

ENERGY NEWS AND NOTES

Future Energy Security May Rest With Fuel Cell Technology

(NAPSA)—Fuel cell technology, a source of electric energy used by America's astronauts since the 1960s, may be one of the keys to energy security.

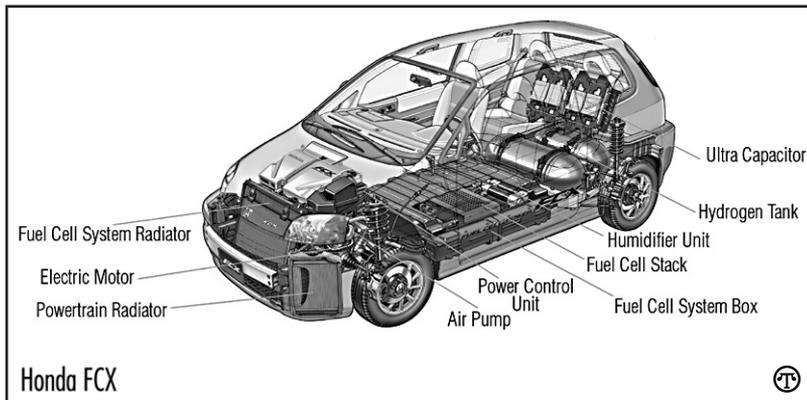
America currently imports 55 percent of the oil it consumes; that is expected to grow to 68 percent by 2025.

Nearly all of the cars and trucks in the U.S. currently run on gasoline, and are the main reason America imports so much oil. Two-thirds of the 20 million barrels of oil Americans use each day is used for transportation.

As an alternative, in his 2003 State of the Union Address, President Bush announced a \$1.2 billion FreedomCAR and Fuel Initiative to reverse America's growing dependence on foreign oil by developing the technology needed for commercially viable hydrogen-powered fuel cells. A fuel cell combines hydrogen (stored in a tank) with oxygen in the air to make electricity (and water as a byproduct). Electricity powers the electric motor, which in turn propels the vehicle.

Such cells are a way to power cars, trucks, homes and businesses that produce no pollution and no greenhouse gases. The Initiative will invest \$720 million in new funding over the next five years to develop the technologies and infrastructure needed to produce, store, and distribute hydrogen for use in fuel cell vehicles and electricity generation.

For example, Honda's FCX uses this kind of technology. The car was certified by the Environmental



A fuel cell car is powered by combining hydrogen with oxygen to make the electricity that powers the vehicle.

Protection Agency (EPA) and the California Air Resources Board (CARB) in July 2002, making it the first fuel cell car in history to be certified for commercial use. Overall performance is said to be comparable to a Honda Civic.

The City of Los Angeles currently leases five of the vehicles, which are used in normal, everyday driving. Honda plans to lease about 30 fuel cell cars in California and Japan during the next two to three years.

Additional research and development is needed to spur rapid commercialization of these technologies so they can provide clean, domestically produced energy for transportation and other uses.

Building on the FreedomCAR (Cooperative Automotive Research) Initiative launched in January 2002, President Bush is proposing a total of \$1.7 billion over the next five years to develop hydrogen-pow-

ered fuel cells, hydrogen infrastructure and advanced automotive technologies.

Together, the FreedomCAR and Fuel Initiative will develop new vehicle and fuel technologies and infrastructure needed to make it practical and cost-effective for large numbers of Americans to choose to use fuel cell vehicles by 2020.

Developing vehicles powered by alternative fuel sources is not something new for Honda. It was the first company to sell a gasoline-electric "hybrid" car in the U.S.—the Insight—and earlier this year added the Civic Hybrid, first mass market hybrid model. The EPA has recognized the Civic GX natural gas vehicle, which went on sale in 1998, as having the cleanest internal combustion engine ever tested.

For more information on Honda's environmental technology, please visit www.honda.com.