating the friction factor f**

Evaluating the friction factor f depends on the pipe roughness and the velocity profile in the pipe. Various approximations were considered in (Christodoulou 1984, see summary in Table A.2, p. 245). The friction factor can be expressed as a function of the dimensionless Reynolds number, which is given by:

$$Re = 0.011459 (Q G P_b)/(\mu D Tb)$$

where:

 $\mu = \text{dynamic viscosity in lb/(ft.sec)}$ 

G = gas specific gravity

Q = flow rate in standard cubic feet/hr

Pb = reference pressure (psia) = 14.7 psia

Tb = reference temperature ( ${}^{\circ}R$ ) =  $568{}^{\circ}R$  (=  $298{}^{\circ}K$ )

D = pipeline diameter (inches)

Table E.3 Physical properties of Hydrogen and Methane

Property	H2	CH4
G = gas specific gravity	0.0696	0.553
μ = dynamic viscosity (from Handbook of Chemistry and Physics, p. F-59-60)	5.9 x 10-6 lb/(ft.sec)	7.30 x 10-6 lb/(ft.sec)
Higher Heating Value	343	1080
(kJ/scf)		

The values of G and  $\mu$  are given in Table E.3 for hydrogen and methane. Substituting in the values for hydrogen gives

$$Re = 3.496 \text{ Q (scf/hr)} / \text{ D (inches)}$$
$$= 0.14567 \text{ x } 106 \text{ Q (million scf/day)}/\text{D (inches)}$$
[E.6]

For methane, we find

$$Re = 22.466 \text{ Q (scf/hr)} / \text{ D (inches)}$$

$$= 0.93608 \text{ x } 106 \text{ Q (million scf/day)} / \text{D (inches)}$$
[E.7]

Table E.4. Typical values of Reynolds numbers Re for long distance gas pipelines (if L=100 km, P1=1000 psia, P2=300 psia)

D (inches)	QH2	Re Hydrogen	QCH4	Re Methane
	(million		(million	
	scf/day)		scf/day)	
8	120	2.1 x 106	40	4.7 x 106
11	240	3.2 x 106	80	6.8 x 106
20	1200	8.7 x 106	400	19 x 106
40	5800	21 x 106	1900	44 x 106
48	12000	36 x 106	4000	78 x 106

#### Review of formulas for friction factor

Various approximations are used for (1/f)0.5 depending on the type of flow (turbulent, partially turbulent or laminar), the smoothness of the pipe and the Reynolds number. (These are summarized in Table A.2, p. 245 of Christodoulou 1984)

For fully turbulent flow, the "rough pipe" formula is used:

$$(1/f)^{0.5} = 4 \log_{10}(3.7 \text{ D/k}) + 2.273$$
 [E.8]

where k = roughness factor = 0.0007 inches D = pipeline diameter in inches,

According to Christodoulou, this formula gives good agreement over a range of natural gas pipeline operating conditions. Note that this formula is the same for natural gas and hydrogen and has no dependence on the Reynolds number.

For partially turbulent flow, and for Re in the range 5 to  $20 \times 10^6$ , Christodoulou suggests the **"Panhandle-A" Eqn.** 

$$(1/f)^{0.5} = 6.87 \times Re^{0.073}$$
 [E.9]

For hydrogen

 $(1/f)^{0.5}$  = 6.87 x [0.14567 x 10<sup>6</sup> Q (million scf/day)/D (inches)] 0.073

- =  $20.63 \times [Q \text{ (million scf/h)/D (inches)}] 0.073$
- = 16.36 x [Q (million scf/day)/D (inches)] 0.073 [E.10]

For methane

 $(1/f)^{0.5}$ = 6.87 x [0.93608 x 10<sup>6</sup> Q (million scf/day)/D (inches)] 0.073

- =  $23.63 \times [Q \text{ (million scf/h)/D (inches)}] 0.073$
- = 18.74 x [Q (million scf/day)/D (inches)] 0.073 [E.11]

Neither Eq. E.10 or E.11 may apply directly to small diameter hydrogen pipelines (less than 12"), where the Reynolds numbers may be lower than  $5 \times 10^6$ . In this case we may want to use the **"improved flow"** formula

$$(1/f)^{0.5} = 5.18 \text{ Re}^{0.0909}$$
 [E.12],

which is an approximation valid for smooth pipes with Re in the range  $6 \times 10^4$  to  $7 \times 10^6$ 

#### For hydrogen

$$(1/f)^{0.5}$$
= 5.18 x [0.14567 x 10<sup>6</sup> Q(million scf/day)/D (inches)] 0.0909

- =  $20.37 \times [O \text{ (million scf/h)/D (inches)}] 0.0909$
- = 15.26 x [Q (million scf/day)/D (inches)] 0.0909 [E.13]

#### For methane

$$(1/f)^{0.5}$$
 = 5.18 x [0.93608 x 10<sup>6</sup> Q(million scf/day)/D (inches)] 0.0909

- = 24.13 x [O (million h/day)/D (inches)] 0.0909
- =  $18.08 \times [Q \text{ (million scf/day)/D (inches)}] 0.0909$  [E.14]

### Choosing a formula for $(1/f)^{0.5}$

At small pipeline diameter and low flow rate, the Reynolds number Re will be low and the "improved flow" formula may hold. We can check to see where a transition from partially turblent to smooth pipe flow occurs by setting Eq. E.10 (E.11) and E.13 (E.14) equal.

$$6.87 \times \text{Recrit} = 0.073 = 5.18 \text{ Recrit} = 0.0909$$

$$=> Recrit = 7 \times 10^6$$

For Reynolds numbers larger than Recrit, we have partially turbulent flow and use the Panhandle-A Equation [Eq. E.9]. If Re<Recrit, we have smooth pipe flow and use the improved flow equation [Eq. E.12].

The transition from partially turbulent to turbulent flow can be found by setting Eq. E.9 equal to Eq. E.8 and finding the critical flow rate Qc where the two equations are equal. This gives

$$4 \log_{10}(3.7 \text{ D/k}) + 2.273 = 6.87 \text{ x Re}^{0.073}$$
  
=>  $[4 \log_{10}(3.7 \text{ D/k}) + 2.273]^{1/.073} = 2.92 \text{ x } 10^{11} \text{ x Re}^{-1}$ 

=> 
$$[4 \log_{10}(3.7 \text{ D/k}) + 2.273]^{13.699}$$
  
=  $2.92 \times 10^{11} \times 0.011459 \text{ (Qc G Ph)/(}\mu \text{ D Th)}$ 

Solving for the flow rate Q<sub>c</sub> in scf/hr

$$Q_c = 2.99 \times 10^{-10} (\mu D T_b)/(G P_b) \times [4 \log_{10}(3.7 D/k) + 2.273]^{13.699}$$
[E.15]

If Q> Qc, the flow is fully turbulent and the rough pipe approx. holds. If Q< Qc then the Panhandle-A eqn. holds. Note that for hydrogen vs. methane at a given pipe diameter, the critical flow rate Qc for transition from partially turbulent to turbulent flow is substantially higher for hydrogen by a factor of

$$(\mu H2/GH2)/(\mu CH4/GCH4) = (5.3/0.0696)/(7.3/.55) = 5.74$$

As a rule for selecting a formula for  $(1/f)^{0.5}$ ,

If Re < 5 x 10<sup>6</sup>, use Improved Flow Eq. [E.12] If Re > 5 x 10<sup>6</sup>, and Q<Qc, use Panhandle A Eq [E.9] If Q>Qc, use Rough Pipe Eq. [E.8]

#### Eqn for flow rate Q as a function of pipeline diameter D

We can now substitute Eq. [E.8], [E.9] or [E.12] for  $(1/f)^{0.5}$  into Eq. [E.4], which gives us a relationship between the flow rate Q and the diameter D.

If the improved flow equation is used, we have:

$$Q = \begin{array}{ccc} \pi & T_b & R \\ \hline & & \\ \hline 8 & P_b & W_a \ G \ T \ L \ Z \end{array} )^{0.5} (\ P_1^2 - P_2^2)^{0.5} \ D^{2.5} \quad x$$

$$3.781 \times [(Q G P_b)/(\mu D T_b)]^{0.0909}$$
 [E.16]

If the Pandhandle-A Eqn. is used, Eq. E.3 becomes:

$$Q = \begin{array}{ccc} \pi & T_b & R \\ & & \\ \hline 8 & P_b & W_a \ G \ T \ L \ Z \end{array} )^{0.5} \ (\ P_1{}^2 - P_2{}^2)^{0.5} \ D^{2.5} \quad x$$

$$5.336 \times [(Q G P_b)/(\mu D T_b)]^{0.073}$$
 [E.17]

With the rough-pipe equation, we find

$$Q = \frac{\pi T_b}{8 P_b} (\frac{R}{W_a G T L Z})^{0.5} (P_1^2 - P_2^2)^{0.5} D^{2.5} x$$

$$[4 \log_{10}(3.7 D/k) + 2.273]$$
[E.18]

where the same units are used as in Eq. E.4.

If the desired gas flow rate Q is fixed, we can solve Eq. E.16, E.17, or E.18 for D. Before looking at some particular cases, we compare energy flow in hydrogen and methane pipelines.

#### General Relation for Energy Flow Rate in Hydrogen vs. Natural Gas Pipelines

Let's estimate how much energy can be transmitted as natural gas vs. hydrogen in an identical pipeline, with the same inlet and outlet pressures. From Eq. E.16, the ratio of volumetric flow rates is given by:

QH2/QCH4 = 
$$[(GH2/GCH4)^{-.4091} \times (\mu H2/\mu CH4)^{-.0909}]^{1/0.9091}$$
  
= $[(0.0696/.55)^{-.4091} \times (5.9/7.3)^{-.0909}]^{1/0.9091}$   
= 2.590

Then the energy flow rate of hydrogen compared to natural gas is given by

$$Q_{H2} \times 343 / (Q_{NG} \times 1080) = 2.590 \times 343/1080 = 0.82$$

assuming the higher heating value of hydrogen is 343 GJ/scf, and the higher heating value of natural gas is 1080 GJ/scf.

For the same pipeline diameter and pressure conditions, the energy flow rate of hydrogen is about 82% that of natural gas.

This result is about the same if the Panhandle-A Eqn. is used instead, yielding an energy flow rate for hydrogen which is 88% that of methane.

# <u>General relation for Pipeline diameter required for a particular energy flow rate:</u> <u>H2 vs. CH4</u>

If we want to deliver the same amount of energy via hydrogen and methane, how does the diameter of the pipe compare? Assume the inlet and outlet pressures, pipeline length and energy flow rate are the same. In Eq. E.19 only  $\mu$  and G vary between hydrogen and methane.

```
H2 pipeline energy flow = NG pipeline energy flow QH2 x HHV H2 = Q NG x HHV NG Q H2 = 1080/343 x QNG => GH2-.4091 x \muH2 -.0909 x DH2<sup>2.4091</sup>= 1080/343 x GNG<sup>-.4091</sup> x \muNG -.0909 x DNG<sup>2.4091</sup> => DH2/DNG = [1080/343 x (GH2/GCH4).4091 x (\muH2/\muNG).0909]1/2.4091 = [1080/343 x (0.0696/.55).4091 x (5.9/7.3).0909]1/2.4091 = (3.15 \times 0.4293 \times 0.981).4151 = 1.12
```

This says the hydrogen pipeline diameter must be about 12% larger to ensure the same energy flow rate.

# Equation for pipeline diameter for hydrogen and natural gas pipelines, for a given flow rate.

We can solve Eq.s E.16, E.17, and E.18 analytically for D, if Q, P1, P2, L, etc. are known.

We assume:

Converting to a new set of units:

For hydrogen Eq. [E.4] becomes:

Q = 
$$0.0001799 \text{ x } (1/L)^{0.5} \text{ x } (1/f)^{0.5} \text{ x } [(P_1/P_b)^2 - (P_2/P_b^2)^{0.5} \text{ x } D^{2.5}$$
 where:

Q = flow rate (million scf/h)

L = length of pipeline (km)

 $P_1$  = inlet pressure

 $P_2$  = outlet pressure

Pb = reference pressure = (1 atm)

D = pipe diameter (inches)

f = dimensionless friction factor (depends on flow regime)

Substituting Eq. E.11, E.12 into Eq. E.19, we have for hydrogen using the Panhandle-A equation,

Q = 
$$0.0001799 \times (1/L)^{0.5} \times [(P_1/P_b)^2 - (P_2/P_b^2)^{0.5} \times D^{2.5} \times 20.63 \times [Q \text{ (million scf/h)/D (inches)}]^{0.073}$$

=>

$$D = \{Q^{0.927} \times L^{0.5} \times [(P_1/P_b)^2 - (P_2/P_b)^2]^{-0.5} \times 269.44\}^{0.412}$$
[15]

using the improved flow equation

Q = 
$$0.0001799 \times (1/L)^{0.5} \times [(P_1/P_b)^2 - (P_2/P_b)^2]^{0.5} \times D^{2.5} \times 20.37 \times [Q \text{ (million scf/h)/D (inches)}]^{0.0909}$$

$$D = \{Q^{0.9091} \times L^{0.5} \times [(P_1/P_b)^2 - (P_2/P_b)^2]^{-0.5} \times 274.26\}^{0.415} [16]$$

With the rough pipe formula

Q = 0.0001799 x 
$$(1/L)^{0.5}$$
 x  $[(P_1/P_b)^2 - (P_2/P_b^2)^{0.5}$  x  $D^{2.5}$  x  $[4 \log_{10}(3.7 \text{ D/k}) + 2.273]$ 

Substituting Eq. 6b, 7b into Eq. 14, we have for methane

using the Panhandle-A equation,

Q = 
$$0.00006386 \times (1/L)^{0.5} \times [(P_1/P_b)^2 - (P_2/P_b)^2]^{0.5} \times D^{2.5}$$
  
  $\times 23.63 \times [Q \text{ (million scf/h)/D (inches)}]^{0.073}$ 

$$D = \{Q^{0.927} \times L^{0.5} \times [(P_1/P_b)^2 - (P_2/P_b)^2]^{-0.5} \times 662.68 \}^{0.412} [17]$$

using the improved flow equation

Q = 
$$0.00006386 \times (1/L)^{0.5} \times [(P_1/P_b)^2 - (P_2/P_b^2)^{0.5} \times D^{2.5} \times 24.13 \times [Q \text{ (million scf/h)/D (inches)}]^{0.0909}$$

$$D = \{Q^{0.9091} \times L^{0.5} \times [(P_1/P_b)^2 - (P_2/P_b)^2]^{-0.5} \times 648.95\}^{0.415} [18]$$

using the rough pipe formula

Q = 
$$0.00006386 \times (1/L)^{0.5} \times [(P_1/P_b)^2 - (P_2/P_b^2)^{0.5} \times [4 \log_{10}(3.7 \text{ D/k}) + 2.273]$$

We can now solve for the pipeline diameter, given the flow rate.

#### Choosing a flow rate

For hydrogen production from fossil fuels with sequestration of CO<sub>2</sub>, we assume that 250-1000 MWth of H2 would be produced (equivalently the hydrogen output would be about 63-252 million scf/day), in order to take advantage of scale economies in hydrogen production.

For reference, to provide hydrogen to 1 million 80 mpg equivalent hydrogen fuel cell cars, each driven 11,000 miles per year (the US average annual mileage for passenger cars), a steam reformer with capacity of 144 million scf H2/day or 49,300 GJ/day or 570 MW would be needed.

If all the cars in Los Angeles (about 10 million vehicles) converted to hydrogen FCVs, this would require 10 times the flow rate of hydrogen or 1440 million scf/day or 493,000 GJ/day (5700 MW H2).

To match the energy flow rate in the current Southern California Gas Company distribution system (about 3 billion scf NG/day), almost 4,000,000 GJ/day would be needed. This is roughly eight times energy flow needed if hydrogen were to supply the total automotive fuel market.

#### Calculation of pipeline diameter D as a function of flow rate

Assume

P1 = 1000 psia (pipeline inlet pressure)

P2 = 200 psia (pipeline outlet pressure)

The pipeline diameter is plotted as a function of flow rate Q in Figure E.3 for hydrogen and natural gas, for several pipeline lengths. For example, for L = 100 km we have

#### **Estimating the Installed Capital Cost of the Pipeline for Hydrogen**

Once D is known, the cost of the pipeline (escalated from 1984 to 2000 \$ costs for steel) can be estimated from Christodoulou (1984) via the equation (see Chistodoulou Eq. 2-3-4.b):

$$Pc = 0.2236 \times D^2 + 7.501 \times D + 1.54$$
 [E.20]

where

Pc = the total installed capital cost in \$/m of pipeline length D = pipe diameter (inches)

This equation is based on data for natural gas pipelines, and includes the costs of the pipe (including shipping costs), plus installation, safety testing and coating.

Based on the literature for hydrogen pipelines, we assume that the installed pipeline costs are about 50% higher for hydrogen, so that

$$PcH2 = 0.3354 \times D^2 + 11.25 \times D + 2.31$$
 [E.21]

It is worth noting that Christodoulou's formula probably underestimates the installed cost of smaller scale hydrogen pipelines. According to data from industrial gas suppliers, the installed cost of a 3" diameter hydrogen pipeline is about \$250,000/mile (\$155/m of pipeline length) under favorable conditions (no road crossings, level ground).

We assume that the minimum cost is \$155-620/m for small diameter high pressure hydrogen pipelines installed in an urban area.

$$0.3354 \times D^2 + 11.25 \times D + 2.31$$
  
PcH2 (\$/m) = max [ [E22] 155-620 (for rural-urban sites)

Recent data for oil and gas pipelines from the Oil and Gas Journal suggests that costs for pipelines longer than about 20 miles are in the range \$20,000-30,000/in-diameter/mile. So a pipeline > 20 miles in length and, 10 inches in diameter would cost about \$200,000-300,000/mile. This is roughly consistent with Christodoulou's formula.

However, Oil and Gas Journal data for smaller diameter pipelines shows a large spread, and an increase in the cost per/in-diam/mile. For local H2 distribution in 3" diameter lines, we assume that the pipeline capital cost (\$) is simply proportional to the length,

and that the cost is \$155-620/m, where the range reflects differences in terrain and degree of urbanization (need for road crossings, etc., in a city that would increase the installed pipeline cost). The assumed cost functions for hydrogen pipelines are plotted in Figure E,4.

The diameters and levelized costs for hydrogen pipelines only (not including compression or storage) are shown in table E.5 for a 100 km pipeline with inlet pressure of 1000 psia and outlet pressure of 200 psia.

Table E.5 Diameters and costs for hydrogen pipelines as a function of energy flow rate for a 100 km pipeline (does not include compression or storage costs), assuming an inlet

pressure of 1000 psia and outlet pressure of 200 psia.

pressure or root point that outlet pressure or 200 point.								
Max Energy	QH2 (million		Pipeline	Pipeline	Pipeline	Levelized		
Flow	scf/day)	flow (kg/d)	Diameter	cost (\$/m)	cost	Cost of		
(MW)			(inches)		(million \$)	Pipeline		
						(\$/GJ)		
100	25	60	4.76	155	15.5	1.46		
250	63	150	6.73	155	15.5	0.58		
500	126	300	8.74	155	15.5	0.29		
1000	252	600	11.35	173	17.3	0.16		
2000	504	1200	14.75	242	24.2	0.11		

For cases of interest, the pipeline itself adds less than \$1/GJ to the levelized cost of hydrogen. For an alternative  $H_2$  energy flow rate Q (in the range where Q> 500 MW) and pipeline length L, the levelized cost of a hydrogen pipeline can be approximated as  $(\$0.13/GJ) \times (Q/1000 \text{ MW})^{-0.5} \times (L/100 \text{ km})^{1.25}$ , assuming an inlet pressure of 1000 psi and an outlet pressure of 200 psia.

### **Estimate of the Levelized Cost of Transmission for Hydrogen**

The levelized cost of gas transmission (including hydrogen compression and storage at the plant, and pipeline transmission to the citygate) can be estimated as follows:

$$P_{T}(\$/GJ) = [(CRF + OM) * (C_{pipe} + Ccm + Csto) + Pcm*8760 \text{ h/y * Pelec}] / \text{Eflow}(GJ/yr)$$

### where

P<sub>T</sub> = levelized cost of pipeline transmission in \$/GJ

CRF = capital recovery factor = 0.15

OM = O&M costs per year as a fraction of installed capital cost = 0.04

Cpipe = installed capital cost of pipeline (\$)

```
Ccm = installed capital cost of compressor ($)

Csto = installed capital cost of storage ($)

= H2 plant capacity (GJ/d) x 1/2 day x storage cost ($/GJ)

Pcm = compressor power (kW)

Pelec = electricity cost ($/kwh)

Eflow = energy flow per year (GJ/year) = energy flow/day*365 d/y = Capacity factor x H2 plant capacity (GJ/d) x 365 d/y
```

The costs of hydrogen transmission is shown in Figure E.3 and Table E.5 for a variety of cases.

For all the 100 km and 300 km pipeline cases, the levelized cost of hydrogen transmission is less than \$1/GJ. This is small compared to the cost of hydrogen production at large scale (\$5-8/GJ, depending on the technology).

### **Local Pipeline Distribution Systems**

Once hydrogen is delivered to the city gate, it must be distributed to refueling stations. This could be accomplished via truck or small scale pipelines. For a large, geographically dense demand, hydrogen pipeline distribution promises the lowest cost, so we focus on this alternative.

Hydrogen can be delivered from a central production point to refueling stations via small scale pipelines (Ogden et.al 1995, Ogden et.al. 1996). We assume that a 3" hydrogen pipeline capable of operation at up to 1000 psi costs \$1 million per mile installed. The flow rate of hydrogen through the line can be estimated as shown in Figure E.4. The levelized cost of hydrogen pipeline delivery through a local pipeline is roughly

Cost of pipeline delivery (\$/GJ) =

1.2 x (pipeline length in km) x (installed cost in million\$/mile) /(hydrogen flow rate in million scf.day)

The extent of the pipeline system needed depends on the geographical density of the demand, and the required density of refueling stations.

For a pipeline distribution system with radial "spokes", sketched in Figure E.1, the delivery cost can be calculated as a function of numbers of cars per km2 (Figure E.5). We see that densities less than about 200 cars/km², the cost of pipeline distribution increases rapidly. For a low density of cars, other distribution modes such as liquid hydrogen trucks are less costly and would probably be preferred.

### **Hydrogen Refueling Stations**

We consider refueling stations where hydrogen is delivered by pipeline at about 200 psia pressure.

### **Hydrogen Refueling Station Components**

Here we describe equipment used in hydrogen refueling stations: hydrogen compressors, storage and dispensers.

### Hydrogen Compressors

Hydrogen compressors must bring hydrogen to the high pressures required for storage on the vehicle. Assuming that hydrogen leaves the PSA unit at 200 psia, and that the vehicle storage pressure is in the range 3600-8000 psia, a multi-stage compressor will be needed. (As a rule of thumb, it is possible to increase the pressure by a factor of 4 for each compressor stage. Thus, to compress from 200 to 8000 psia requires 3 stages.) To achieve such high pressures, a positive displacement reciprocal pump will be needed. (Centrifugal compressors cannot achieve these high pressures because of leakage, and piston compressors have too high losses due to friction.)

For fuel cell quality hydrogen, contamination of hydrogen by oil from the compressor is a concern. Compressors are available with oil-free lubrication. Alternatively, oil might be filtered out after compression.

Costs and performance for hydrogen compressors were obtained from RIX Industries (Ogden 1998), a company which manufactures oil-free hydrogen compressors for a wide range of pressures and flow rates. Data were obtained for the specific flow rates and pressures found in our case studies (Table E.7).

In a few cases where specific data were not available, we estimated the compressor power requirement by Eq. [E.1]

The energy requirements for compression is shown in Figure E.2, for inlet pressures of 14.7 psia and 200 psia, and outlet pressures of 1000-8000 psia. The electrical energy requirement is typically 2-9% of the energy content of the hydrogen on a higher heating value basis.

### Gaseous Hydrogen High Pressure Storage Cylinders

Hydrogen storage cylinders capable of handling high pressures will be required for gaseous hydrogen refueling stations. The amount of storage needed will depend on the station capacity and hourly demand profile. Depending on the refueling strategy, storage cylinders must operate at pressures of about 1000-8000 psia.

Data were obtained from Christy Park Industries for seamless steel pressure vessels designed for hydrogen storage. These are shown in Table E.8 for a range of design pressures. (The maximum operating pressure is 90% of the design pressure.) The installed cost per vessel is approximately independent of storage pressure, because the weight of steel used is about the same in each case, and the costs of manufacturing and installing the vessels is similar. An important difference is the water volume of each vessel, which decreases with pressure, as the wall thickness increases. Vessels can be manifolded in groups of 3 to 12 vessels. The lifetime of pressure vessels is at least 10 years. Typically, state regulations require reinspection every few years to ensure safety.

### Hydrogen Dispensers

Compressed gas hydrogen dispensing systems for vehicles are not commercially available at present. However, the design of a hydrogen dispenser should be similar to that for vehicles using compressed natural gas.

The hydrogen dispenser must be able to withstand hydrogen embrittlement at the desired pressures, temperatures and flow rates. Several companies offer refueling dispensers for compressed natural gas vehicles. For example, DVCO offers CNG dispenser units with a working pressure of up to 5000 psig, and a dual hose system much like a conventional gasoline pump. For CNG vehicles, maximum flowrates of 400 scf/minute are typical, because the piping in CNG vehicles can handle this amount without creating backpressure to the pump. A dual hose CNG dispenser unit rated to deliver 400 scf/minute at 5000 psig to each vehicle would cost about \$25,000 (Cranston 1993).

In order to adapt CNG dispensers to hydrogen service, a number of changes would be needed. Most components in CNG systems are rated only up to 5000 psi, while higher pressure systems may be needed with hydrogen. Materials used must be checked for compatibility with high pressure hydrogen.

As a very rough estimate we assume that hydrogen dispensers capable of delivering hydrogen at up to 5000 psia will cost twice as much as today's CNG dispensers. For a 2 hose unit capable of fueling two cars, each at a rate of 400 scf H<sub>2</sub>/minute, the cost would be \$50,000.

### Refueling Station Designs for Gaseous Pipeline Delivery to Station

Our assumed design for refueling stations connected to a hydrogen local gas pipeline distribution system are shown in Tables E.9 and E.10 (Ogden 1998). A range of sizes is shown for stations dispensing 100,000 to 2 million scf H2 per day (240 – 4800 kg H2/day). Each station could serve a fleet of several hundred to several thousand cars (the average gasoline station today serves about 2000 cars total or about 300 cars per day). The cost of refueling stations is significant, adding about \$6-9/GJ H2 to the

delivered hydrogen cost, depending on the station size. Almost half of this cost is due to labor costs.

### **Total Cost for Hydrogen Delivery as a Function of Scale**

In Table E.6, we summarize our results for a base case hydrogen distribution system connecting a central hydrogen plant with CO2 capture with city containing a significant number of hydrogen vehicles. The cost of delivery is generally greater than the cost of production, with roughly half of the delivery costs due to the refueling station. There are strong scale economies in pipeline transmission and distribution systems. At the low end of the size range considered (100 MW hydrogen plant), costs for hydrogen delivery are about twice those of production. In addition, refueling stations tend to be more costly at smaller sizes (for small hydrogen flows, we assume distribution to smaller refueling stations to allow customer convenience of having many stations). If a large hydrogen plant can be sited near a city, this removes the necessity for a hydrogen transmission pipeline and recompression at the city-gate, reducing delivery costs by about \$2/GJ.

Table E.6 Overall Cost of Hydrogen Delivery from H2 plant to vehicle assuming the H2 plant is 100 km from the citygate

Max Energy Flow (MW)	Compression at H2 plant from 200 to 1000 psi	H2 storage =1/2 day's production (\$/GJ)	H2 transmission pipeline from H2 plant to citygate 100 km (\$/GJ)	Recompres from 200 to 1000 psi at citygate (\$/GJ)	Local Distrib pipelines (\$/GJ)	Refueling station size (million scf/d)	Refuelin g stations (\$/GJ)	Total cost of H2 delivery (\$/GJ)
100	0.49	1.62	1.46	0.49	8.36	0.2	7.3	19.72
250	0.49	1.62	0.58	0.49	3.34	0.5	6.2	12.72
500	0.49	1.62	0.29	0.49	1.67	1	6.0	10.56
1000	0.49	1.62	0.16	0.49	1.25	1	6.0	10.01
2000	0.49	1.62	0.11	0.49	1.25	1	6.0	9.96

Table E.7. Compressor Power Requirements And Costs As A Function Of Flow Rate And Pressure

Outlet Pressure (psig)	Flow rate (scfm)	Power Required (kW)	Installed Capital Cost (\$)	Capital Costs (\$/kW)
M	ULTI-STAGE	COMPRESSO	RS	
2000	254	57	147,000	2580
3600	254	75	160,000	2133
5000	254	82	170,000	2073
5900	254	87	173,000	1989
8400	254	98	190,000	1939
SI	NGLE STAGE	COMPRESSO	RS	
3000	1600	266	180,000	677
5000	1600	276	200,000	725
3600	1600	87	115,000	1322
5000	1600	141	160,000	1135
8000	1600	229	200,000	873
3600	1600	25	100,000	4000
5000	1600	75	120,000	1600
8000	1600	152	140,000	921
	Pressure (psig)  M 2000 3600 5000 5900 8400  SII 3000 5000 3600 5000 8000 3600 5000	Pressure (psig)  MULTI-STAGE  2000 254  3600 254  5000 254  5900 254  8400 254  SINGLE STAGE  3000 1600  5000 1600  3600 1600  5000 1600  8000 1600  3600 1600  5000 1600  5000 1600  5000 1600  5000 1600  5000 1600	Pressure (psig)         (scfm) (kW)         Required (kW)           MULTI-STAGE COMPRESSON         2000         254         57           3600         254         75           5000         254         82           5900         254         87           8400         254         98           SINGLE STAGE COMPRESSON           3000         1600         266           5000         1600         276           3600         1600         87           5000         1600         141           8000         1600         229           3600         1600         25           5000         1600         75	Pressure (psig)         (scfm)         Required (kW)         Capital Cost (\$)           MULTI-STAGE COMPRESSORS           2000         254         57         147,000           3600         254         75         160,000           5000         254         82         170,000           5900         254         87         173,000           8400         254         98         190,000           SINGLE STAGE COMPRESSORS           3000         1600         266         180,000           5000         1600         276         200,000           3600         1600         87         115,000           5000         1600         141         160,000           8000         1600         229         200,000           3600         1600         25         100,000           5000         1600         75         120,000

\$/kW is independent of max. flow rate for the range 175-700 scf/m. Source: RIX Industries.

Table E.8. Data On Commercially Available Hydrogen Storage Vessels

Design Pressure	Maximum Operating	Water Volume	Capacity H <sub>2</sub> @ Max.	Installed Cost per
(psig)	Pressure	$(ft^3)$	Pressure	Vessel (\$)
	(psig)		(scf)	
2450	2200	62.9	8662	10,500
4000	3600	46.3	9837	10,500
5169	4650	24.6	6487	10,500
5471	4900	26.6	7317	10,500
5500	5000	34.2	9563	10,500
6343	5900	27.6	8775	10,500
9420	8400	14.5	6005	10,500

Source: R. Dowling, Christy Park Industries, 1994.

TABLE E.9. DESIGNS OF HYDROGEN REFUELING STATIONS VS. STATION SIZE: PIPELINE H2 DELIVERY

STATION SIZE . THE ELINE H2 DELIVERT STATION CAPACITY (SCF H2/DAY)							
	100,000	366,000	1,000,000	2,000,000			
HYDROGEN STORAGE VESSELS		,	_,,,,,,,,	_,,			
Hydrogen Dispensed from Storage	25,000	91,500	250,000	500,000			
(scf/d)							
Hydrogen Recovery from Storage	0.599	0.599	0.599	0.599			
Hydrogen storage capacity needed	41,740	152,755	417,400	834,724			
(scf) Storage pressure (psi)	5900	5900	5900	5900			
Pressure Cylinder capacity/vessel (scf)	8775	8775	8775	8775			
# Vessels	5	18	48	96			
Capital Cost of vessels (\$)	52500	189,000	504,000	1,008,000			
O&M Cost for Vessels (\$/yr)	500	1800	4800	9600			
HVDDOCEN COMBDESCOD							
HYDROGEN COMPRESSOR Storage compressor flow rate (scf/min)	104.2	381.25	1041.7	2083.3			
Compressor inlet pressure (psi)							
Compressor unter pressure (psi)  Compressor outlet pressure (psi)	200	200	200	200			
- · · · · · · · · · · · · · · · · · · ·	6500	6500	6500	6500			
Compressor efficiency	0.55	0.55	0.55	0.55			
Compressor power (kW)	37.4	137	374	749			
# Compressor stages	3	3	3	3			
Compressor capital cost (\$)	74,861	273,990.	748,608.	1,497,216.			
Compressor O&M (\$/yr)	3000	3000	3000	3000			
Compressor electricity use (kwh/yr)	218593.	800052.	2185936.	4371872.			
Electricity rate (\$/kWh)	0.072	0.072	0.072	0.072			
Compressor electricity cost (\$/yr)	15739	57604	157388	314775			
Compressor electricity use (kwh./1000 scf)	5.99	5.99	5.99	5.99			
HYDROGEN DISPENSER							
Peak hourly average H2 output rate (scf/min)	208.3	762.5	2083	4167			
#cars served/day	65.4	239.364	654	1308			
Peak hour cars served	8.2	30	82	164			
Number of bays	1	3	9	17			
Installed capital cost (\$)	25,000	75,000	225,000	425,000			
TOTAL CAPITAL COST (\$)	194,361	548,491	1,488,081	2,940,717			
LABOR COSTS (\$/YR @ \$15/HR)	65,700	131,400	328,500	591,300			

# TABLE E.10. SUMMARY OF CAPITAL COSTS, O&M COSTS AND DELIVERED HYDROGEN COSTS VS. STATION SIZE: PIPELINE HYDROGEN

### STATION CAPACITY (SCF/D)

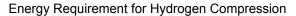
REFUELING STATION INSTALLED CAPITAL COST(\$)	100,000	366,000	1,000,000	2,000,000
H2 Storage Cylinders	84000	189000	504000	1008000
Hydrogen Storage Compressor	74861	273991	7486081	1497217
Hydrogen Dispenser	25000	75000	225000	425000
Controls	10500	10500	10500	10500
TOTAL(\$)	194,361	548,491	1,488,081	2,940,717
OPERATING COSTS (\$/YR)				
Compressor electricity	15739	57604	157387	314,775
Compressor O&M	3000	3000	3000	3000
Cylinder O&M	500	1800	4800	9600
Labor	65700	131400	328500	591300
TOTAL (\$/YR)	84939	193804	493687	918675
DELIVERED H2 COST (\$/GJ)				
Storage Cylinder capital	0.789	0.48	0.47	0.47
Storage Cyliner O&M	0.064	0.039	0.038	0.038
Compressor Capital	0.973	0.973	0.973	0.973
Compressor O&M	0.240	0.065	0.024	0.012
Compressor Electricity	1.257	1.257	1.257	1.257
Dispenser + Controls Capital	0.333	0.219	0.221	0.204
Labor	5.248	2.868	2.624	2.362
SUBTOTAL:	8.90	5.91	5.61	5.32
Cost of Refueling Station				
Cost of Pipeline Hydrogen	12	12	12	12
TOTAL DELIVERED HYDROGEN COST (\$/GJ)	20.9	17.9	17.6	17.3
VEHICLES FUELED/DAY				
H2 FCV automobiles	65	240	650	1300
H2 FCV buses	8	30	77	154

Figure E.1

Flows for Gaseous H2 Refueling Station Dispensing 1 million

#### scf H2/day: H2 Pipeline Delivery Centralized Production of CENTRALIZED Hydrogen; 100 **H2 PRODUCTION** NG, Coal, million scf/day Biomass or Wastes Compressor Central Gaseous 200 psi -> Storage System = 1000 psi 1/2 day Production 20 MW = 50 million scf To local pipeline network Local H2 Pipeline **Network distributes** 100 million scf/day LOCAL PIPELINE H2 în 10 Pipeline Mains, Plant **NETWORK** each with 10 refueling stations, each station dispensing 1 million scf/d STORAGE 6 hours storage to help level demand; 48 vessels each holding 8775 scf at 6500 psi; cascade type system; **REFUELING STATION** total capacity = 417,000 scf. recovery **DISPENSER** factor = 60%=> **COMPRESSOR** Pipeline Hydrogen 250,000 scf/d working 9 Refueling Delivered at 200 capacity Bays; max. psi from central Compressor flow rate= Inlet=200 psi; plant 3600 outlet =6500 psi scf/min; Power = 374 kW; 400 3 Stages, scf/min eff=55% per bay **PIPELINE H2** H2 VEH Dispenses 1 million scf/day; Refuels 654 H2 fuel cell cars per day; Maximum refueling rate is 90 cars/hour.

Figure E.2



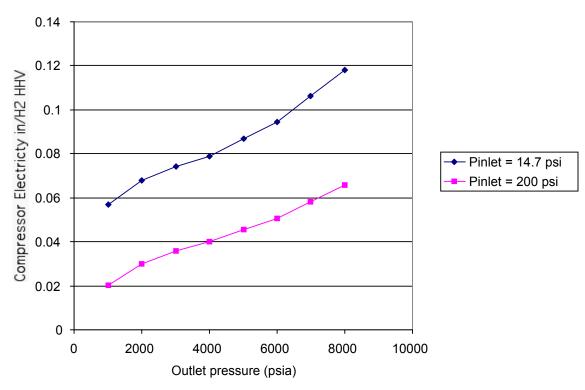


Figure E.3

Levelized Cost of Hydrogen Pipeline Tranmission (including compression, storage and pipeline) vs. Pipeline Length and Energy Flow Rate (MWth)

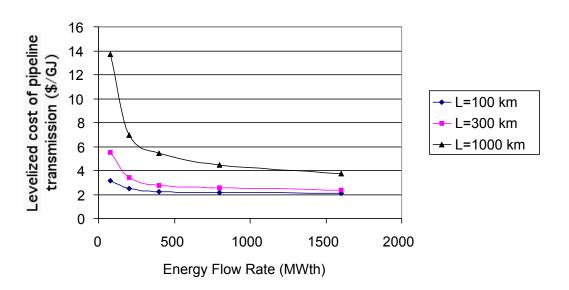


Figure E.4

### Installed Pipeline Cost (\$/m)

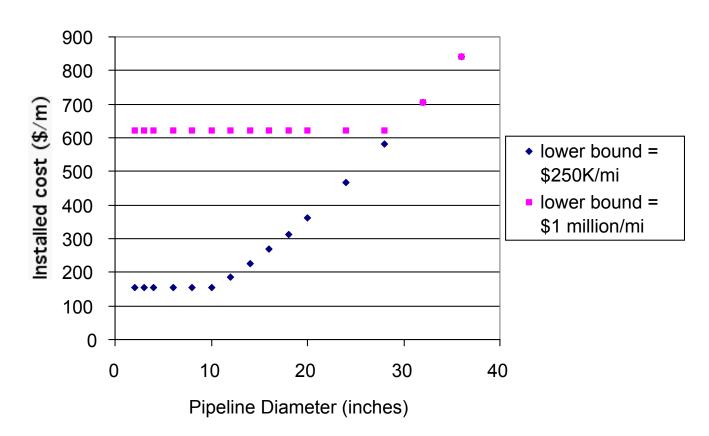
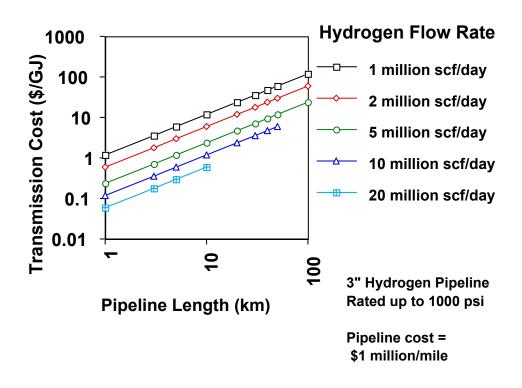


Figure E.5

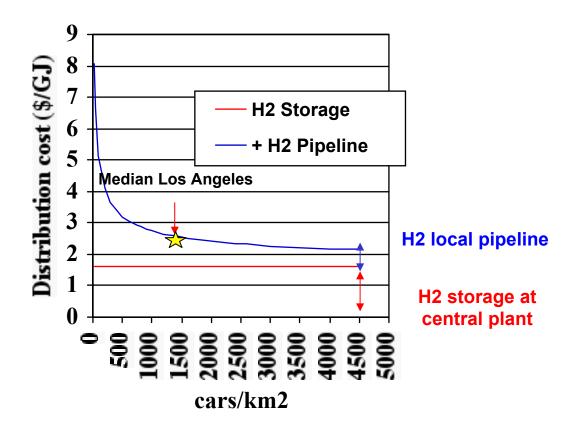
Figure A.11. Cost of Hydrogen
Pipeline Transmission vs. Pipeline
Length and Flow Rate



Inlet Pressure = 1000 psia Outlet Pressure > 200 psia

1 million scf/day serves a fleet of 9200 Fuel Cell Cars or 140 Fuel Cell Buses

Figure E.6 Local H<sub>2</sub> Pipeline Distribution Cost vs. Geographic Density Of H<sub>2</sub> Cars



### APPENDIX F. An Integrated Hydrogen System Model

As a first step toward modeling transitions, we developed a simple model to connect supply and demand. We estimate infrastructure costs as a function of a relatively small number of variables embodying averaged and/or simplified information about:

- H2 markets
- Geographic factors
- Cost and performance of H2 technologies (vehicles and infrastructure)

### Modeling Hydrogen Demand

Understanding the evolution of a hydrogen fuel delivery infrastructure depends on the spatial and time characteristics of the hydrogen demand. We have developed a simple method to model the magnitude, spatial distribution, and time dependence of hydrogen demand, based on Geographic Information System (GIS) data on vehicle populations, and projections for energy use in hydrogen vehicles, and market penetration rates.

As outlined in Section 1.4, we estimate the total hydrogen demand in a city (or "demand cluster") based on:

The total population in the city (calculated from GIS map)

The number of vehicles per person

The market penetration of hydrogen vehicles (fraction of H2 vehicles in the total fleet).

The projected hydrogen use per vehicle (see Table F.1)

A map of hydrogen demand density versus location and time then can be calculated (kg/d/km<sup>2</sup>). This is shown in Figure F.1, for the state of Ohio. The lighter colors indicate low demand density, the darker colors higher density. The cities of Cleveland, Columbus and Cincinnati are obvious areas of high demand. As time progresses, demand grows, as shown by darkening of the areas around the cities.

Table F.1. Assumed Characteristics Of Hydrogen Fueled Light Duty Vehicles

	H2 Light Duty Vehicle
Average Fuel economy	40-80 miles per gallon
	gasoline equivalent; or 2-4 X
	the fuel economy of today's
	light duty vehicles
Fuel Storage	H <sub>2</sub> gas @5000 psi
H <sub>2</sub> stored onboard scf (kg)	5 kg
Range (mi)	200-400
Miles/yr	15,000
Hydrogen use per LDV year	187-375
(kg H2/yr)	
Average H <sub>2</sub> use per LDV	0.5-1.0
(kg H2/d)	

### Preliminary Method for Sizing and Siting Refueling Stations within a City

Once the hydrogen demand density is known, we need to decide how many refueling stations are required, how much hydrogen they dispense and where they should be sited. The number, location and size of refueling stations have a major effect of the design and cost of infrastructure.

In general, siting and sizing hydrogen refueling stations is a complex problem. To make this more tractable, we make several simplifying assumptions about hydrogen refueling stations:

- We consider general light duty vehicle markets rather than niches such as fleets.
- All hydrogen refueling stations are the same size.
- Stations are distributed in space according to an idealized model that can be easily related to geography of the region being studied. <sup>14</sup> An idealized version of the delivery system layout is specified. This is developed in Section 1.5 in an "idealized city" model.

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<sup>&</sup>lt;sup>14</sup> We use GIS data to help guide the process of siting and sizing refueling stations, assuming they might be similar to gasoline stations today – which may or may not turn out to be the case. GIS maps can be used to show where gasoline stations are located. For several cities we examined, stations tend to cluster along major roads in "spoke" or "ring" like patterns. Often, more than one station is found at major intersections or at freeway exits. This suggests that today's convenience level could be preserved, if some fraction of current gasoline stations offered hydrogen. Various studies have estimated the number of alternative fueled stations needed for customer convenience to be in the range of 10-25%. For typical US urban vehicle densities of 750-1500 LDV/km², there is one gasoline station per 1.3-4 km² (assuming each station serves 2000-3000 LDVs). If 25% coverage is needed, equal convenience might be found with one hydrogen station per 5-16 km².

Based on these assumptions, we have developed a preliminary method for sizing and siting refueling stations that takes into account geographic, market factors and vehicle fuel economy and annual mileage. Input variables are listed below.

### Geographic factors:

LDV/km<sup>2</sup> = Number of gasoline LDVs per square kilometer = 750-1500 LDVs/km<sup>2</sup> (this estimate is derived from GIS maps)

Area  $(km^2)$  = Area of region (city) considered (user input depending on region) # LDVs = Area x LDV/km<sup>2</sup>

### Market Factors:

GasoLDV/sta

- = Number of gasoline light duty vehicles (LDVs) per gasoline refueling station
- = 2000 3000 (derived from US average ~ 2000 LDVs/station, and from looking at GIS maps of refueling stations in several US cities ~ 3000 LDVs/station)

fH2 = Fraction of hydrogen vehicles in the total fleet. (This fraction is time dependent and varies with the market penetration model used.)

fcov = minimum fraction of existing gasoline stations that must offer H2 to maintain adequate customer convenience. Market studies suggest fcov = 10-25% (urban); 25-50% (rural).

### Vehicle Technology:

H2 LDVEnergy

= Average H2 vehicle fuel energy use (kg H2/d/LDV) = 0.5-1.0 kg H2/d (vehicle simulation studies suggest future fuel economy for H2 vehicles could be 2-4 times that for current gasoline vehicles see Table 2; mileage per year is from EIA projections for future vehicle use).

Sizing and siting H2 stations

We now use these input variables to design and cost alternatives for hydrogen infrastructure. The density of gasoline refueling stations in the city is given by:

Gaso 
$$sta/km^2 = LDV/km^2/GasoLDV/sta = (750-1500)/(2000-3000)$$
  
= 0.25-0.75 Gaso  $sta/km^2$ 

For customer convenience, we assume that the density of H2 refueling stations must be at least fcov times the density of gasoline stations (market studies indicate fcov= 10-25%):

H2sta/km<sup>2</sup> > fcov x Gaso sta/km<sup>2</sup>

The number of H2 vehicles per  $km^2 = fH2 \times LDVs/km^2$ 

The total number of H2 vehicles per station is H2 LDV/sta= fH2 x (gasoLDV/sta)/fcov

We might wish to limit the H2 station size so that the maximum number of H2 vehicles served is the same as for gasoline stations today. In this case:

$$H2 \ LDV/sta = min \left\{ \begin{array}{l} fH2 \ x \ (gasoLDV/sta)/fcov \\ \\ GasoLDV/sta \end{array} \right.$$

The H2 required per station (kg H2/d/sta) is then:

$$\label{eq:h2kg/d/sta} H2\ kg/d/sta=min \ \begin{cases} fH2\ x\ (gasoLDV/sta)/fcov\ x\ H2\ LDVEnergy \\ GasoLDV/sta\ x\ H2\ LDVEnergy \\ \end{cases}$$

# H2 stations = fH2 x #LDVs x H2 LDVEnergy (kgH2/d/LDV)/ (H2 kg/d/sta)

When the fraction of H2 vehicles in the fleet, fH2 > fcov, more hydrogen stations would be built rather than increasing the size of the existing H2 stations.

Even without having detailed knowledge of the exact locations of refueling sites, the simplified analysis above can give some idea of how a delivery system for hydrogen might be designed within a city, and how much it might cost.

This simple model is appealing, because it allows one to design (and cost) the infrastructure based on relatively few inputs related to the average characteristics of the geography of the region and the market. Obviously, this approach to siting and sizing stations has many limitations. For example, traffic flows and proximity to resources for hydrogen production have not been considered. (Today's gasoline stations are sited at busy intersections or interstate sites, where many customers have ready access.) These models for hydrogen demand and refueling station sizing will be improved in future work.

### Designing And Costing H2 Infrastructure Alternatives

To provide hydrogen at refueling stations, we consider a variety of possible hydrogen supply and delivery options, which are likely to be important in future hydrogen energy systems:

Centralized, large-scale production of hydrogen from:

- Steam reforming of natural gas with and without CO<sub>2</sub> sequestration
- Coal gasification with and without CO<sub>2</sub> sequestration
- Biomass gasification
- Large scale electrolysis

Distributed production of hydrogen at refueling sites from:

- Natural gas reforming
- Electrolysis using off-peak power

For centralized production, we consider hydrogen delivery via truck (compressed gas or liquid), or via gas pipeline. For fossil hydrogen with CO<sub>2</sub> sequestration, we consider a disposal system for CO<sub>2</sub>.

At refueling stations, we assume that hydrogen is dispensed to vehicles as a compressed gas for onboard storage at 5000 psi.

For central production, we assume that hydrogen storage is located at the central plant (as well as some storage at refueling stations). For onsite hydrogen production, no hydrogen distribution infrastructure is needed, although large levels of hydrogen production from natural gas or electricity might require increases in distribution capacity for these energy carriers.

Sizing the production system

The required hydrogen production capacity is found from the number of vehicles in the region of interest.

```
H2Production Capacity (kg H2/d):
```

H2 LDVEnergy x fH2 x LDVs/km2 x Area (km2)

#### Where:

H2 LDVEnergy

= Average H2 vehicle fuel energy use (kg H2/d/LDV) = 0.5-1.0 kg H2/d Area (km<sup>2</sup>) = Area of region (city) considered (user input depending on region) LDV/km<sup>2</sup> = total LDVs/km2

fH2 = Fraction of hydrogen vehicles in the total fleet. (This fraction is time dependent and varies with the market penetration model used.)

For central production, production capacity could concentrated in one place. For onsite production at refueling stations, many small production systems are used.

Designing, sizing and costing the distribution system

We now specify the layout of the delivery system for various alternatives:

- a. delivery by hydrogen gas pipeline,
- b. compressed gas truck (tube trailer or mobile refueler)
- c. liquid hydrogen truck

The idealized models for the spatial distribution of hydrogen stations, and delivery system layout in Section 1.5 allow us to estimate the length of a local pipeline distribution system needed to reach stations within a city, as a function of the "radius" of the city. Depending on the number of hydrogen stations, the required pipeline length for an ideal system is typically 4-7 times the city radius.

In future work, we will use GIS data to look at how much real cities depart from the ideal models.

### Costing Infrastructure Alternatives

Having sized the production system, distribution system, and refueling stations, we now compare capital costs and levelized delivered costs of hydrogen (\$/kg) for different hydrogen production and delivery options.

Costs and performance for hydrogen production systems, delivery systems and refueling stations are summarized in Tables F.2-F.8. Capital and operating costs are parameterized in terms of scale, energy costs, and for delivery options, distances. These cost models (developed by Ogden as part of work for the USDOE) are in good agreement with other studies of hydrogen infrastructure costs.

Table F.2. Parameter Ranges Considered in this Study for H2 Energy Systems with Central H2 Production and Local Distribution

Hydrogen Production Capacity Range	250 – 1000 MW H <sub>2</sub> (HHV)
Tryurogen Production Capacity Range	(153-613 tonnes H <sub>2</sub> /day)
	$(62-252 \text{ million scf H}_2/\text{d})$
H <sub>2</sub> Plant Capacity Factor	80%
H <sub>2</sub> Buffer Storage Capacity at Production Site	1/2 day's production
H <sub>2</sub> Local Distribution Pipeline	
H <sub>2</sub> Inlet Pressure	6.8 MPa (1000 psi)
H <sub>2</sub> Outlet Pressure (at refueling station)	>1.4 MPa (200 psi)
Pipeline capital cost (\$/m)	\$155-622/m
	(\$0.25-1 million/mile)
Hydrogen Demand	
Ave Light Duty H2 Vehicle (Fuel economy = 2-4 X	0.5-1.0 kg/day
today's gasoline LDVs = 40-80 mpgge; 15,000 mi/y)	
1 H2 Bus (7 mpgge, 50,000 mi/yr)	20 kg/day
Total LDVs served by plant	150,000-1.2 million vehicles
H <sub>2</sub> Refueling Stations	
Hydrogen dispensed per day per station	0.24-4.8 tonne/day
(240-9600 cars served per station)	(0.1 –2 million scf/d)
Number of H2 refueling stations required	60-250
Dispensing Pressure to Vehicle	6000 psia
Onboard H <sub>2</sub> Storage Pressure	34.5 MPa (5000 psia)
Associated CO <sub>2</sub> Production for Fossil H2 Plants	
Natural gas -> H2 Plant, 85% of CO <sub>2</sub> captured	51-204 tonne CO <sub>2</sub> /h
Coal -> H2 Plant, 90% of CO <sub>2</sub> captured	101-406 tonne CO <sub>2</sub> /h
CO <sub>2</sub> Pipeline for Fossil H2 Plants	
CO <sub>2</sub> Pipeline flow rate (range)	1,000-10,000 tonnes/day
Inlet Pressure (at H <sub>2</sub> Plant)	15 MPa
Outlet Pressure (at Sequestration Site)	10 MPa
Pipeline Length (range)	10-1000 km
CO <sub>2</sub> Sequestration Site	
Well depth	2 km
Permeability (milliDarcy)	> 50 milliDarcy
Reservoir Layer Thickness	50 m
Maximum flow rate per well	2500 tonnes/day/well

Table F.3. Summary Economic Data for Large Central H2 Production Systems as a Function of Scale

	So = Reference H2 plant size	Cost(So) = Capital Investment for Ref. H2 Plant (million \$)	α= Plant capital Scale factor (scale range)	η = Feedstock Conv. Eff to H2 on HHV basis	Co-products	Source
SMR, CO2 vented	613 tonne H2 /d	262	0.7 (153-613 t/d)	0.81		Foster Wheeler (1996, 1998)
SMR, CO2 captured	613 tonne H2 /d (5000 tCO2/d)	384 for plant + 45 (CO2 compressor) =429 total	0.7 (153-613 t/d) 0.7 (CO2 comp)	0.78		Foster Wheeler (1996, 1998)
Coal Gasifier, CO2 vented	613 tonne H2 /d	659	0.828 (153-613 t/d)	0.736	Electricity (2.04 kWh/kg H2)	Kreutz 2002
Coal Gasifier, CO2 captured	613 tonne H2 /d (10,000 tCO2/d)	613 for plant +  50 (CO2 compressor) =663 total	0.828 (153-613 t/d) 0.7 (CO2 comp)	0.705	Electricity (1.21 kWh/kg H2)	Kreutz 2002
CO2 Sequestration (CO2 compressor is	16000 tonne CO2/d 100 km pipeline	\$70 million x (Q/16000) <sup>0.48</sup> x (L/100) <sup>1.24</sup>	Pipeline			Ogden (2002)
included in fossil H2 plant cost estimates above)	2500 tonne CO2/d/well	+ Q/2500 x \$4.4 million/well + (Q/2500-1) x	+ injection well + injection site			
Biomass Gasifier, CO2 vented	165 tonne/d	\$3.2 million 172	0.7 (150-750 t/d)	0.636		Larson 1993; Simbeck and Chang 2002
Electrolysis	150 tonne/d 250 MW H2	\$75-150 million (\$300-600/kW)	0.9 (20-613 t/d)	0.8	Oxygen (8 kg/kg H2)	Ogden (1998)

CRF = 15%; non-fuel O&M = 4% of capital investment/y

Capital Cost at plant size S (\$) = Cost (S) = Cost (So)  $x (S/So)^{\alpha}$ 

S = H2 plant capacity (tonne/d)

O&M Cost at plant size S ( $\sqrt{y}$ ) = O&M(S) = 4% x Cost (So) x (S/So)<sup> $\alpha$ </sup>

Feedstock Cost (S) (\$/y)

= S x 365 d/y x capacity factor x HHV H2 (GJ/kg)/ $\eta$  x feedstock Cost (\$/GJ)

Byproduct credit (S) (\$/y)

= S x 365 d/y x capacity factor x Byprod (unit/kg H2) x Byprod price (\$/unit)

Levelized cost of H2(S) \$/kg

=  $[CRF \times Cost(S) + O&M(S) + Feedstck Cost(S) + Byproduct credit(S)]/(capacity factor x S x 365 d/y)$ 

Table F.4. Economic Data for Gaseous Hydrogen Pipeline Transmission Systems as a Function of Scale (including hydrogen compression, large scale gaseous storage and transmission pipeline)

	Reference	Capital Investment	Equations with scaling factors
	equipment size	(\$/kWe)	_ ~
H2 compressor (note: in some studies H2 compression is	20 MWe	\$1600/kWe (multi stage)	Scale factor of 0.9 for large H2 compressors (Simbeck and Chang 2002). Costs match well with Kreutz et al. 2002)
included as part of the central H2 plant cost)		\$900/kWe (single stage)	H2 compressor electricity input = 2-10% of higher heating value of hydrogen compressed depending on compressor inlet and outlet pressures (see Appendix E). Assuming inlet pressure of 1.4 MPa, and outlet pressure of 6.8 MPa, and compressor efficiency of 70%, the electricity use is about 2% of the H2 energy.
			Compressor power (MWe) = [S (tonne/d) x (1000 MWH2/613 tonne/d) x (2-10% MWe/MWH2)]
			Capital cost of H2 compressor(\$) = (Compressor Power/20 MWe) <sup>0.9</sup> x \$1600/kWe x 20 MWe
			S= H2 plant size (tonne H2/d)
H2 Storage	High pressure cylinders	\$700/kg (kg of H2 storage capacity)	Compressed gas storage is modular with little scale economy.
	Bulk aboveground compressed gas storage	"	For a H2 central plant, we assume storage equivalent to 1/2 day's production is needed.
	Advanced	\$200-250/kg	If $S = plant$ output in tonne $H2/d$ ,
	automotive		$Cost = $700,000 \times 0.5 \times S,$
	pressure cylinders		for aboveground gas storage
	Underground		
	storage	\$280-420/kg	$Cost = $280,000-420,000 \times 0.5 \times S,$
II2 Dinalina	100 lana lana adka		for underground storage
H2 Pipeline H2 Flow Length	100 km length; (Pin=6.8 MPa Pout=1.4 MPa) H2 Flow= 60 t/d	Pipe Diam. Cost (inch) (million\$) D=4.8";\$16-62	Pipeline capital cost (\$/m) = max $\begin{cases} 0.3354 \text{ x } D^2 + 11.25 \text{ x } D + 2.31; \\ 155-620 \text{ (for rural-urban sites)} \end{cases}$ D = pipeline diameter in inches
	150 t/d 300 t/d 600 t/d	D=6.7",\$16-62 D=8.7"\$16-62 D=11.4"\$17-62	(D is found from hydrogen flow rate, pipeline inlet and outlet pressures, pipeline length, and flow regime (see Appendix E)

Table F.5. Capital Cost of Hydrogen Liquification and Liquid Hydrogen Storage

Hydrogen	Liquifier	Liquifier	LH2 Storage	Storage	Total Capital
Production	Size	Capital Cost	Size (tonnes)	Capital Cost	Cost for
Plant	(tonnes LH2	(million \$)		(million \$)	Liquifier +
Capacity	out/day)				LH2 Storage
(million scf					(million \$)
H2/day)					
10.6	30	40	30	2.6	43
35	100	70	100	4.4	74
106	300	126	300	7.9	134
160	450	190	450	12	202

Cost (\$million) = 0.3441 t/d + 30.802 LH2 liquefier Cost (\$ million) = 0.0216 t/d + 1.9764 LH2 storage

Typically for liquifiers electrical energy input equal to about 33-40% of the higher heating value of H2 is needed.

Table F.6. Energy Delivered by Truck as Liquid Hydrogen and Compressed Hydrogen Gas

	Storage volume on truck (m <sup>3</sup> )	Weight of stored hydrogen (kg)	Energy carried per truck (GJ)	Number of cars fueled per truckload	Truckloads per day to supply 650 cars/day (1 million scf/day)
Liquid Hydrogen (not including dewar)	60	3600 kg H2	510	1020	0.65
Compressed Hydrogen Gas at 2400 psi stored in 16 pressure cylinders (including pressure cylinders; filled cylinder = 0.96% H2 by weight, assumes that hydrogen fills up 85% of total system volume) <sup>a</sup>	28.5	42000 kg (includes both hydrogen and cylinders. Hydrogen wt. = 420 kg)	60	120	5.4

a. Each cylinder holds 10,334 scf of hydrogen at 2400 psig. The entire truck, which has 16 cylinders holds 176,000 scf. This is equivalent to 420 kg of hydrogen or 60 GJ per truck.

Table F.7. Costs for Truck Delivery of Hydrogen<sup>a</sup>

	Cost (1005¢)
	Cost (1995\$)
COMPRESSED GAS STORAGE	
Jumbo Tube Trailer	\$406,000
16 tubes, total hydrogen storage capacity	
of	
4670 m <sup>3</sup> or 176,000 scf or 60 GJ	
Cab for trailer	\$130,000
Maintenance on trailer, cab, fuel, taxes	\$43,500/yr
Labor costs (1 person) incl. benefits	\$50,000/yr
LIQUID HYDROGEN	
Trailer, capacity 16,000 gallons (60 m <sup>3</sup> ),	\$500,000b
holds 510 GJ or 3600 kg H2	
Cab for trailer	\$130,000
Maintenance on trailer, cab, fuel, taxes	\$43,500/yr
Labor costs (1 person) incl. benefits	\$50,000/yr
ALL TRUCKS	
Lifetime	14.6 yr <sup>c</sup>

a. Source is Taylor et.al. 1986, except as noted.

- b. Rambach et. al 1996.
- c. Davis, ORNL Transportation Data Book 1996.

Matt Ringer NREL says \$100,000 for cab. Gasoline tanker with trailer is \$60,000. Wade says compressed gas tube trailer cab is \$90K, \$60 K for undercarriage, \$100 K for tanks. Steve Lasher says \$220K for whole compressed gas tube trailer truck.

### Hydrogen Refueling Stations

Costs for hydrogen refueling stations have been discussed by a number of authors (DTI et a. 1997, Ogden et al. 1998, Thomas et al 2000, TIAX 2003, DTI 2003). Currently, the H2A group is analyzing the costs of refueling station designs. We will update these estimates as newer data become available. This also ties in well with work being done by Jonathan Weinert on today's refueling station costs, and by Tim Lipman's work on H2E stations.

In Table F.8 we list the capital and operating costs for four types of refueling stations, including pipeline-delivered hydrogen, LH2 truck-delivered hydrogen, onsite steam methane reformers and onsite electrolyzers, according to several recent studies (Ogden 1998, DTI 1997, Simbeck and Chang 2002, and TIAX 2003). A range of sizes is shown for stations dispensing 100,000 to 2 million scf H2 per day (240 – 4800 kg H2/day). H2 is dispensed to vehicles at refueling stations as a high-pressure gas for storage in onboard cylinders (at 34 MPa). Each station could serve a fleet of several hundred to several thousand cars. There is a wide range of estimates (see also Figure 9). The cost of hydrogen refueling stations scales approximately linear with size. This suggests that the capital cost for refueling station equipment would be about the same for a few large stations or many small ones. Of course, other costs such as land or permitting, that don't scale with size, might be higher if many small stations were built.

**Table F.8. Characteristics Of Hydrogen Refueling Stations** 

Type	Reference	Capital Cost	Conversion	Electricity Use	Total O&M	Assumptions
	Size (kg/d)	as a function of size	Efficiency Feedstock ->	(kWhe/kgH2)	cost \$/y	
			H2			
ONSITE SM		T ****	T	T	T 12-25 4 14	
Princeton – 100 units	240-4800	\$951.07 x (kg/d) + 300,352	NG->H2 η =0.707 HHV	2.26 kWhe/kg H2	425.96 x kg/d + 53747	NG = \$3/MBTU, Elec = \$0.072/kWh
DTI – first unit	37-7500	\$1155.6 x (kg/d) + 199,770	NG -> H2			
DTI – 100 units	37-7500	\$435.11 x (kg/d) + 54266				
DTI – 1000 units	37-7500	\$273.04 x (kg/d) + 34,054				
Simbeck 2002	470	1,480,000	η =70% LHV \$119,000 NG \$5.5/MBTU	2 kWhe/kg H2 \$19,000/yr @ 7 cent/kwh	\$235,000	NG=\$5.5/MB TU; elec= \$0.07/kWh
TIAX mature tech. 2003	690	1,175,000				
PIPELINE D	ELIVERED H	12				
Princeton	240-4800	\$602.64 x kg H2/d + 34667		2.48 kWhe/kg H2	\$195.92 x (kg H2/d) + 43100	Elec = \$0.072/kWh
Simbeck	470	520,000				elec= \$0.07/kWh
TIAX	690	352,500				
LH2 TRUCK	DELIVEREI					
Princeton	240-4800	\$225.51 x kg H2/d + 94664		0.27 kWhe/kg H2	\$93.334 x kg H2/d + 45082	Elec = \$0.072/kWh
Simbeck	470	680,000				Elec =\$0.07/kWh
TIAX	690	423,000				
	ECTROLYSIS		1			
Princeton	240-4800	\$2528.7 x kg H2/d + 20433	Electricity η =80% HHV	49 kWhe/kg electrolysis + 4.16 kWhe/kg H2 compression	\$736.63 x (kg H2/d) + 45990	Off-pk power Elec = 3 cent/kWh
DTI – first 1000 stations	37-75	\$2258.9 x kg H2/d + 69760	Electricity η =80%			
Simbeck	470	4,150,000 \$2157/kW	Electricity η=63.5% LHV	55 kWhe/kg H2 Electrolysis + 2.3 kWh/kg H2 Compression	700,000	elec= \$0.07/kWh
TIAX	690	1,128,000		Compression		

### Summary of Component Cost and Performance Models

We have synthesized simplified cost estimates for the components of a hydrogen energy system as a function of scale, energy prices (for natural gas, coal, biomass and electricity), and spatial factors such as the geographic density of demand. These estimates will be refined as results from ongoing studies by the H2A and the NRC become available. In the interim, we will use these estimates as a basis for costing the different parts of a hydrogen energy system as a function of scale, allowing us to make comparisons among transition pathways.

Using the simple model for sizing and siting hydrogen refueling stations and distribution systems developed earlier (task 1a, we can estimate preliminary costs for different demand and delivery scenarios.

### **INPUTS**

### Geographic factors:

Total LDVs/km2

Region size

### Market Factors:

fH2 = fraction H2 vehicles in fleet

fcov = coverage factor (fraction of all stations serving H2 for customer convenience)

LDVs/station

Vehicle use miles/year

### **Technical Factors:**

Vehicle Fuel Economy

Cost and performance of infrastructure components

Layout of distribution system

### We can estimate for different production and delivery pathways:

H2 production capacity needed

Number of H2 refueling stations

H2 dispensed per station

Density of H2 stations

Cost of entire system from production through delivery for different production and delivery options

Levelized cost of hydrogen

### **Preliminary Results**

We have just begun to work with this model to estimate the lowest cost alternatives as a function of market and geographic factors. As an example, we consider a city of 1 million people, where 10% of vehicles run on H2 (see Tables F.9-F.10).

Table F.9. Characteristics of City and Calculated Infrastructure

Table F.9. Characteristics of Cit	y and Calculated Infrastructure
Geographic Factors	
People	1 million people
Light Duty Vehicles	750,000 LDVs
LDVs/km2	1500
Area of city	500 km2
City radius (for circular city) km	12.6 km
Market factors	
Fraction H2 vehicles = fH2	10%
Gasoline Vehicles/gasoline station	3000
Coverage factor	20%
Vehicle performance	
H2 Vehicle Fuel Economy	57 mpgge
= 2.8 x Today's Gasoline LDV	
Miles travelled/y	15,000
H2 energy use/LDV/d	0.7 kg H2/d/LDV
H2 Vehicles and Refueling Stations	
# H2 vehicles in city	75,000
Total H2 production required kg/d	52.5 tonne H2/d
# H2 refueling stations	50
H2 refueling station size	1050 kg/d/sta
H2 cars/H2 sta	1500
Central Production Model	
Central production capacity tonne	65.6 tonne/d
H2/d	
Central plant storage capacity tonnes	26.26 compressed gas
	52.5 Liquid H2
Pipeline Distribution Model	
Local distrib. pipeline length/city radius	6 (range is from 4-7)
(from Chris Yang's models)	<u> </u>
Local distrib pipeline length	75.7 km
Truck Distribution Model (assumes each	
truck makes 2 deliveries per day)	
Compressed Gas Trucks required	55
LH2 Trucks Required	7

Table F.10. Capital Costs for Hydrogen Infrastructure Options (million \$)

					· <i>,</i>	
(	Central	Central	Central	Onsite SMR	Onsite	
	oroduction	production	production		Electrolyzer	

	SMR +	SMR + LH2	SMR + comp		
	pipeline	truck	gas truck		
	delivery, CO2	delivery, CO2	delivery, CO2		
	vented	vented	vented		
		Capital cost	s Million \$		
Central SMR	55	50.5	55		
Liquefier	-	54	-		
Comp Gas	18.3	2.54	18.3		
storage	1/2 day	1/2 day	1/ day		
Local	46.9	-	-		
Pipeline					
(\$620/m)					
Trucks	-	4.4	29.5		
Refueling	33.3	16.6	33.3	64.9	122
stations					
TOTAL	156	127	136	65	122
Capital cost					
(\$million)					
TOTAL	2075	1699	1814	866	1628
Capital cost					
\$/LDV					
	ts (million \$/yr)			<u> </u>	
Natural Gas	12.60	12.60	12.60	20.06	
Electricity	2.85	8.91	2.85	2.60	30.56
Other O&M	6.23	5.75	10.58	2.60	4.88
Total O&M	21.67	27.26	26.03	25.26	35.44
LEVELIZED COST OF H2 \$/kg					
Capital	1.52	1.25	1.33	0.64	1.19
NG	0.82	0.82	0.82	1.31	0.00
Electricity	0.19	0.58	0.19	0.17	1.99
Other O&M	0.41	0.38	0.69	0.17	0.32
Total	2.94	3.03	3.03	2.28	3.51

For this level of hydrogen vehicle use, in this size city, onsite SMR gives the lowest capital costs and delivered hydrogen costs. In Figure F.1, we plot the capital cost of H2 infrastructure per car as a function of hydrogen market penetration rate. For this set of assumptions, onsite SMRs are the lowest capital cost option for all values of fH2 > 1% of the fleet (at these very low H2 penetration rates, electrolyzers are less costly).

The delivered hydrogen cost (\$/kg) is plotted versus fH2 in Figure F.2. At very low hydrogen use, compressed gas trucks or electrolyzers give the lowest delivered costs. At very large fractions of H2 use, pipeline hydrogen gives the lowest delivered cost.

Of course, this calculation does not take into account environmental benefits that might arise with central production of hydrogen and use of renewable resources or capture of CO2.

We have just begun to use this model to explore how the results depend on important parameters.

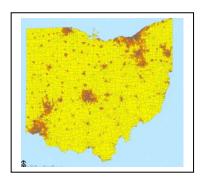
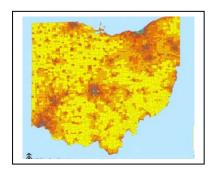
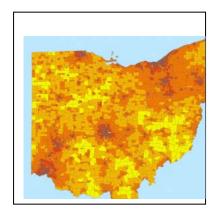


Figure F.1. Hydrogen demand density (kg H2/d/km2) over time at years 1, 5, 10 and 15, assuming that 25% of new light duty vehicles use hydrogen, starting in year 1.





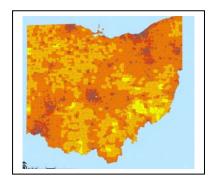


Figure F.2.

### Capital Cost \$/LDV for H2 infrastructure v fH2

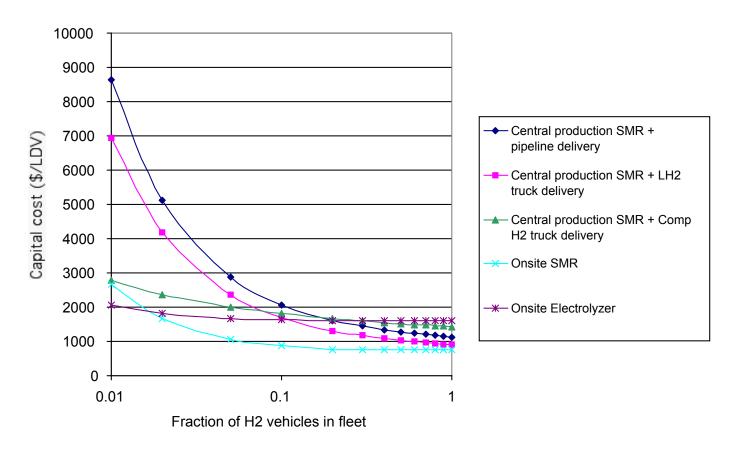


Figure F.3

# Delivered Cost of H2 (\$/kg) versus fraction H2 vehicles in fleet for city of 1 million people

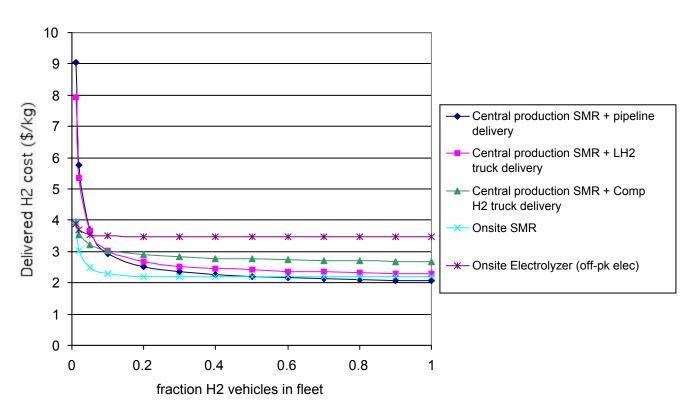
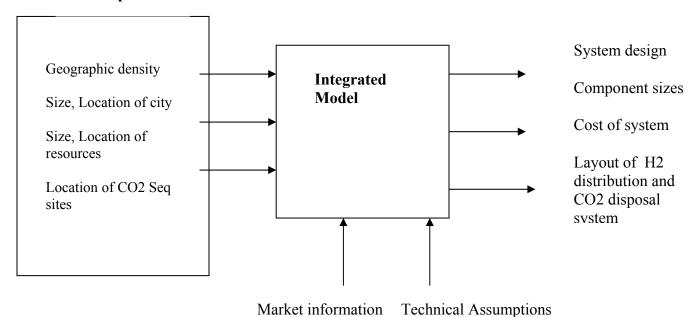


Figure F.4. Interface of Simple Integrated Model with GIS Database

### GIS map



## APPENDIX G. LITERATURE REVIEW OF MATHEMATICAL PROGRAMMING METHODS APPLIED TO PIPELINE SYSTEM DESIGN

### Linear Programming

In the early years of gas pipeline study, the steady-state operation problem was considered by researchers (Sekirnjak, 1996). They dealt with a very simple network model, consisting of a few sources and sinks. To avoid the nonlinearity caused by the gas flow equation, the network was separated into high, medium and low pressure subsystems, connected by compressors. The pressure drop was neglected within each subsystem, and the only decision variables were the flow-rates through each segment. Thus the network was basically modeled by a set of flow balance equations. This was purely a linear model and then the model could be solved by linear programming techniques. This first optimization application was presented at 12th IGU World Gas Conference in Nice, 1973 (Larcher, et al).

	Design Optimization	Steady-state Operation optimization
Objective function	building cost = f(pipe diameter, pipe length, # of compressor, terrain,)	$operation \cos t (fuel comsumed)$ = $f(pressure, flowrate,)$
Constraints	<ol> <li>mass flow balance equation at each node</li> <li>gas flow equation at each pipe segment, i.e. pressure drop equation</li> <li>working equation of each compressor</li> <li>limits imposed on pressure or flow-rate</li> </ol>	Same as the left
Optimization variables	pipe diameter and length, location of compressor stations and other interconnection points, etc.	flow-rate, suction and discharge pressure at each compressor station, etc.

Table G-1.

Traditional optimization techniques	Pure linear programming Nonlinear programming Sequential linear programming (SLP) General reduced gradient method (GRG) Inter-point method Newton-Raphson method Sequential unconstrained minimization technique (SUMT) Dynamic programming
Nontraditiona 1 optimization techniques	Genetic algorithms Simulated annealing Neural network Artificial ants

Table G-2

The advantage of LP method is that it has unique optimum, which is the global optimum. The disadvantage is that it can only solve small size network roughly and the pressure difference between sources and sinks here must be relatively small so that three subsystems are enough to make the approximation of constant pressure within one subsystem. Otherwise, two possibilities may appear: one is that the computing error becomes too large to tolerate if keeping the same division of three subsystems and the other is to increase the number of subsystems that is essentially a method of linearizing the nonlinear model, so has its own problems of convergence and tolerance.

### Non-Linear Programming

Pipeline system design is an inherently nonlinear problem, so nonlinear programming techniques is a natural tools. Sequential linear programming was used to optimize the steady-state operation of gas pipeline. Edgar (1978) presented a computer algorithm to optimize the design of a gas transmission network. Two solution techniques were used: one was the Generalized Reduced Gradient (GRG) method; the second method was to combine the branch-and-bound scheme with GRG. The techniques were applied to different type of cost functions respectively. Daniel de Wolf (1996) considered the optimal dimensioning of gas transmission network when the net work topology is known. His presented a way to compute the first order derivatives, and used the bundle method (Penalty parameter) for optimization. Siregar (2000) repeated Wolf's work. Djebedjian (2000) applied the sequential unconstrained minimization technique (SUMT) to the operation optimization of hydraulic pipeline system. Benson (2001) took the LOQO nonlinear solver which is based on inner-point method to solve the design

problem of small-scale CO<sub>2</sub> pipeline network. Both the network topology and the dimension of pipes are unknown variables in her optimization model.

One prominent problem caused by the nonconvexity is how to judge whether the optimum you get is the global optimum. Since most nonlinear optimization techniques are based on iterative methods and the initial value may determines which optimum is found to some extent, changing the initial value may give another solution. Another approach is to find some upper bound for the objective function at pre-processing and use it as one criterion to discard some local optimums (Wu et al. 2000).

### **Dynamic Programming**

DP has allowed optimization of pressures in steady-state gas pipeline simulations for the past thirty years. This approach allows full used of nonlinear hydraulic models and nonlinear and even discontinuous compressor station models. Any objective function can be used that is a simple sum of costs at each station as a function of flow and inlet/outlet pressures.

The first application on gas pipeline was by Larson and Wong (1968). They applied the method to fuel cost minimization in a single, straight line system and used a recursive formulation, finding the optimal suction and discharge pressures of a fixed number of compressor stations. The length and diameter of the pipeline segments were considered fixed because DP was unable to accommodate a large number of decision variables. The first attempt at optimizing a branching structure in the pipeline industry using DP was by Zimmer in 1975. Recent advances have generated a new DP technique, which is called non-sequential (Carter, 1998) or non-serial DP (Bertelè, 1972). Rather than attempting to formulate DP as a recursive algorithm, in this approach we simply look at a system, grab two or three connected compressor or regular elements, and replace them by a "virtual" composite element that behaves just like its components operating in an optimal manner. These elements can be selected from anywhere in the system, so the idea of "recursion" is really not a good description for this process. The process continues, reducing the number of elements in the problem by one each time, until the system can be reduced no further. Typically, that occurs when there is exactly one virtual element left, which completely characterizes the optimal behavior of the entire pipeline network. The best pipeline operation can then be found by just searching one simple table for the lowest occurring value. Using non-sequential dynamic programming allows one to rapidly and exactly solve these problems even with extensive transmission networks involving extensive branching and looping.

### Nontraditional Algorithms

In recent years, a variety of "nontraditional" techniques have been publicized for optimization problems of this sort. Among these methods are Simulated Annealing, Neural Network, Genetic Algorithms and Artificial Ants. The hope is that these methods can give a "more global" optimum. We plan to explore these options further in later work.

### APPENDIX H. GIS DATA SOURCES USED IN THIS STUDY

Layer	Source	Format		
GENERAL INFORMATION				
Census Population:	www.geographynetwork.com	Internet Server		
Population by block				
Population by block group				
Population by Tract				
Population by County				
Population by State				
Template Data USA:	ArcGIS 8.1, ESRIDATA	Shapefile		
Cities		_		
Capital Cities				
US Boundaries				
Rivers				
State Boundaries				
Counties				
Lakes				
Neighboring Countries				
Major Roads:				
Interstate Highways				
Limited Access				
Highways				
Local roads				
Ramps				
<b>EXISTING NATURAL GA</b>	AS INFRASTRUCTURE			
CNG Fuel Stations	Alternative Fuels Data	Geodatabase table		
Station Name	Centre			
Street Address & phone no.	www.afdc.nrel.gov/refuellin			
_	g			
Natural gas transmission	GASTRANS (USDOE)			
and distribution				
ELECTRICITY				
SYSTEM				
Coal Plants:	NETL, DOE	Geodatabase table		
E-GRID Plant File				
Coal Plants:	BEG	Shapefile		
Plant name	NETL, DOE	-		
Utility ID				
State				
Source				
Metric_Ton				

GASOLINE STATIONS	BusinessMAP Pro 2.0				
CO2 SEQUESTRATION SITES					
Brine Wells:	NETL, DOE	Geodatabase table			
State	Bureau of Economic				
County	Geology (BEG), University				
Geobasin	of Texas				
Wellname					
Upper depth					
Lower depth					
Methgrade					
PH					
Chemical composition					
Mass balance					
Sourceetc					
Formation Study Area:	BEG	Shapefile			
Clipping	NETL, DOE				
Basin					
Area					
Perimeter					
DATA FOR THE STATE (	DATA FOR THE STATE OF OHIO				
Electric Transmission	PUCO	Shapefile			
Lines:					
Length					
Electric Sub-Stations:	PUCO	Shapefile			
Name					
Railroads:	PUCO	Shapefile			
Length					

PUCO = Public Utilities Commission of Ohio

BEG = the Bureau of Economic Geology (BEG) at the University of Texas, Austin

The data matrix by the Bureau of Economic Geology (BEG) at the University of Texas, Austin provided databases. The data matrix gave extensive information about 16 parameters in 21 basins. These were illustrated as formation study areas on the map. The parameters for each basin were:

- 1. depth
- 2. permeability / hydraulic conductivity
- 3. formation thickness
- 4. net sand thickness
- 5. percent shale
- 6. continuity
- 7. top seal thickness
- 8. continuity top seal

- 9. hydrocarbon production10. fluid residence time
- 11. flow direction
- 12. a)formation temperature; b)formation pressure; c)water salinity
- 13. rock / water reaction
- 14. porosity
- 15. water chemistry
- 16. rock mineralogy

### **Data List of Ohio Project**

# Task 3: Case study of Fossil Hydrogen Production in the Midwestern US Development of GIS Database – creating the database for Ohio case study

As mentioned, the GIS is a tool for visualizing and managing geographical data, which means we used those data (i.e. the attribute table) to create maps. The following is a list of the data<sup>15</sup> used in the Ohio case study.

### 1. POWER PLANT OVER 100W

- Data Type: Shape file Feature Class
- Geometry Type: Point
- Attributes: power plant name; parent company information, capacity, etc.
- Source Detail: E-GRID2000 contains nonutility + utility-owned power plant data for years 96-98.

### 2. BRINE WELL

- Data Type: Shape file Feature Class
- Geometry Type: Point
- Attributes: geo-basin, well name, upper depth, lower depth, method, PH, calcium, chloride, magnesium, potassium, sodium, sulfate, source, etc.
- Source Detail: National Energy Technology Lab (NETL), including: [1] brine formation data, and [2] brine chemistry data.

### 3. ELECTRIC TRANSMISSION LINES

- Data Type: Shape file Feature Class
- Geometry Type: Line
- Attributes: Fnode, Tnode, length, Dbcode, etc.

### 4. RAILROADS

- Data Type: Shape file Feature Class
- Geometry Type: Line

<sup>15</sup> Some of the data may be used in our future analyses

• Attributes: Fnode, Tnode, length, Dbcode, etc.

### 5. MAJOR ROADS (i.e. HIGHWAYS, LOCAL ROADS, RAMPS)

- Data Type: Shape file Feature Class
- Geometry Type: Line
- Attributes: highway name, length, state FIP, alternative name, type of road, etc.
- Source Detail: ESRI Media Kit 2002 East USA data.

### 6. CENSUS DATA (i.e. BLOCK GROUPS)

- Data Type: Shape file Feature Class
- Geometry Type: Polygon
- Attributes: population <sup>16</sup> (2000), population density, area, number of households, etc.
- Source Detail: ESRI Media Kit 2002 East USA data.

### 7. NG PIPELINE RECEIPT POINT

- Data Type: XY Data Source
- Attributes: pipeline name, point name, purchaser, average flow, capacity, coincident, non-coincident, region, etc.

### 8. CNG STATIONS

- Data Type: Shape file Feature Class
- Geometry Type: Point
- Attributes: station name, phone number, address, etc.

### 9. NG PIPELINES (12 companies)

- Data Type: Shape file Feature Class
- Geometry Type: Line
- Attributes: length, PSIA, etc.

<sup>&</sup>lt;sup>16</sup> There is population by race, gender, renter/owner, and age.

### 10. COUNTIES

- Data Type: Shape file Feature Class
- Geometry Type: Polygon
- Attributes: name, area, perimeter, etc.

### 11. CITIES

- Data Type: Shape file Feature Class
- Geometry Type: Polygon
- Attributes: name, area, perimeter, etc.

### 12. ELECTRIC SUB-STATIONS

- Data Type: Shape file Feature Class
- Geometry Type: Point
- Attributes: name

### 13. ELECTRIC AREA

- Data Type: Shape file Feature Class
- Geometry Type: Polygon
- Attributes: name, area, perimeter, etc.

### APPENDIX I GEOGRAPHIC INFORMATION SYSTEMS (GIS) DEFINITIONS

A Geographic Information System (GIS) is a collection of computer hardware and software and geographic data designed to capture, store, manipulate, analyze, and display spatial and non-spatial information (Huxold, 1991).

GIS incorporates the elements of computer cartography and relational databases into one system, fully integrating spatial and tabular data. The most important characteristic of GIS is that every mapped feature is linked to a record in a tabular database and may be related to records in other databases as well. This linkage between maps and tabular data makes the storage and analysis of complex geographic data possible.

The first major component of GIS is spatial data. There are two fundamental approaches to representing the spatial component in a GIS: the vector model and the raster model (Figure 1). In the vector model, features in the real world are represented by the points and lines that represent their locations and boundaries, as if they were to be drawn by hand. Points, lines, and polygons are used to represent irregularly distributed geographic features in the real world (Aronoff, 1993). A line may represent a road, stream, or pipeline network. A polygon may represent a stand of trees or a building footprint (demand cluster). Points may represent light poles, individual trees, or coal power plants.

In the raster model, called a GRID in ArcView and ARC/INFO, the space is regularly subdivided into discrete cells that are almost always square. The location of geographic features is defined by the row and column position of the cells they occupy. The area that each cell represents defines the spatial resolution of the GRID. The position of geographic objects is only recorded to the nearest cell (Aronoff, 1993).

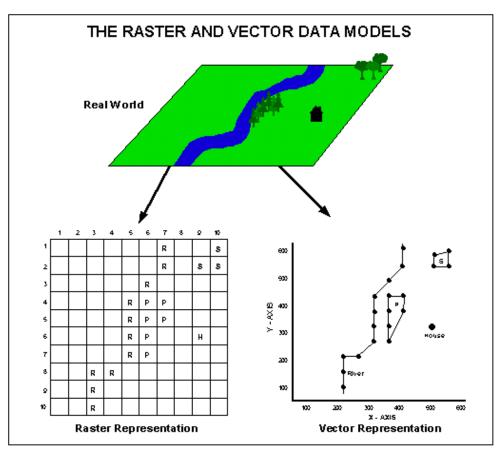


Figure 1 - Comparison of the Raster and Vector Spatial Data Models (Adapted from Aronoff, 1993)

The other major component of a GIS is a Database Management System (DBMS). A DBMS is used to store, manipulate and retrieve data from a database. It does this by storing data such that interrelationships that exist between data sets can be exploited to easily retrieve and/or manipulate that data (Healey, 1991). It is this element that makes GIS a powerful analysis tool rather than just a cartographic tool.

The power of DBMS and the utility of spatial data models allow the GIS user to make complex spatial analyses: the heart of GIS. GIS can be used to query data, such as pointing at a feature and retrieving its name, or pointing to a feature and retrieving all the attribute information about features within a certain distance of a feature (Maguire and Dangermond, 1991). This can also be done with what is called map algebra, the process of comparing spatial features in two or more map layers.

An additional component of GIS is the presentation of results. Geographic data can be represented by maps, graphs, statistical summaries and reports, tables, and lists (Maguire and Dangermond, 1991). Multimedia reports, containing many of these items, can be generated within GIS. GIS are also capable of complex cartographic modeling.

#### **ArcView GIS**

ArcView was the GIS software chosen for the current study. ArcView is a desktop GIS available from Environmental Systems Research Institute (ESRI). ArcView can view, edit, and analyze ARC/INFO coverages as well as shapefiles, a data format created specifically for ArcView. ArcView can import, analyze and export large database files in various formats, such as INFO, dBase, and comma-delimited text. ArcView also has the tools to aid in the development of maps, charts, and complex multimedia presentations.

ArcView's standard toolbox can be expanded through the use of extensions that add functionality. For example, the Spatial Analyst Extension adds the capability to create, manipulate, and analyze raster (GRID) data. Network Analyst adds the ability to create, manipulate, and analyze network-based data. Custom ArcView functions and tools can also be developed using Avenue, ArcView's programming language.

### **Avenue Programming**

Avenue is an object-oriented programming language that is part of ArcView. Avenue is fully integrated with ArcView and the custom scripts will run on any of the platforms for which ArcView is available. There are many uses for Avenue: customizing the way ArcView is used; performing certain repetitive or complex tasks; or developing a complete application that works within ArcView's graphical user interface.

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