

INTRODUCTION .....	XXVII
STUDY GOALS AND OBJECTIVES.....	XXVII
REASONS FOR DOING THE STUDY .....	XXVII
CONTRIBUTION OF THE STUDY AND FOR WHOM .....	XXVIII
SCOPE AND FORMAT .....	XXIX
METHODOLOGY .....	XXX
INFORMATION SOURCES.....	XXX
AUTHOR'S CREDENTIALS .....	XXXI
RELATED BCC PUBLICATIONS .....	XXXI
REPORTS .....	XXXI
MONTHLY NEWSLETTER .....	XXXI
BCC ON-LINE SERVICES.....	XXXII
 SUMMARY.....	 XXXIII
KEY FINDINGS OF THIS STUDY.....	XXXIII
<i>SUMMARY TABLE U.S. DEMAND FOR HYDROGEN BY APPLICATION, THROUGH</i> <i>2007 (BILLIONS OF CUBIC FEET ANNUALLY).....</i>	<i>XXXIV</i>
<i>SUMMARY FIGURE U.S. DEMAND FOR HYDROGEN BY APPLICATION, 1999-2007</i> <i>(BILLIONS OF CUBIC FEET ANNUALLY).....</i>	<i>XXXIV</i>
 INDUSTRY OVERVIEW.....	 1
INTRODUCTION .....	1
IMPORTANCE OF HYDROGEN IN PETROCHEMICALS AND RENEWABLE ENERGY PRODUCTION .....	1
OVERVIEW OF HYDROGEN PRODUCTION CAPABILITIES.....	2
<i>TABLE 1 OVERVIEW OF U.S. HYDROGEN PRODUCTION CAPABILITIES .....</i>	<i>2</i>
OVERVIEW OF HYDROGEN RECOVERY/PURIFICATION .....	3
<i>TABLE 2 OVERVIEW OF HYDROGEN RECOVERY/PURIFICATION .....</i>	<i>3</i>
IMPORTANT INDICATIONS FOR THE HYDROGEN INDUSTRY.....	4
NORTH AMERICA .....	4
THE EUROPEAN UNION .....	5
<i>TABLE 3 ANTICIPATED FUEL SPECIFICATIONS UNDER THE AUTO OIL</i> <i>PROGRAM.....</i>	<i>6</i>
ASIA.....	6
SOUTH AMERICA.....	7
AFRICA/MIDDLE EAST .....	8
OVERVIEW OF GLOBAL ECONOMIC OUTLOOK.....	8
U.S. AND NORTH AMERICA.....	8
<i>TABLE 4 GROWTH IN MAJOR U.S. INDICES, 1999-2002 .....</i>	<i>9</i>
WESTERN EUROPE .....	9
ASIA.....	10
REST OF THE WORLD.....	10
Latin America .....	10
Africa and The Middle East .....	11
HISTORY OF THE HYDROGEN INDUSTRY.....	11

THE LAST DECADE .....	11
YEARS OF CHANGE AND GROWTH .....	11
THE FUTURE .....	12
DESCRIPTION OF THE HYDROGEN INDUSTRY .....	12
MAJOR APPLICATIONS FOR HYDROGEN.....	12
<i>TABLE 5 OVERVIEW OF MERCHANT HYDROGEN MARKETS/APPLICATIONS.....</i>	<i>12</i>
<i>TABLE 5 (CONTINUED).....</i>	<i>13</i>
OVERVIEW OF HYDROGEN CONSUMPTION STRUCTURE .....	13
Nonenergetic.....	13
Indirect Energetic.....	14
<i>TABLE 6 OVERVIEW OF WORLD AND U.S. HYDROGEN CONSUMPTION</i>	
<i>STRUCTURE .....</i>	<i>15</i>
FUTURE EFFECT OF HYDROGEN IN PETROCHEMICALS AND	
RENEWABLE ENERGY.....	15
OVERVIEW OF KEY FINDINGS FROM THE STUDY.....	16
OVERVIEW OF KEY FINDINGS FROM THE STUDY	
(CONTINUED).....	17
GOVERNMENT REGULATIONS AND LEGISLATION .....	18
INTRODUCTION .....	18
REGULATIONS AND LEGISLATION.....	18
BIOMASS RESEARCH AND DEVELOPMENT ACT OF 2000	
(BRDA) .....	19
U.S. TRANSPORTATION EQUITY ACT FOR THE 21ST	
CENTURY (TEA-21).....	19
CLEAN AIR AMENDMENTS ACT OF 1990 (CAAA).....	20
ENERGY POLICY ACT OF 1992 (EPACT) .....	20
ALTERNATIVE MOTOR FUELS ACT OF 1988 (AMFA) .....	20
HYDROGEN FUTURE ACT OF 1996 (HFA) .....	20
PUBLIC UTILITY REGULATORY POLICY ACT OF 1978	
(PURPA) .....	21
NATIONAL ENERGY SECURITY ACT OF 2001 (NESA) .....	21
RESOURCE CONSERVATION AND RECOVERY ACT OF 1976	
(RCRA).....	21
EXECUTIVE ORDER 12856 .....	22
EPACT TITLE V .....	22
EPACT Title V (Continued) .....	23
INDUSTRY STRUCTURE AND COMPETITIVE ASPECTS .....	24
INTRODUCTION .....	24
PETROLEUM .....	25
PETROCHEMICALS.....	25
AGRICULTURE.....	26
RENEWABLE ENERGY .....	27
ENVIRONMENT .....	27

FOODS AND BEVERAGES .....	27
MANUFACTURING INDUSTRY .....	28
COMPETITIVE ASPECTS OF HYDROGEN .....	28
HYDROGEN RECOVERY FROM PURGE GAS AND OFFGAS	
STREAMS .....	29
TABLE 7 TYPICAL HYDROGEN CONTENT OF VARIOUS PURGE/OFFGAS	
STREAMS .....	29
Increased Hydrogen Supply .....	30
TABLE 8 MEMBRANE HYDROGEN RECOVERY SYSTEM (MHRS) ECONOMICS (\$	
THOUSANDS) .....	30
EXPANDING AN ALREADY EXISTING FACILITY	
(REVAMPING) .....	30
Expanding an Already Existing Facility (Revamping)	
(Continued) .....	31
Investment Cost and Utilities Consumption .....	32
TABLE 9 INVESTMENT REQUIRED FOR REVAMPING .....	32
TABLE 10 SPECIFIC FEEDSTOCK AND UTILITIES CONSUMPTION (BASIS OF 1	
NM <sup>3</sup> OF HYDROGEN) .....	33
TABLE 11 REQUIRED FEEDSTOCK AND UTILITIES COSTS FOR HYDROGEN	
PRODUCTION* (BASIS OF \$/NM <sup>3</sup> OF HYDROGEN) .....	33
BUILDING A “MAKE” CASE FOR A NEW HYDROGEN	
PRODUCTION FACILITY .....	34
Cogeneration .....	34
HYDROGEN FROM A MERCHANT SUPPLIER (“BUY” CASE	
INVOLVING A THIRD-PARTY) .....	35
TABLE 12 “MAKE” vs. “BUY” ANALYSIS: HYDROGEN CASE (%) .....	35
Risk Sharing and Allocation .....	35
TABLE 13 RISK SHARING AT THE AMUAY REFINING COMPLEX, VENEZUELA .....	36
Operating Costs .....	36
THE EXPERIENCE OF PETROCANADA PRODUCTS .....	37
SHARED PLANT BENEFIT .....	37
HYDROGEN SALES .....	37
LONG-TERM CONTRACTS .....	38
GROWTH .....	38
HYDROGEN PROJECT ECONOMICS .....	39
DELEGATING PLANT FUNCTIONS .....	40
MARKET DRIVERS AND TRENDS .....	40
Lower Quality Crude Oil .....	41
Environmental Legislation .....	41
Power Industry Deregulation .....	41
Aging and Inefficient Facilities .....	42
Technology .....	42
MARKET IMPACT .....	42
BENEFITS OF HYDROGEN, STEAM AND POWER INTEGRATION .....	43
INTEGRATED PROJECT EXECUTION .....	43
ECONOMIES OF SCALE .....	44

IMPROVED ENERGY EFFICIENCY .....	44
ENHANCED RELIABILITY .....	44
ENVIRONMENTAL PERFORMANCE .....	45
OPERATIONS AND MAINTENANCE SYNERGY .....	45
SIMPLIFIED CONTRACT MANAGEMENT .....	45
COMPARATIVE ECONOMIC ANALYSIS OF HYDROGEN DEMAND.....	45
<i>TABLE 14 BASE-CASE ECONOMIC PARAMETERS .....</i>	<i>46</i>
COMPARATIVE EVALUATION OF HYDROGEN	
PRODUCTION FEEDSTOCK COSTS .....	46
Natural Gas .....	47
Low-value Refinery Offgas .....	47
Coal .....	47
Heavy Residues and Petroleum Coke .....	48
Naphtha .....	48
Municipal Waste .....	48
Electricity (off-peak) .....	49
<i>TABLE 15 U.S. PRICES OF HYDROGEN PRODUCTION FEEDSTOCK, THROUGH</i>	
<i>2007 (\$/MMBTU) .....</i>	<i>49</i>
HYDROGEN PRICING/COST .....	49
U.S. COST OF HYDROGEN PRODUCTION/DELIVERY BY	
TYPE OF RECOVERY/PURIFICATION.....	50
Pressure Swing Adsorption .....	50
Cryogenics .....	50
Catalytic Purification .....	50
Membranes .....	51
<i>TABLE 16 COST OF U.S. HYDROGEN PRODUCTION BY</i>	
<i>RECOVERY/PURIFICATION FEEDSTOCK, THROUGH 2007 (\$/1,000</i>	
<i>STANDARD CUBIC FEET OF HYDROGEN).....</i>	<i>51</i>
U.S. HYDROGEN COST AND PLANT INVESTMENT BY	
PRODUCTION/ DELIVERY TECHNOLOGY TYPE AND	
PLANT SIZE .....	51
Steam Methane Reforming .....	52
Partial Oxidization of Heavy Oil.....	52
Water Electrolysis .....	53
Captive Plants .....	53
<i>TABLE 17 U.S. HYDROGEN COST AND PLANT INVESTMENT BY</i>	
<i>PROCESS/DELIVERY TECHNOLOGY TYPE AND PLANT SIZE .....</i>	<i>54</i>
TECHNICAL AND ORGANIZATIONAL ASPECTS OF THE	
HYDROGEN INDUSTRY .....	54
CAPTIVE.....	54
MERCHANT .....	55
HYDROGEN-TO-MARKETS AND DISTRIBUTION	
CHANNELS .....	55
EXTERNAL ISSUES CONTROLLING THE DEVELOPMENT OF	
HYDROGEN PROJECTS.....	56

BUSINESS EVALUATION OF HYDROGEN FOR PETROCHEMICALS AND RENEWABLE ENERGY PRODUCTION .....	57
COGENERATION.....	58
ECONOMICS OF HYDROGEN PRODUCTION BY CHEMICAL CONVERSION.....	58
TABLE 18 <i>ECONOMICS OF HYDROGEN PRODUCTION USING GASIFICATION AND STEAM REFORMING</i> .....	59
TABLE 19 <i>HYDROGEN PRODUCTION PROJECT JUSTIFICATION</i> .....	60
COST REDUCTION IN THE HYDROGEN PRODUCTION AND USE CHAIN .....	60
FIGURE 1 <i>THE HYDROGEN DISTRIBUTION CHAIN</i> .....	61
COMPETITIVE ASPECTS.....	61
FEEDSTOCK.....	62
FIGURE 2 <i>HYDROGEN TECHNOLOGY COMPETITIVE FEEDSTOCK OPTIONS</i> .....	62
REFORMING TECHNOLOGY.....	63
TABLE 20 <i>COMPARISON OF SYNTHESIS GAS GENERATION TECHNOLOGIES (NATURAL GAS FEED)</i> .....	63
TABLE 21 <i>TECHNIQUES FOR ADJUSTING SYNTHESIS GAS H<sub>2</sub>/CO RATIOS</i> .....	64
TABLE 22 <i>APPROXIMATE VARIATION IN H<sub>2</sub>/CO RATIO FOR NATURAL GAS FEED</i> .....	64
MAJOR U.S. INDUSTRIAL GAS PLAYERS .....	65
AIR LIQUIDE.....	66
PRAXAIR.....	67
Praxair (Continued).....	68
AIR PRODUCTS .....	69
BOC.....	69
AIRGAS .....	70
MESSER GRIESHAM .....	70
LINDE/AGA.....	70
NIPPON SANZO .....	70
OTHERS .....	70
TABLE 23 <i>U.S. MAJOR INDUSTRIAL GAS PLAYERS BY MARKET VALUE, 1999- 2002 (\$ BILLIONS)</i> .....	71
COMPANY RESULTS.....	71
TABLE 24 <i>U.S. RESULTS FOR MAJOR CHEMICAL, PHARMACEUTICAL, BIOPHARMACEUTICAL AND RENEWABLE ENERGY COMPANIES</i> .....	72
TABLE 24 (CONTINUED).....	73
TABLE 24 (CONTINUED).....	74
TABLE 24 (CONTINUED).....	75
TABLE 24 (CONTINUED).....	76
U.S. HYDROGEN DEMAND BY APPLICATION .....	77
INTRODUCTION .....	77
TABLE 25 <i>U.S. HYDROGEN DEMAND BY APPLICATION, THROUGH 2007 (BILLION CUBIC FEET/DAY)</i> .....	78
FIGURE 3 <i>U.S. HYDROGEN DEMAND BY APPLICATION, 1999-2007 (BILLION CUBIC FEET/DAY)</i> .....	79

U.S. CAPTIVE (BULK) HYDROGEN DEMAND.....	79
TABLE 26 U.S. CAPTIVE (BULK) HYDROGEN DEMAND BY APPLICATION, THROUGH 2007 (BILLION CUBIC FEET/DAY).....	80
PETROLEUM .....	80
TABLE 27 U.S. HYDROGEN DEMAND BY PETROLEUM TYPE, THROUGH 2007 (BILLION CUBIC FEET/DAY).....	80
ON-PURPOSE HYDROGEN DEMAND .....	81
REDUCTION OF AROMATICS IN GASOLINE (REPLACING LOSS OF BY-PRODUCT H <sub>2</sub> FROM THE REFORMER).....	81
REDUCTION OF HEAVY ENDS (T90) .....	82
REDUCTION OF AROMATICS IN DIESEL.....	82
REDUCTION OF SULFUR IN DIESEL.....	82
TABLE 28 U.S. ON-PURPOSE HYDROGEN DEMAND BY REFINING TYPE, THROUGH 2007 (BILLION CUBIC FEET/DAY).....	83
BY-PRODUCT HYDROGEN DEMAND .....	83
Membranes .....	83
Cryogenic .....	84
Adsorption.....	84
Other .....	84
TABLE 29 U.S. BY-PRODUCT HYDROGEN DEMAND BY RECOVERY TYPE, THROUGH 2007 (MILLION CUBIC FEET /DAY).....	85
HEAVY CHEMICALS .....	85
TABLE 30 U.S. METHANOL DEMAND, THROUGH 2007 (MILLION U.S. GALLONS PER YEAR).....	85
U.S. METHANOL DEMAND BY APPLICATION TYPE.....	86
Methyl T-butyl Ether (MTBE) .....	86
Formaldehyde .....	86
Acetic Acid.....	86
Other Applications.....	87
TABLE 31 U.S. METHANOL DEMAND BY APPLICATION, THROUGH 2007 (MILLIONS OF U.S. GALLONS PER YEAR).....	88
AGRICULTURE.....	88
TABLE 32 U.S. AMMONIA DEMAND, THROUGH 2007 (1,000 METRIC TONS OF NITROGEN PER YEAR).....	89
U.S. AMMONIA DEMAND BY APPLICATION TYPE.....	89
FERTILIZER .....	89
PLASTICS, SYNTHETIC FIBERS AND RESINS .....	90
EXPLOSIVES .....	90
CHEMICALS .....	90
ENVIRONMENTAL ABATEMENT.....	90
TABLE 33 U.S. AMMONIA DEMAND BY APPLICATION (1,000 METRIC TONS OF NITROGEN PER YEAR).....	91
U.S. MERCHANT HYDROGEN DEMAND .....	91
TABLE 34 U.S. MERCHANT HYDROGEN DEMAND BY APPLICATION, THROUGH 2007 (BILLION CUBIC FEET PER YEAR).....	92
FIGURE 4 U.S. MERCHANT HYDROGEN DEMAND BY APPLICATION, 1999-2007 (BILLION CUBIC FEET/YEAR).....	92
U.S. INDUSTRIAL HYDROGEN DEMAND.....	92

PETROLEUM REFINING.....	93
SPECIALTY CHEMICALS.....	93
METALLURGY.....	94
EDIBLE FATS AND OILS.....	94
DRINKING WATER DENITRIFICATION.....	94
LABORATORY RESEARCH AND DEVELOPMENT.....	95
ELECTRONICS INDUSTRY.....	95
GLASS MANUFACTURE.....	95
POWER UTILITIES.....	96
<i>TABLE 35 U.S. INDUSTRIAL HYDROGEN DEMAND BY APPLICATION (BILLION CUBIC FEET PER YEAR).....</i>	<i>96</i>
U.S. RENEWABLE ENERGY HYDROGEN DEMAND.....	96
<i>TABLE 36 U.S. HYDROGEN DEMAND IN RENEWABLE ENERGY BY TYPE, THROUGH 2007 (BILLION CUBIC FEET PER YEAR).....</i>	<i>97</i>
FUEL CELLS.....	97
Power Requirements.....	98
<i>TABLE 37 U.S. RENEWABLE ENERGY HYDROGEN DEMAND IN FUEL CELLS BY POWER REQUIREMENT TYPE, THROUGH 2007 (BILLION CUBIC FEET PER YEAR).....</i>	<i>99</i>
Fuel Storage/Supply Options.....	99
<i>TABLE 38 COMPARISON OF WEIGHT AND VOLUME OF HYDROGEN AND GASOLINE STORAGE METHODS EQUIVALENT TO 50 LITERS (13 GALLONS) OF GASOLINE.....</i>	<i>100</i>
Compressed Hydrogen Storage.....	100
Liquid Hydrogen Storage.....	100
Metal Hydrides.....	101
Carbon Nanotubes.....	102
Glass Microspheres.....	102
<i>TABLE 39 U.S. RENEWABLE ENERGY HYDROGEN DEMAND FOR IN FUEL CELLS BY ON-BOARD FUEL STORAGE OPTION TYPES, THROUGH 2007 (BILLION CUBIC FEET PER YEAR).....</i>	<i>103</i>
FUEL CELL APPLICATION BY END-USE.....	103
<i>TABLE 40 U.S. RENEWABLE ENERGY HYDROGEN DEMAND FOR FUEL CELLS BY APPLICATION TYPE, THROUGH 2007 (BILLION CUBIC FEET PER YEAR).....</i>	<i>103</i>
Transportation.....	104
Buses and Trucks.....	104
Vans and Passenger Cars.....	105
<i>TABLE 41 U.S. RENEWABLE ENERGY HYDROGEN DEMAND FOR FUEL CELLS BY TRANSPORTATION TYPE, THROUGH 2007 (BILLION CUBIC FEET PER YEAR).....</i>	<i>105</i>
Stationary.....	105
Household and Factory.....	106
Portable.....	106
<i>TABLE 42 U.S. RENEWABLE ENERGY HYDROGEN DEMAND FOR STATIONARY TYPE FUEL CELLS, THROUGH 2007 (BILLION CUBIC FEET PER YEAR).....</i>	<i>107</i>
Electrolyte.....	107
Phosphoric Acid (PAFC).....	107
Proton Exchange Membrane (PEMFC).....	107

Molten Carbonate (MCFC).....	108
Alkaline (AFC) .....	108
Solid Oxide (SOFC).....	108
<i>TABLE 43 U.S. RENEWABLE ENERGY HYDROGEN DEMAND IN FUEL CELLS BY ELECTROLYTE TYPE, THROUGH 2007 (BILLION CUBIC FEET PER YEAR).....</i>	<i>108</i>
INTERNAL COMBUSTION.....	109
SPACE TRANSPORTATION .....	109
Launching Spacecraft and Space Exploration .....	109
Weather Programs.....	110
<i>TABLE 44 U.S. RENEWABLE ENERGY HYDROGEN DEMAND BY SPACE TRANSPORTATION TYPE, THROUGH 2007 (BILLION CUBIC FEET PER YEAR).....</i>	<i>111</i>
MILITARY STEALTH USES .....	112
Portable Devices .....	112
Mobile Electric Power.....	112
Fixed Power Applications.....	113
<i>TABLE 45 U.S. RENEWABLE ENERGY HYDROGEN DEMAND FOR MILITARY USE, THROUGH 2007 (BILLION CUBIC FEET PER YEAR).....</i>	<i>114</i>
 HYDROGEN DEMAND BY TECHNOLOGY TYPE.....	115
INTRODUCTION .....	115
U.S. HYDROGEN DEMAND BY PROCESS TECHNOLOGY .....	115
STEAM REFORMATION .....	115
PARTIAL OXIDIZATION.....	116
GASIFICATION .....	116
ELECTROLYSIS.....	117
OFF GAS RECOVERY.....	117
<i>TABLE 46 U.S. HYDROGEN DEMAND BY PROCESS TECHNOLOGY, THROUGH 2007 (BILLION CUBIC FEET PER DAY).....</i>	<i>118</i>
<i>FIGURE 5 U.S. HYDROGEN DEMAND BY PROCESS TECHNOLOGY, THROUGH 2007 (BILLION CUBIC FEET/DAY).....</i>	<i>118</i>
U.S. HYDROGEN DEMAND BY CATALYST TECHNOLOGY .....	118
REFORMING/ SYNTHESIS GAS	
PRODUCTION/PURIFICATION CATALYSTS .....	119
HYDROPROCESSING CATALYSTS.....	119
CATALYTIC CRACKING CATALYSTS .....	119
ALKYLATION CATALYSTS .....	119
<i>TABLE 47 U.S. HYDROGEN DEMAND BY CATALYST TECHNOLOGY, THROUGH 2007 (\$ MILLIONS).....</i>	<i>120</i>
U.S. HYDROGEN DEMAND BY FEEDSTOCK TECHNOLOGY.....	120
NATURAL GAS.....	120
LOW VALUE REFINERY OFFGAS .....	120
COAL .....	121
HEAVY RESIDUES AND PETROLEUM COKE .....	121
NAPHTHA.....	121
MUNICIPAL WASTE .....	122
ELECTRICITY (OFF-PEAK).....	122



<i>TABLE 48 U.S. HYDROGEN DEMAND FEEDSTOCK TECHNOLOGY, THROUGH 2007 (\$/MMBTU)</i> .....	122
--	-----

U.S. HYDROGEN DEMAND BY RECOVERY AND PURIFICATION TECHNOLOGY .....	123
PRESSURE SWING ADSORPTION .....	124
CRYOGENIC .....	124
CATALYTIC AND METAL HYDRIDE PURIFICATION .....	124
MEMBRANES .....	125

<i>TABLE 49 U.S. HYDROGEN DEMAND BY SEPARATION AND PURIFICATION TECHNOLOGY, THROUGH 2007 (BILLION CUBIC FEET PER DAY)</i> .....	125
---	-----

U.S. HYDROGEN DEMAND BY STORAGE AND DISTRIBUTION TECHNOLOGY .....	125
PACKAGED IN CYLINDERS .....	126
BULK SHIPMENTS .....	126
ON-SITE PLANTS AND PIPELINES .....	127

<i>TABLE 50 U.S. MERCHANT HYDROGEN DEMAND BY STORAGE AND DISTRIBUTION TECHNOLOGY, THROUGH 2007 (BILLION CUBIC FEET/YEAR)</i> .....	127
--	-----

TECHNOLOGY .....	128
INTRODUCTION .....	128
REFORMING TECHNOLOGY .....	129
ADIABATIC PREREFORMING .....	130
TUBULAR (OR PRIMARY) REFORMING .....	130
ADVANCED REFORMING .....	130
SULFUR-PASSIVATED REFORMING .....	131
AUTOTHERMAL REFORMING (CATALYTIC PARTIAL OXIDATION) .....	131
TWO-STEP REFORMING OR COMBINED TUBULAR/SECONDARY REFORMING .....	131
HEAT EXCHANGE REFORMING .....	132
CARBON DIOXIDE (CO <sub>2</sub> ) REFORMING OF METHANE .....	132
NONCATALYTIC PARTIAL OXIDATION .....	133
HYDROGEN SHIFT CONVERSION AND METHANATION .....	133
SHIFT CONVERSION .....	134
METHANATION .....	134
AMMONIA SYNTHESIS TECHNOLOGY .....	134
LOW-ENERGY AMMONIA SYNTHESIS TECHNOLOGY .....	134
Low-Energy Ammonia Synthesis Technology (Continued) .....	135
METHANOL SYNTHESIS TECHNOLOGY .....	136
NEW DESIGN CONCEPTS FOR METHANOL PLANTS .....	137
FISCHER-TROPSCH (FT) SYNTHESIS TECHNOLOGY .....	138
SYNTHESIS OF DIMETHYLETHER (DME) OR METHANOL/DME MIXTURES (OXYGENATE SYNTHESIS) .....	139

Topsøe Integrated Gasoline Synthesis (TIGAS)	
Technology.....	139
Acetic Acid Synthesis Technology.....	139
Formaldehyde Synthesis Technology .....	140
PETROLEUM REFINING TECHNOLOGY.....	140
HYDROPROCESSING TECHNOLOGIES .....	141
TABLE 51 HYDROTREATING REACTIONS OF DIFFERENT REFINERY SYSTEMS .....	141
TABLE 51 (CONTINUED).....	142
TWO-STAGE DIESEL IMPROVEMENT TECHNOLOGY.....	142
RENEWABLE ENERGY TECHNOLOGY IN FUEL CELLS.....	143
CATALYST TECHNOLOGY .....	144
FEED PURIFICATION .....	144
REFORMING AND PARTIAL OXIDATION.....	144
CARBON MONOXIDE (CO) CONVERSION .....	144
METHANATION.....	145
AMMONIA SYNTHESIS .....	145
FORMALDEHYDE PRODUCTION.....	145
HYDROPROCESSING .....	145
FISCHER TROPSCH SYNTHESIS CATALYSTS .....	146
LONG-TERM TRENDS IN HYDROGEN PRODUCTION CATALYSTS ....	146
NEW CATALYTIC PROCESSING SCHEMES .....	147
FIGURE 6 THIRD-PARTY APPROACH TO PARTIAL REFINERY/H <sub>2</sub> PLANT	
INTEGRATION.....	148
NEAR-TERM TRENDS IN HYDROGEN PRODUCTION CATALYST	
RESEARCH .....	149
THE U.S. GASOLINE POOL.....	149
THE U.S. DIESEL POOL .....	150
TABLE 52 HISTORICAL AND FUTURE TRENDS IN U.S. GASOLINE AND DIESEL	
SPECIFICATIONS.....	150
NEAR-TERM RFG AND DIESEL CATALYST TRENDS.....	151
TABLE 53 NEAR-TERM TRENDS IN RFG PRODUCTION CATALYSTS.....	151
TABLE 54 NEAR-TERM DEVELOPMENTS IN DIESEL PRODUCTION CATALYSTS .....	152
HYDROGEN SUPPLY AND DISTRIBUTION TECHNOLOGY.....	152
HYDROGEN STORAGE TECHNOLOGY .....	153
LIQUEFACTION TECHNOLOGY.....	153
COMPRESSION TECHNOLOGY .....	153
HYDROGEN HEALTH AND SAFETY ISSUES .....	154
TABLE 55 SELECTED SAFETY CHARACTERISTICS OF HYDROGEN IN	
COMPARISON TO OTHER FUELS AND PRODUCTS.....	155
TECHNOLOGY DEVELOPMENT.....	155
TABLE 56 TECHNOLOGY DEVELOPMENTS.....	155
TABLE 56 (CONTINUED).....	156
PRODUCT DEVELOPMENTS AND IMPORTANT	
APPROACHES.....	157
TABLE 57 PRODUCT DEVELOPMENTS AND APPROACHES .....	157
PROCESSES AND APPLICATIONS .....	158
TABLE 58 PROCESSES AND APPLICATIONS.....	158

TABLE 59 CONVENTIONAL AND IMPROVED CATALYSTS FOR GASOLINE PRODUCTION.....	159
TABLE 60 CONVENTIONAL AND IMPROVED CATALYSTS FOR DIESEL PRODUCTION.....	159
TABLE 60 (CONTINUED).....	160
TABLE 61 RECENT AND PAST DEVELOPMENTS IN MIDDLE DISTILLATE HYDROTREATING PROCESSES.....	160
TABLE 61 (CONTINUED).....	162
ESTABLISHED PROCESSES .....	162
TABLE 62 SYNTHESIS GAS PRODUCTION TECHNOLOGY COMPARISON FOR F-T FUEL PRODUCTION.....	163
NEW TECHNOLOGIES FOR SYNGAS AND HYDROGEN PRODUCTION.....	163
ICI .....	164
M W KELLOGG.....	164
EMERGING TECHNOLOGIES AND MODIFICATION OF EXISTING TECHNOLOGIES.....	165
HYDROGEN PRODUCTION TECHNOLOGIES.....	165
THERMOCHEMICAL PRODUCTION TECHNOLOGIES.....	165
Natural Gas Steam Reforming .....	165
Partial Oxidation/Ceramic Membrane Reactor.....	166
Plasma Reforming .....	167
Biomass Gasification and Pyrolysis.....	167
ELECTROLYTIC PRODUCTION TECHNOLOGIES.....	167
Water Electrolysis .....	167
Reversible Fuel Cells and Electrolyzers .....	168
PHOTOLYTIC PRODUCTION TECHNOLOGIES .....	168
Photobiological.....	168
Photoelectrolysis.....	168
HYDROGEN TRANSPORTATION AND STORAGE TECHNOLOGIES.....	169
Compressed Gas Storage Tanks .....	169
Hydrides (High- and Low-temperature).....	170
Gas-on-Solid Adsorption.....	170
HYDROGEN USE AND ITS ENABLING TECHNOLOGIES.....	171
Fuel Cells .....	171
Internal Combustion Engines .....	171
Hydrogen Sensors.....	172
PATENT EVALUATION .....	172
SYNTHESIS GAS PRODUCTION AND PREPARATIONS.....	172
CATALYTIC SYSTEMS .....	173
SEPARATION SYSTEMS.....	173
REACTOR AND DELIVERY SYSTEMS .....	173
CONVERSION PROCESSES .....	174
ENERGY AND POWER SYSTEMS .....	174
HYDROGEN PRODUCTION AND PURIFICATION SYSTEMS.....	174

OTHER RELATED SYSTEMS.....	174
<i>TABLE 63 U.S. PATENT AWARDS FOR HYDROGEN PROCESS TECHNOLOGIES, 1999-2002.....</i>	<i>175</i>
U.S. INVESTMENT IN HYDROGEN/SYNGAS TECHNOLOGIES.....	175
U.S. INVESTMENT IN HYDROGEN/SYNGAS TECHNOLOGIES (CONTINUED) .....	176
<i>TABLE 64 U.S. INVESTMENTS IN HYDROGEN TECHNOLOGIES, THROUGH 2007 (\$ MILLIONS).....</i>	<i>177</i>
COMPANY EXPERTISE.....	178
ANALYTIC POWER CORP. ....	178
HENDERSON INTERNATIONAL TECHNOLOGIES, INC. ....	178
ARCHON INDUSTRIES.....	178
HYDROGEN SYSTEMS N.V.....	179
ENRG.....	180
GENERAL MOTORS .....	180
AIR PRODUCTS AND CHEMICALS .....	180
JOHNSON MATTHEY PLC.....	181
MILLENNIUM CELL, INC. ....	182
THE LINCOLN ELECTRIC CO.....	183
LEADERS IN RESEARCH AND DEVELOPMENT .....	183
THE SHATZ ENERGY RESEARCH CENTER (SERC).....	183
BLACKLIGHT POWER.....	183
FUELCELL ENERGY, INC.....	184
CATALYTICA ENERGY SYSTEMS, INC. ....	184
EMEX CORP. ....	184
CERAMIC FUEL CELLS, LTD. ....	184
CONVERGENCE RESEARCH.....	185
ENERGY INTERNATIONAL.....	185
ENERGY RESEARCH CO.....	185
RLW ANALYTICS, INC.....	185
SUNPOWER.....	186
T/J TECHNOLOGIES, INC.....	186
TRANS IONICS CORP. ....	186
ECD OVONICS .....	186
HYDROGEN PROCESSES AND LICENSORS/CONTRIBUTORS .....	186
HYDROGEN/SYNGAS PRODUCTION AND RECOVERY .....	186
HYDROGEN PRODUCTION (STEAM REFORMING) .....	187
HYDROGEN RECOVERY/PURIFICATION (CRYOGENIC) .....	187
HYDROGEN RECOVERY AND PURIFICATION (POLYDEB).....	188
HYDROGEN PRODUCTION (HALDOR TOPSOE CONVECTIVE REFORMER).....	188
HYDROGEN (MEDAL).....	188
<i>TABLE 65 EFFECT OF FEED PRESSURE ON HYDROGEN RECOVERY COST.....</i>	<i>189</i>
HYDROGEN RECOVERY/PURIFICATION (CRYOFINING) .....	189

INTERNATIONAL .....	189
INTRODUCTION .....	189
NATIONAL PROGRAMS .....	189
Japan.....	189
Germany.....	190
Canada .....	191
Russia.....	191
INTERNATIONAL PROGRAMS .....	192
IEA .....	192
Euro-Quebec.....	192
European EIHP Project.....	193
FUEL CELL PROGRAMS .....	193
Transportation Applications .....	193
Honda FCV Receives Government Certification, Will Lease Vehicles by the End of 2002.....	193
Nissan to Sell Fuel Cell Cars in 2003 .....	194
Palcan Introduces New Fuel Cell Stack .....	194
Japan to Launch Test Project.....	194
Hydrogenics Receives Orders for Fuel Cells and Test Systems.....	194
Stationary Power .....	195
Plug Power Introduces GenSys™5C .....	195
Flint Energies Installs Plug Power Fuel Cell.....	195
UTC Installs Unit at Health Center .....	195
Montana State to Evaluate Global Fuel Cell.....	195
GM to Sell Back-up Power Systems.....	196
Ballard Generation Systems Enters Deal with Osaka, Ebara .....	196
Millennium Cell and Aperion Announce Agreement ...	196
TMI Receives ATP Award.....	196
Portable Power.....	197
GES Demonstrates New DMFC System.....	197
Polyfuel Secures \$15.6 Million in Funding.....	197
Medis Looks to Enter Japanese Fuel Cell Market .....	197
Fuels/Reformers/Storage .....	197
Shell to Build Tokyo's First Hydrogen Station.....	197
NOAA Purchases Hydrogen Generators from Proton.....	197
Quantum to Deliver Storage System .....	198
Hawaii Receives Grant for Fuel Cell Project .....	198
Dynetek Successfully Tests 12,500psi Storage Cylinder.....	198
Fuel Cell Components .....	198
SMP Signs MOU with Heraeus.....	198

Nuvera Signs Agreement with Renault.....	199
U.S. CONSUMPTION OF HYDROGEN .....	199
TABLE 66 U.S. HYDROGEN CONSUMPTION, THROUGH 2007 (BILLION CUBIC FEET PER DAY).....	199
U.S. CONSUMPTION OF REFINED (HYDROGENATED) PETROLEUM PRODUCTS .....	199
PRODUCTION .....	200
IMPORTS .....	200
EXPORTS .....	200
TABLE 67 U.S. CONSUMPTION OF REFINED (HYDROGENATED) PETROLEUM PRODUCTS, THROUGH 2007 (1,000 BARRELS PER DAY).....	201
U.S. METHANOL CONSUMPTION.....	201
U.S. PRODUCTION .....	201
IMPORTS .....	202
EXPORTS .....	202
TABLE 68 PROJECTED U.S. METHANOL CONSUMPTION, THROUGH 2007 (MILLION U.S. GALLONS PER YEAR).....	202
U.S. AMMONIA CONSUMPTION .....	202
PRODUCTION .....	203
IMPORTS .....	203
EXPORTS .....	204
TABLE 69 PROJECTED U.S. AMMONIA CONSUMPTION, THROUGH 2007 (1,000 METRIC TONS OF NITROGEN PER YEAR).....	204
U.S. PETROLEUM PRODUCT IMPORTS BY REGION.....	204
U.S. CRUDE OIL IMPORTS BY REGION .....	204
NORTH AMERICAN CRUDE EXPORTS TO THE U.S. ....	204
EUROPEAN CRUDE OIL EXPORTS TO THE U.S.....	205
ASIAN CRUDE EXPORTS TO THE U.S.....	205
REST-OF-WORLD CRUDE EXPORTS TO THE U.S. ....	205
TABLE 70 U.S. SOURCES OF CRUDE OIL IMPORTS, THROUGH 2007 (1,000 BARRELS PER DAY).....	206
TABLE 71 REGIONAL SHARE OF CRUDE IMPORTS TO THE U.S., 1999-2007 (%).....	206
U.S. REFINED (HYDROGENATED) PETROLEUM IMPORTS BY REGION.....	207
NORTH AMERICAN EXPORTS OF REFINED PETROLEUM PRODUCTS TO THE U.S. ....	207
EUROPEAN EXPORTS OF REFINED PETROLEUM PRODUCTS TO THE U.S. ....	207
REST-OF-WORLD EXPORT OF REFINED PETROLEUM PRODUCTS TO THE U.S. ....	207
Africa/Middle East.....	207
South America .....	208
TABLE 72 SOURCES OF REFINED (HYDROGENATED) PETROLEUM IMPORTS TO THE U.S., THROUGH 2007 (1,000 BARRELS PER DAY).....	208
TABLE 72 (CONTINUED).....	209
GLOBAL HYDROGEN DEMAND BY CATEGORY .....	209
GLOBAL BULK HYDROGEN DEMAND.....	209

GLOBAL MERCHANT HYDROGEN DEMAND (EXCLUDING FUEL CELLS).....	209
GLOBAL FUEL CELL HYDROGEN DEMAND .....	210
TABLE 73 GLOBAL HYDROGEN DEMAND BY CATEGORY, THROUGH 2007 (BILLION CUBIC FEET/DAY).....	210
FIGURE 7 GLOBAL HYDROGEN DEMAND BY CATEGORY, THROUGH 2007 (BILLION CUBIC FEET/DAY).....	211
GLOBAL HYDROGEN DEMAND BY REGION.....	211
NORTH AMERICAN HYDROGEN DEMAND.....	211
EUROPEAN HYDROGEN DEMAND .....	212
ASIAN HYDROGEN DEMAND .....	212
REST-OF-WORLD HYDROGEN DEMAND .....	213
TABLE 74 GLOBAL HYDROGEN DEMAND BY REGION, THROUGH 2007 (BILLION CUBIC FEET/DAY).....	213
FIGURE 8 GLOBAL HYDROGEN DEMAND BY REGION, THROUGH 2007 (BILLION CUBIC FEET/DAY).....	214
WORLD HYDROGEN PRODUCTION AND USE PROJECTS, 2002 TO 2007.....	214
TABLE 75 GASOLINE AND DIESEL SULFUR STANDARDS.....	214
TABLE 75 (CONTINUED).....	215
NORTH AMERICA .....	215
TABLE 76 NORTH AMERICA HYDROGEN/HYDROGENATION PLANTS, 2002-2007.....	215
TABLE 76 (CONTINUED).....	216
TABLE 76 (CONTINUED).....	217
TABLE 76 (CONTINUED).....	218
EUROPE.....	218
TABLE 77 EUROPEAN HYDROGEN/HYDROGENATION PLANTS, 2002-2007.....	219
TABLE 77 (CONTINUED).....	220
TABLE 77 (CONTINUED).....	221
TABLE 77 (CONTINUED).....	222
ASIA.....	222
TABLE 78 ASIAN HYDROGEN/HYDROGENATION PLANTS, 2002-2007 .....	223
TABLE 78 (CONTINUED).....	224
TABLE 78 (CONTINUED).....	225
REST-OF-THE-WORLD .....	225
TABLE 79 REST-OF-WORLD HYDROGEN/HYDROGENATION PLANTS, 2002-2007 .....	226
TABLE 79 (CONTINUED).....	227
TABLE 79 (CONTINUED).....	228
TABLE 79 (CONTINUED).....	229
TABLE 79 (CONTINUED).....	230
TABLE 79 (CONTINUED).....	231
GAS-TO-LIQUID PROJECTS .....	231
TABLE 80 GAS-TO-LIQUID PLANTS .....	231
TABLE 80 (CONTINUED).....	232
COMPANY PROFILES .....	233
ASSOCIATIONS AND AGENCIES .....	233
THE CALIFORNIA AIR RESOURCES BOARD .....	233

THE PARTNERSHIP FOR A NEW GENERATION OF VEHICLES (PNGV) .....	233
The Partnership for a New Generation of Vehicles (PNGV) (Continued) .....	234
THE NATIONAL HYDROGEN ASSOCIATION (NHA) .....	235
THE CALIFORNIA FUEL CELL PARTNERSHIP .....	236
THE U.S. ENVIRONMENTAL PROTECTION AGENCY (EPA) .....	236
U.S. DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY .....	237
THE CANADIAN HYDROGEN ASSOCIATION (CHA) .....	237
COMPONENT AND EQUIPMENT MANUFACTURERS .....	238
CHICAGO BRIDGE & IRON N.V. ....	238
HYDROGEN BURNER TECHNOLOGY .....	239
FABRICATION AND CONSTRUCTION .....	239
TECHNIP .....	239
ENABLING TECHNOLOGIES PROVIDERS .....	240
HUNT RESEARCH FOUNDATION .....	240
IIT RESEARCH INSTITUTE .....	241
QUESTAIR TECHNOLOGIES .....	241
AMERICAN ELECTRIC POWER (AEP) .....	242
ENERGY CONVERSION DEVICES (ECD) .....	242
CATALYTICA ADVANCED TECHNOLOGIES INC. ....	243
FMC CORP. ....	244
AMEC PROCESS AND ENERGY, LTD. ....	244
STARTECH ENVIRONMENTAL CORP. ....	245
TEXACO ENERGY SYSTEMS, INC. ....	246
U.S. MAGNEGAS, INC. ....	246
ABB LUMMUS GLOBAL GMBH .....	247
SYNETIX .....	247
ENERGY INTERNATIONAL CORP. ....	248
POWER ENERGY FUELS, INC. ....	248
LICENSORS/CONTRACTORS/OPERATORS .....	248
M W KELLOG .....	248
M W Kellog (Continued) .....	249
CHIYODA CORP. ....	250
STONE & WEBSTER .....	250
ALCHEMIX CORP. ....	251
KVAERNER ASA .....	252
HALDOR TOPSØE A/S .....	252
LURGI AG .....	253
GENCOR INDUSTRIES, INC. ....	253
ENERGETICS, INC. ....	254
HOWE-BAKER ENGINEERS, LTD. ....	255
KRUPP UHDE .....	255



PRODUCERS AND DISTRIBUTORS .....	256
AIR LIQUIDE GROUP .....	256
AIR PRODUCTS AND CHEMICALS, INC. ....	256
AIRGAS, INC.....	257
BOC GASES .....	257
LINDE AG .....	258
MESSER NIPPON SANSO .....	258
Nippon Sanso Corp. ....	259
Matheson Gas Products.....	259
Messer Griesheim GmbH .....	259
PRAXAIR, INC. ....	259
STUART ENERGY SYSTEMS .....	260
MESSER GRIESHEIM .....	260
KINETICS TECHNOLOGY INTERNATIONAL CORP., INC. (KTI) .....	261
FOSTER WHEELER CORP. ....	261
MANUFACTURERS OF FUEL CELLS AND COMPONENTS .....	262
AVISTA LABS .....	262
PROTON ENERGY SYSTEMS, INC. (PES).....	262
BALLARD GENERATION SYSTEMS.....	263
ENERGY RESEARCH CORP.....	264
PLUG POWER, LLC .....	264
BALLARD POWER SYSTEMS INC./BALLARD GENERATION SYSTEMS INC.....	265
AVISTA LABORATORIES, INC. ....	265
THE DAIS CORP. ....	266
ZERO EMISSION VEHICLE COMPANY LTD. (ZEVCO).....	266
ERGENICS, INC. ....	266
DCH TECHNOLOGY, INC. (DCHT).....	267
HYDROGENICS CORP. ....	267
UNIVERSITIES AND GOVERNMENT LABORATORIES .....	268
UNIVERSITY OF KENTUCKY .....	268
LEHIGH UNIVERSITY .....	268
VICTORIA UNIVERSITY.....	269
UNIVERSITY OF HOUSTON.....	269
OFFICE OF INDUSTRIAL TECHNOLOGIES - U.S. DEPARTMENT OF ENERGY.....	270
ARGONNE NATIONAL LABORATORY (ANL).....	270
NATIONAL RENEWABLE ENERGY LABORATORY (NREL) .....	271
OAK RIDGE NATIONAL LABORATORY (ORNL).....	271
IDAHO NATIONAL ENGINEERING AND ENVIRONMENTAL LABORATORY (INEEL) .....	272
OFFICE OF PRODUCT MANAGEMENT FOR FUELS AND SPECIALTY MARKETS.....	272

INSTITUTE FRANÇAIS DU PETROLE (IFP).....	273
USERS IN THE CHEMICAL AND PETROLEUM INDUSTRIES .....	273
THERMAL CONVERSION CORP. (TCC) .....	273
BRITISH PETROLEUM PLC (BP) .....	274
YPF SA.....	274
METHANEX CORP. ....	275
CHEVRONTEXACO CORP. ....	275
EXXONMOBIL CHEMICAL .....	276
SHELL HYDROGEN .....	276
SUN REFINING AND MARKETING CO.....	277
SYNCRUDE CANADA, LTD. ....	278
EXXONMOBIL.....	278
DOW CHEMICAL CO.....	279
BASF CORP.....	279
IMPERIAL CHEMICALS INDUSTRIES PLC (ICI) .....	280
SASOL SYNFUELS INTERNATIONAL (PTY), LTD. ....	280
RENTECH, INC. ....	281
SYNTROLEUM CORP.....	281
USERS IN THE RENEWABLE ENERGY BUSINESS .....	282
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (NASA).....	282
GENERAL MOTORS .....	282
VENDORS.....	283
VARIAN ASSOCIATES, INC. ....	283
SIERRA MONITOR CORP. ....	283
TRU-TEC SERVICES, INC. ....	284
BETZDEARBORN HYDROCARBON PROCESS GROUP (GE BETZ) .....	284
PANAMETRICS, INC. ....	285
THE TECHNOLOGY GROUP FOR GAS/SPEC.....	285
FIBERCAST .....	286
CRYOFUEL SYSTEMS, INC. (CFS).....	286
Cryofuel Systems, Inc. (CFS) (Continued).....	287