



An Introduction to Hydrogen

From Production to End Uses

Neil Kern, PE
Program/Area Manager, Low-Carbon Resources Initiative

Krystal York, Ph.D.
Co-Principal Investigator of H₂EDGE
Engineer/Analysts III, Low-Carbon Resources Initiative

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Topics for today

- Why hydrogen?
- The basics
- Environmental, health, and safety
- Current markets
- Production methods
- Moving & storing
- Using hydrogen
- Economics overview



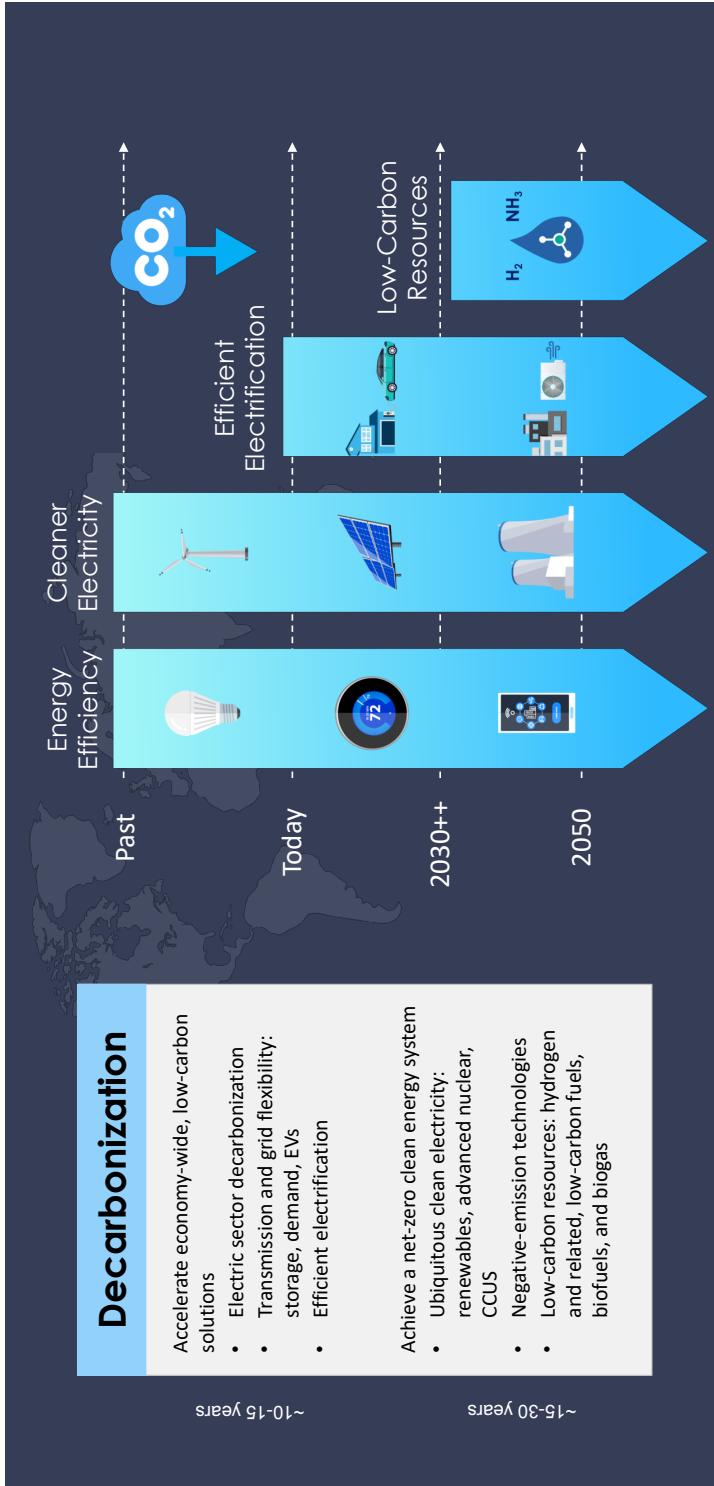
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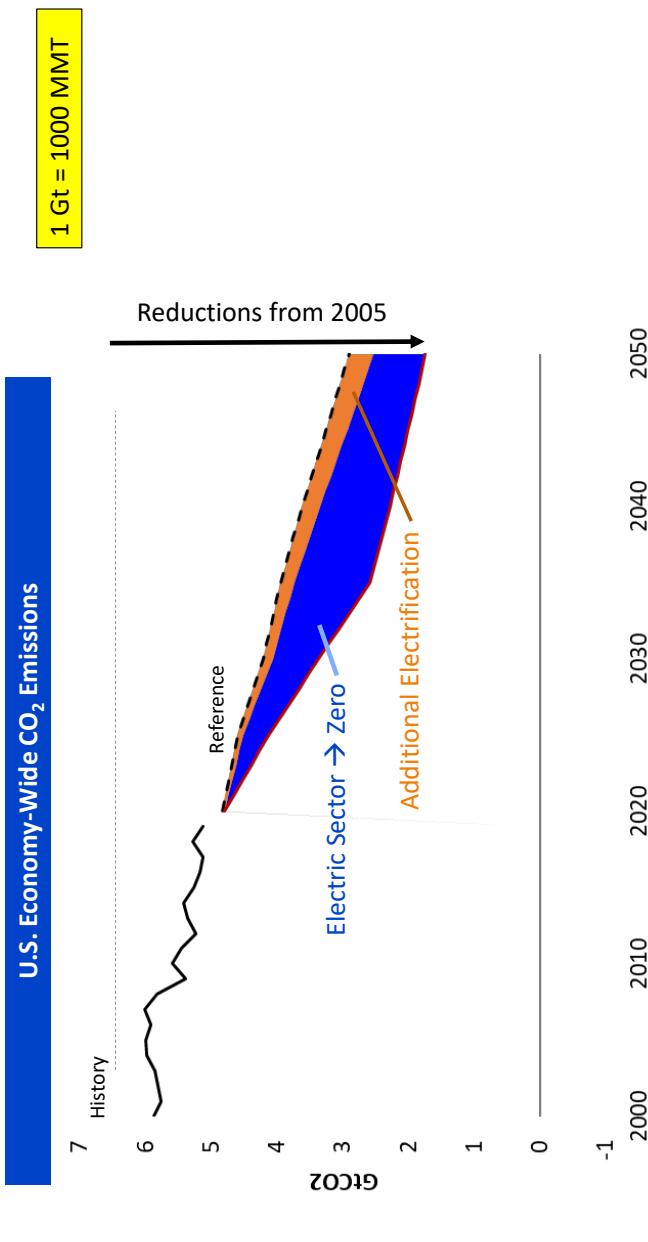
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Why hydrogen? The importance of hydrogen to a low-carbon future.

Decarbonization Pathways Enabled by Innovation



Reducing Economy-Wide CO₂ Emissions



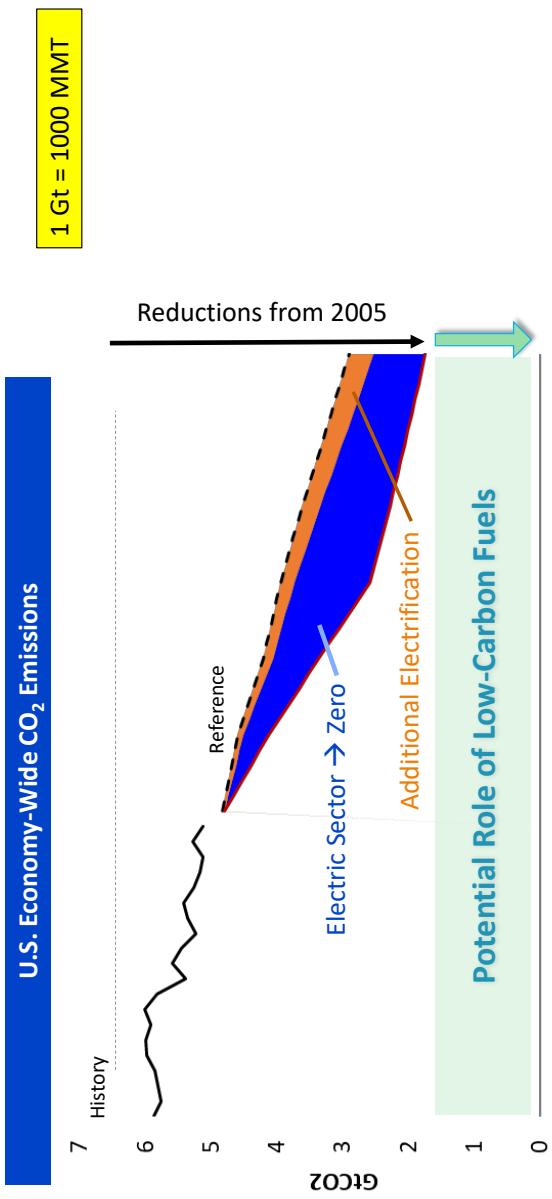
Source: EPRI Report [3002020700](#)

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Reducing Economy-Wide CO₂ Emissions

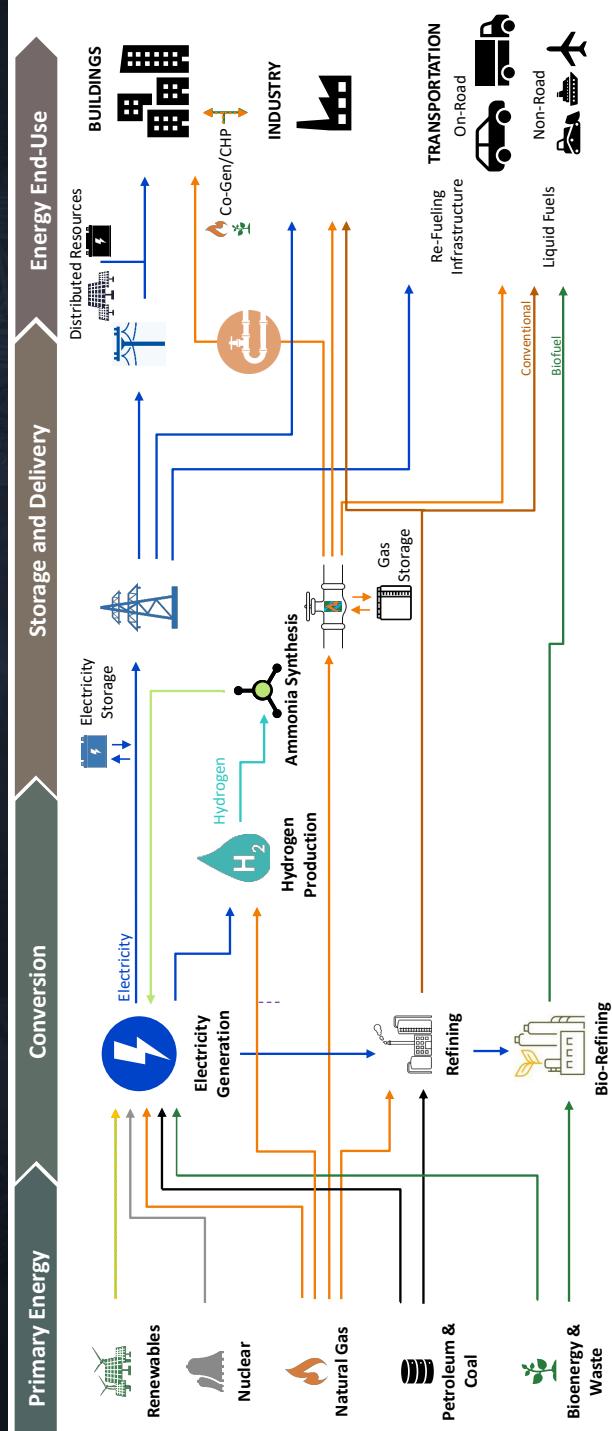


Source: EPRI Report [3002020700](#)

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Today's Energy System



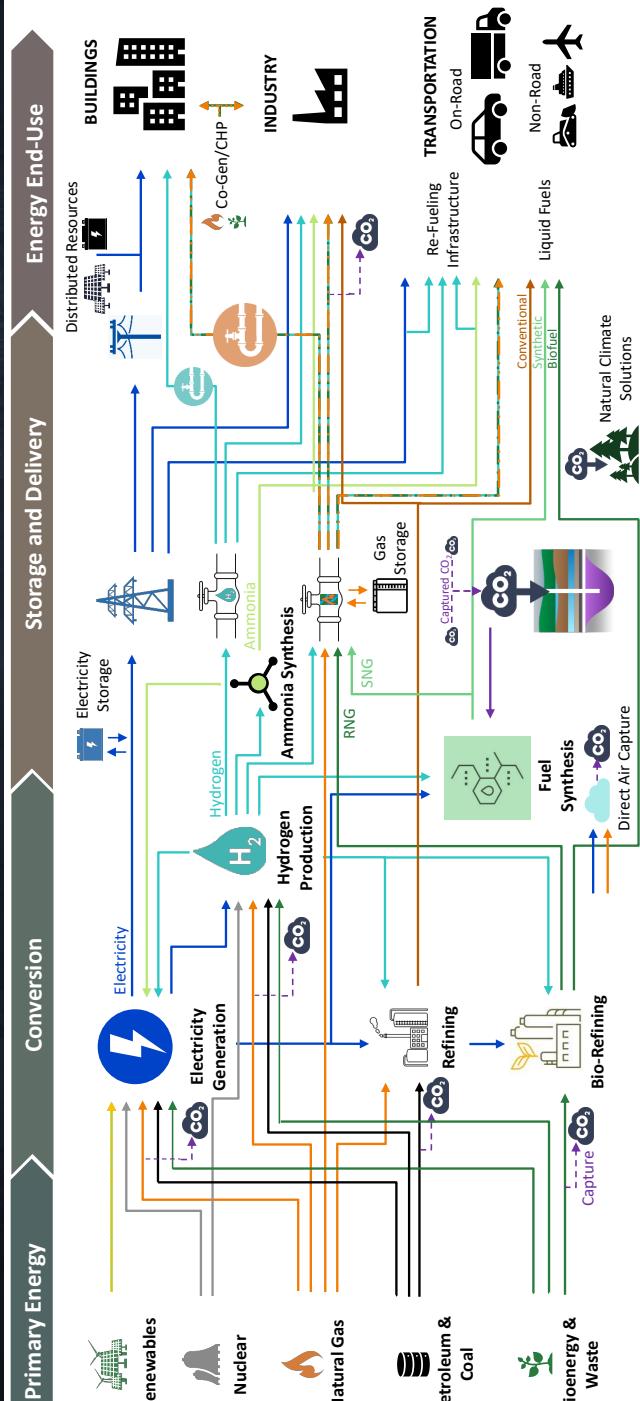
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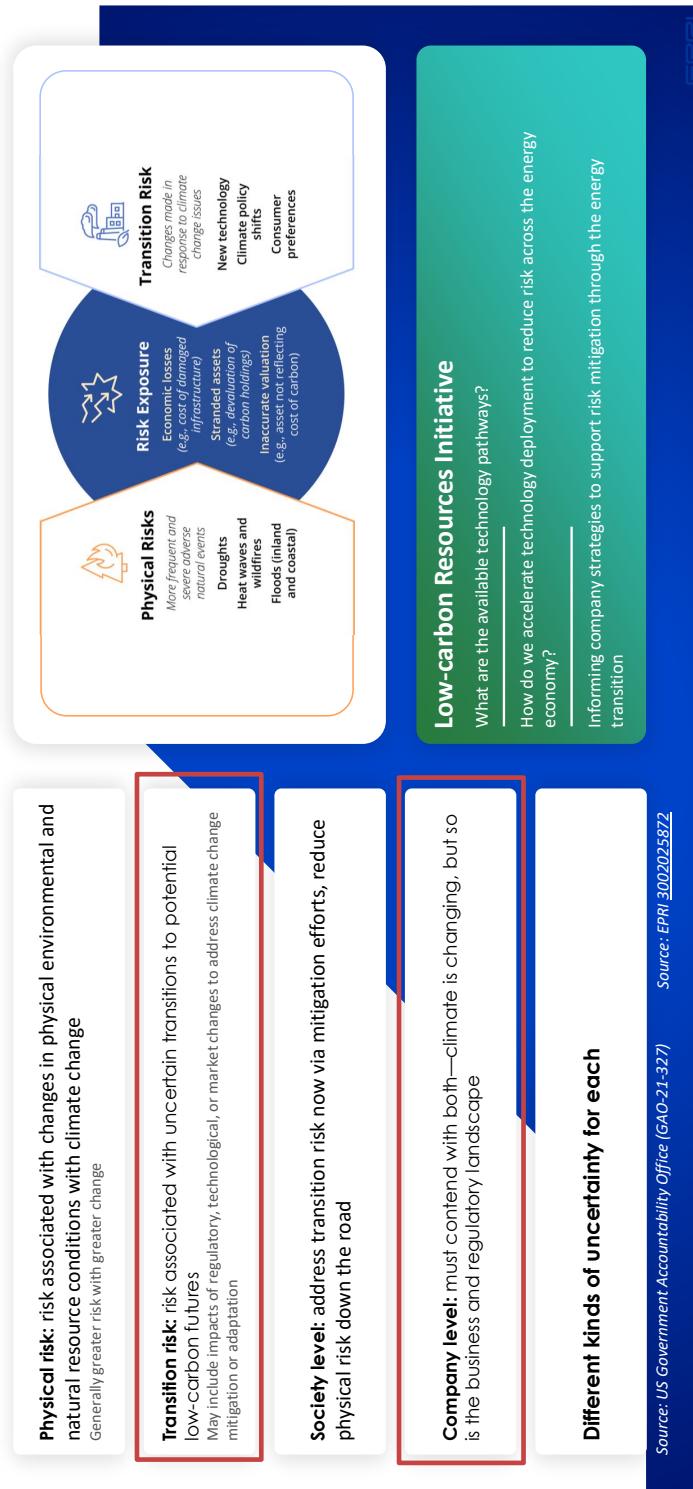
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A Glimpse into the Future

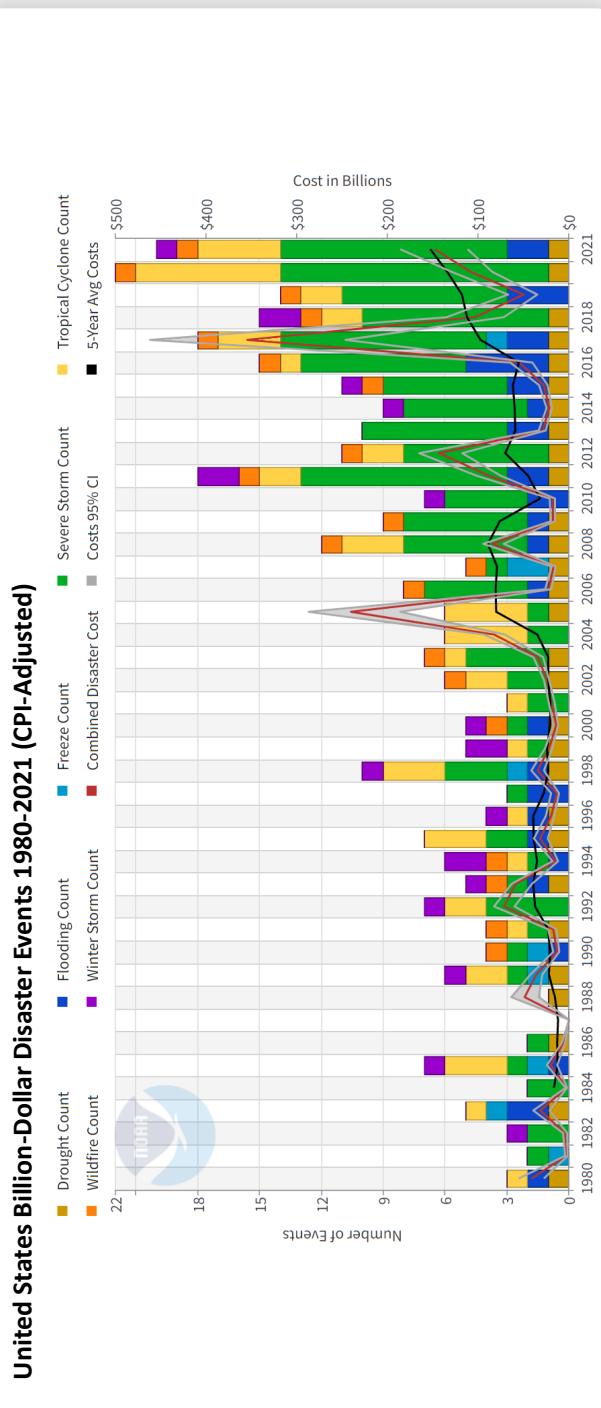
New Resources and Players
how will they fit and transition?



There are various types of climate risk



And...there is a cost



EPR1 3002025872
Source: NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters (2022).

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The basics of hydrogen and its key properties

Basic Chemistry

Molecular Hydrogen: H_2

- Lightest element (H) on the periodic table
 - Contains one proton and one neutron
- Exists at a relatively low concentration in the atmosphere
 - Combines with other elements to form compounds:

Combines with:

Oxygen

Nitrogen

Carbon

To form:

Water (H_2O)

Ammonia (NH_3)

Methane (CH_4)



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Unique Properties of Hydrogen

▪ Low volumetric energy density

- Very high energy-to-weight ratio
- More storage space needed. Compressed or liquified storage increases cost

▪ Can be liquified (LH₂)

- Allows for much higher energy density compared to gaseous H₂
- Energy-intensive process and LH₂ can be lost through evaporation

▪ Small molecular size

- Causes H₂ to disperse a lot more quickly than other fuel
- Need proper materials and tools to contain and detect
- Leaks through joints & seals in pipes more easily than natural gas

▪ Hydrogen absorption by materials

- Allows for storage of hydrogen using metal hydrides
- Can embrittle steel, cause fatigue cracks, and degrade plastics

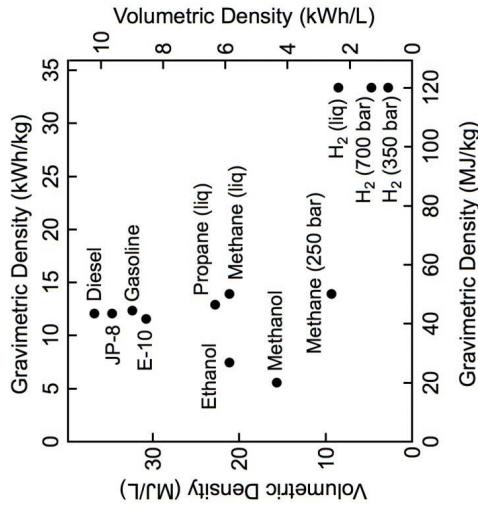
▪ Non-toxic

- Exposure to other fuels & vapors can cause adverse health outcomes
- Combustion of pure H₂ does not produce poisonous CO gas
- Combustion still produces NO_x since N₂ and O₂ are the dominant constituents in air and react spontaneously at high temperatures

Hydrogen Embrittlement



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alternatively © CEPphoto, Lluc Arana
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US Department of Energy (DOE). Available online: <https://www.energy.gov/eere/fuelcells/hydrogen-storage> (accessed on 02/25/23).



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Environmental, health, and safety considerations of hydrogen

Environmental health and safety considerations

Hazards

Very small molecule: need proper materials to contain and detect

Material compatibility: can embrittle some metals, causing cracks and leaks

Fire: highly flammable, potential flame jetting. Pale blue flame when burning is difficult to see in daylight

Explosive: high explosive energy

Pollutants: H₂ generates incremental NO_x when it is combusted alone or blended with natural gas

Detection: H₂ gas is colorless and odorless. Burns with pale blue flame which is difficult to see in daylight.

Storage: Typically transported and stored at high pressure (gas) and very low temperature (liquid)

Asphyxiation: can occur in enclosed areas (unlikely)

Lack of odor

Low ignition energy

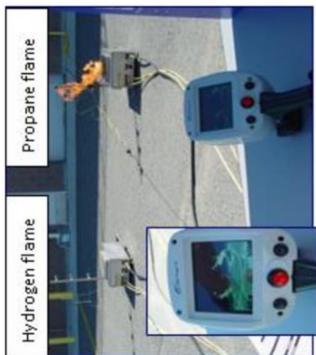
Broad flammability range

Invisible flame

Colorless gas



Hydrogen and Propane Flames at Night
(Photo courtesy of ImageWorks)



Hydrogen and Propane Flames in Daylight
(Photo courtesy of HAMMER)

Source: h2tools <https://h2tools.org/bestpractices/hydrogen-flames>

Proper design and procedures must be used to avoid potential fire or explosion

Source: LCR Report 3002019994

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Environmental health and safety mitigations

Hazards	Mitigations
Very small molecule: need proper materials to contain and detect	Welded connections and hydrogen-compatible materials. Consult industry standard for hydrogen-specific component requirements
Material compatibility: can embrittle some metals, causing cracks and leaks	Codes & standards (ASME B31.12) outline material requirements for leak protection as well as to minimize embrittlement and corrosion
Fire: highly flammable, potential flame jetting. Pale blue flame when burning is difficult to see in daylight	Utilize leak and flame detectors , proper design and system shutdown planning per NFPA 2, industry best practices, control ignition sources, and regular maintenance
Explosive: high explosive energy	
Pollutants: H ₂ generates incremental NO _x when it is combusted alone or blended with natural gas	NO _x emissions can be reduced by employing new burner designs & selective catalytic reduction systems for post-combustion control
Detection: H ₂ gas is colorless and odorless. Burns with H ₂ gas and flame detectors commercially available, with newer leak detection methods being explored (e.g., wide-area leak detection)	
Storage: Typically transported and stored at high pressure (gas) and very low temperature (liquid)	Gas storage in cylinders per DOT/FMVSS requirements (vehicles), or gas/liquid per ASME (stationary tank storage), with general designs per NFPA 2. Salt cavern storage being developed
Asphyxiation: can occur in enclosed areas (unlikely)	Hydrogen sensors should be placed in enclosed spaces where hydrogen could collect

Follow existing codes and standards and use best practices to minimize hydrogen risks

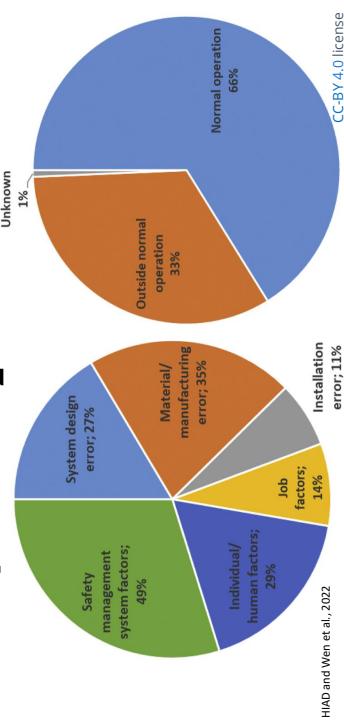
Source: LCR1 Report 3002016994

Source: h2tools <https://h2tools.org/best-practices/overview>

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Analysis of H₂ Incidents in Industry



- Many incidents involve several contributing factors

- **Human errors** are likely to cause an incident
 - Most occur after ignoring near misses & warnings
- **A strong safety culture**
 - must be established by leadership
 - Leads employees to work effectively and feel comfortable raising concerns

Many codes and standards are derived from proven best practices

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Approaches to Mitigate H₂ Incidents & Consequences

▪ **Leak reduction:**

- Early detection via sensors
- Automatic interlock & alarm activation mechanisms
- Regular inspections and maintenance

▪ **Ignition minimization:**

- Purging: use inert gas for testing equipment
- Areas electrical classification
- Ventilation design and management
- Equipment siting

▪ **Consequence reduction** (fire or explosion):

- Maximize distance and shielding
- **Safer process equipment:**
 - Inherent safe design
 - Provide regular and up-to-date training

Key Siting Considerations

- **Electrical Source**
 - Baseload operation versus renewable or grid support
 - Long term price contracts
- **Water Source**
 - Sustainable water sources
 - Long term water contracts
 - Equipment to process water
- **Land Use and Footprint**
 - Space available for system
- **Transport or Conversion**
 - Pipeline access, highway, shipping, or transport routes
 - Above or underground storage (salt caverns, etc.)
 - Footprint for chemical conversion (NH_3 , etc.)
- **Offtake and End Use**
 - Offtake or end use customer
 - Long term contract potential
 - Price appetite considering production, storage, and delivery



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Equity and Environmental Justice

EPA's definition

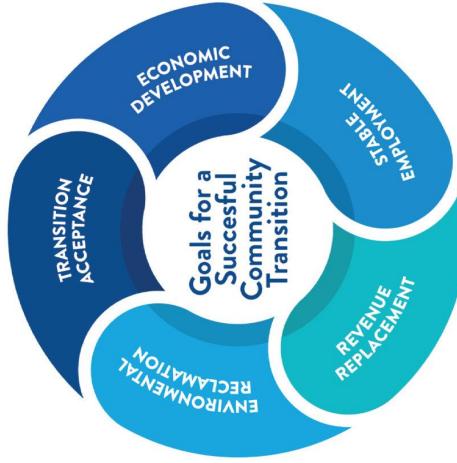
- Environmental justice is the *fair treatment and meaningful involvement of all people, regardless of race, color, national origin, or income, with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies*

Goals

- An energy future that fully and meaningfully involves communities
- Social justice: An equitable distribution of both benefits and costs
- It is a part of decision making throughout the process
- Movement towards a just transition and a just future
- With expertise comes responsibility – present accessible, understandable, and factual information

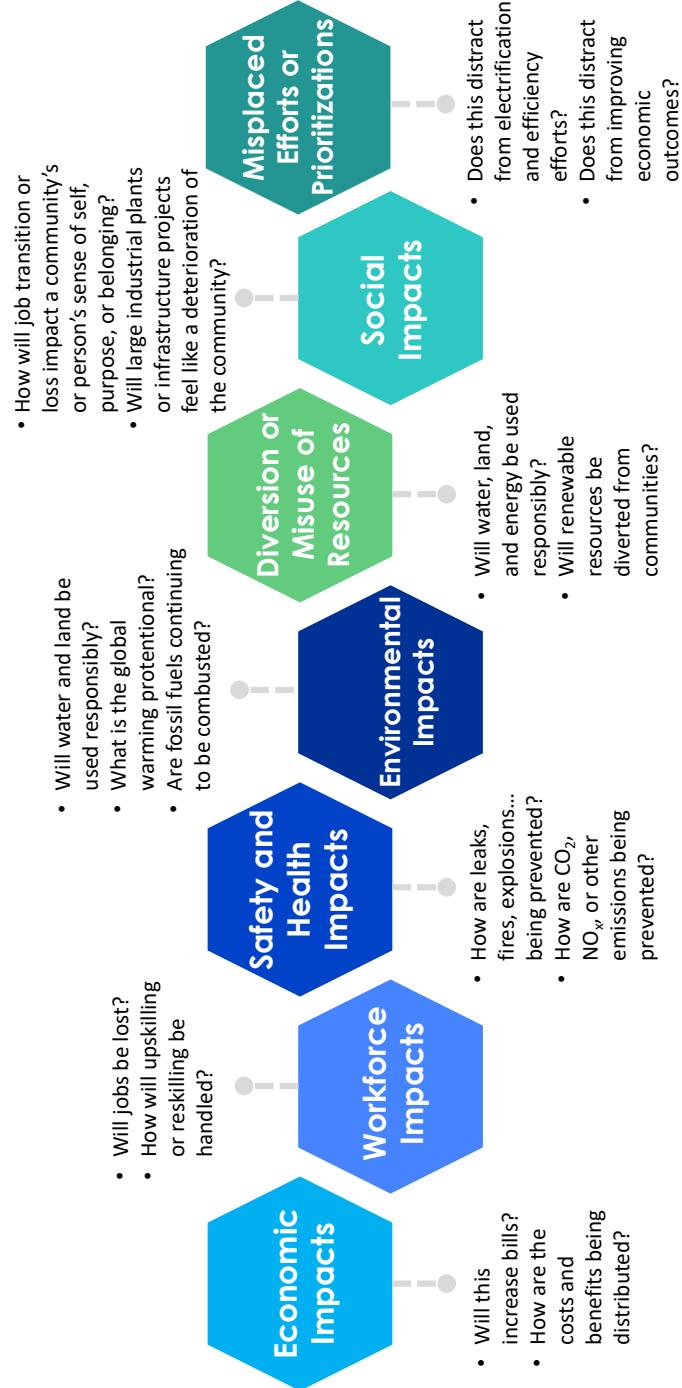
Helpful resources

- EPR's Equitable Decarbonization Interest Group (EDIG)
- DOE's energy justice mapping tool: <https://energyjustice.egs.anl.gov/>
- DOE's disadvantaged communities mapping tool:
<https://screeningtool.geoplatform.gov/en/#3.74/25.83/-93.2>
- DOE's Justice 40 initiative:
<https://www.energy.gov/diversity/justice40-initiative>



Report #: 3002023584
Just Transition: An Overview of the
Landscape and Leading Practices
<https://www.eprti.com/research/products/00000003002023584>

Community Concerns of Hydrogen



The various hydrogen production techniques

Hydrogen Production Methods



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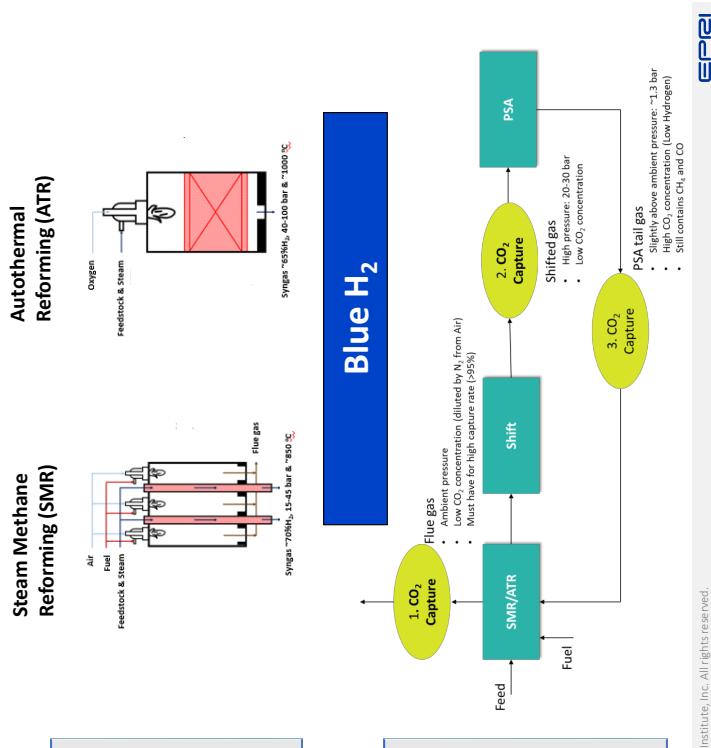
Production – Fossil Derived Hydrogen

Fossil-derived sources without carbon capture are the most prominent sources of hydrogen

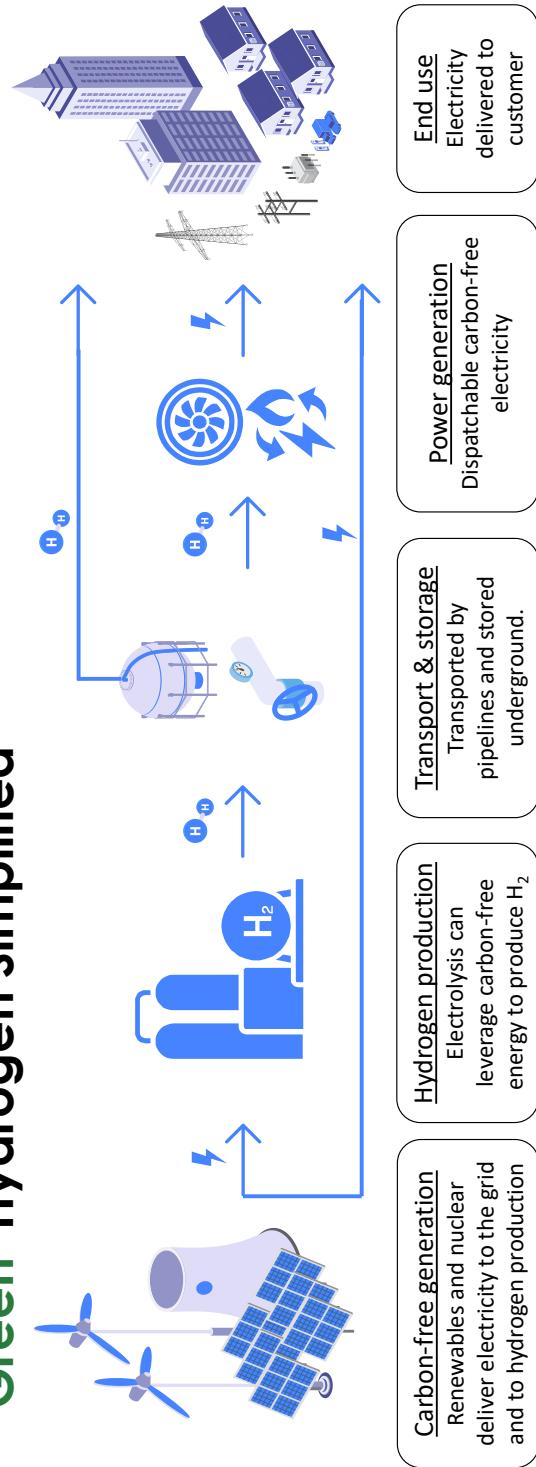
- ~62% of production is from SMR (worldwide)
 - ~19% of production is from coal gasification (worldwide)

Currently, SMR and gasification accounts for ~900 MMT of CO₂/year

- SMR: emits \sim 10 metric tons of CO₂ for every metric ton of hydrogen produced
 - Coal gasification: almost twice as CO₂-intensive as SMR



'Green' Hydrogen Simplified

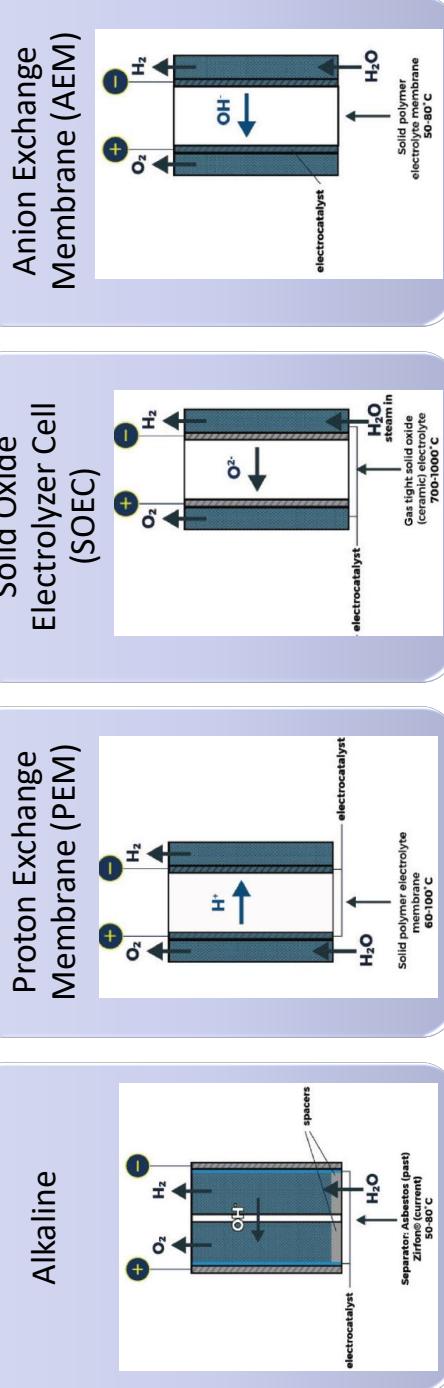


Hydrogen could decarbonize many end uses in addition to power generation technologies

Production – Electrolysis

- Electrochemical process that splits water into hydrogen and oxygen using an electrolyzer powered by electricity
- Electrolyzers have a positively charged anode electrode generating oxygen and a negatively charge cathode electrode generating hydrogen, which are separated by a membrane or separator.

Types of Electrolyzers:



Source: LLNL Report 302021864

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The methods for hydrogen storage and delivery

Transport, Storage, and Distribution Overview

■ Transport methods

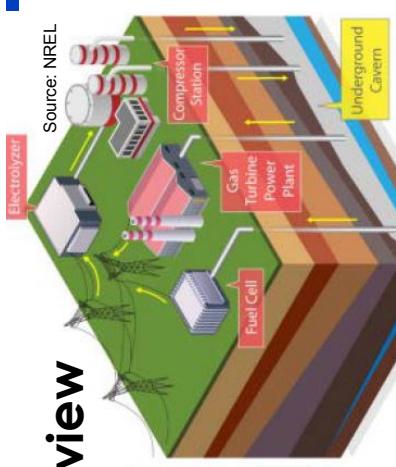
- Pipelines
- On-road vehicles
- Shipping

■ Storage methods

- Underground (salt caverns, depleted oil and gas reservoirs, saline aquifers)
- Tanks (compressed gas, liquified)
- Converted to other energy carriers

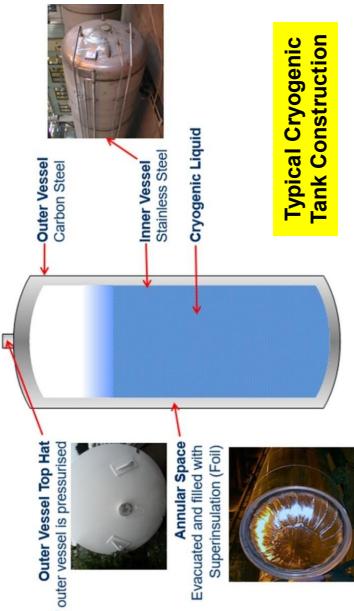
■ Considerations

- Conversion costs
- Compression vs. liquefaction
- Transmission vs. distribution pipelines
- Electricity costs



Source: DOE <https://www.energy.gov/eere/fuelcells/hydrogen-pipelines>

- Cryogenic tanks are double walled and vacuum insulated



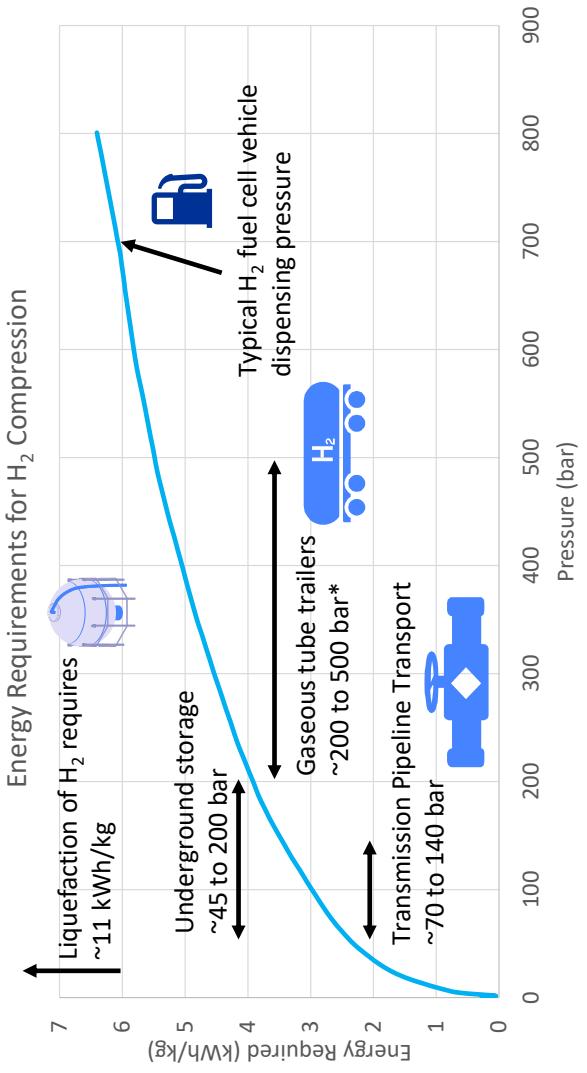
Typical Cryogenic Tank Construction

<https://h2tools.org/best-practices/liquid-storage-vessels/#text=Liquid%20hydrogen%20is%20usually,precaution%20to%20over-pressurization,%20overfilling,%20and%20liquefaction.>

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Moving & Storing = Energy



*U.S. Department of Transportation limits tube trailer pressures to 250 bar, higher pressures require special exemptions

Data source: [Elberry et al.](#)
References: US DOE, EPRI

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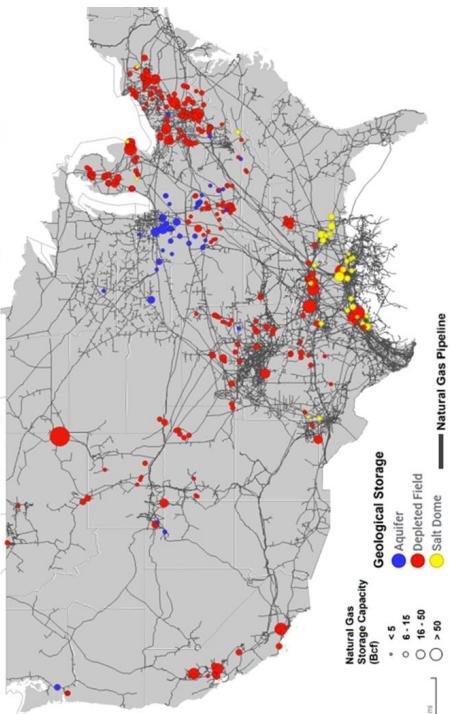
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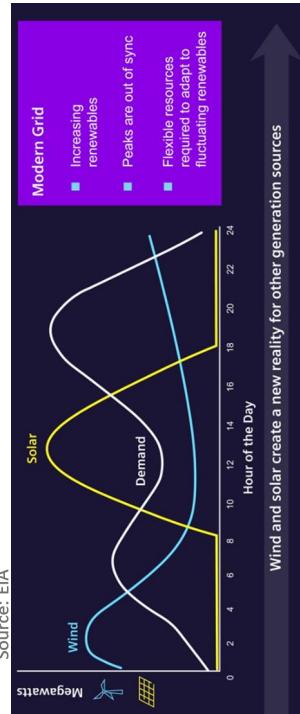
Bulk Storage

- Geologic storage of H₂ can be used to:
 - Meet seasonal energy demand needs
 - Ensure continuity in supply during disruptions
 - Arbitrage low-cost energy to high demand times
 - Helps integration of more intermittent renewables
- A need for large scale, long duration storage
 - The U.S. natural gas infrastructure has immense energy storage capacity
 - Intense demand needs of seasonal space heating
 - Can meet ~16% of total annual natural gas demand
 - U.S. Electricity storage meets ~0.7% of typical annual electricity demand
 - >90% of this is from pumped hydro
 - Battery storage capacity is growing, yet small and lacks seasonal capabilities

US natural gas pipeline and underground storage sites



Natural Gas Storage Capacity (Bcf)
Geological Storage
■ Aquifer
● Depleted Field
● Salt Dome
— Natural Gas Pipeline

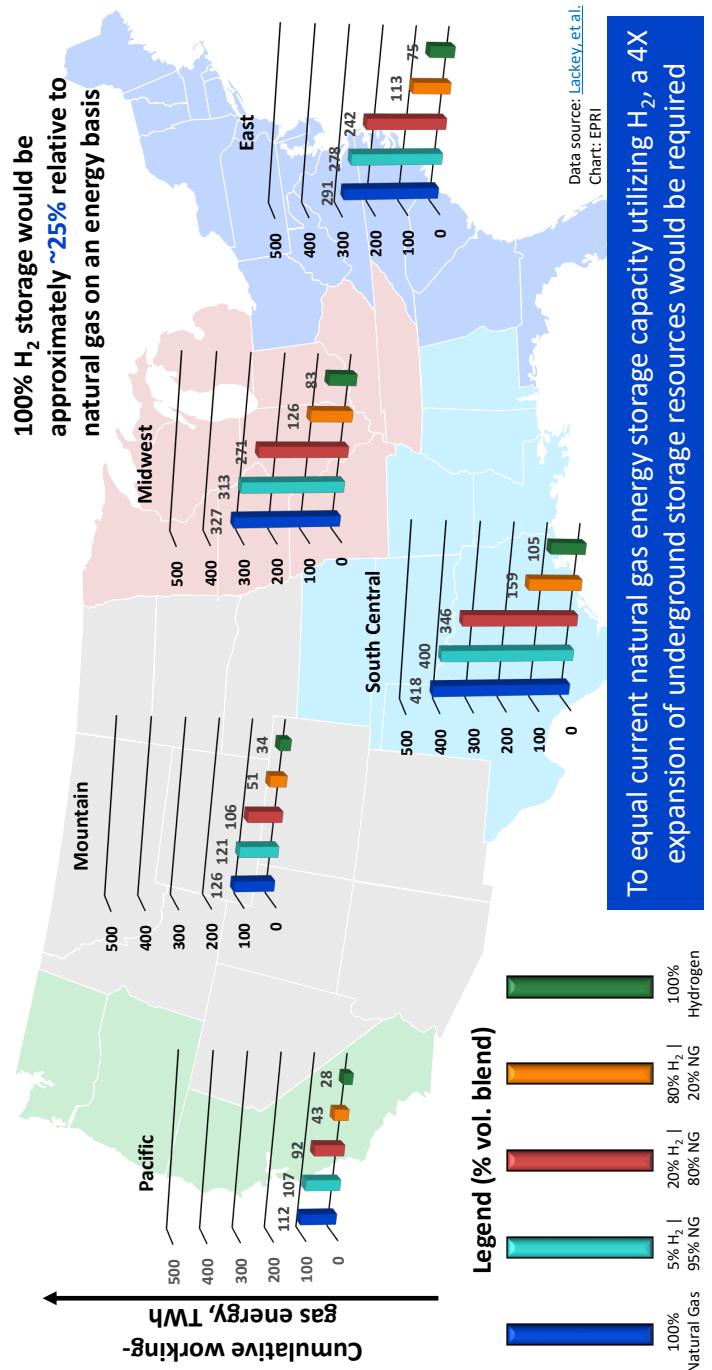


Source: EIA

EPA

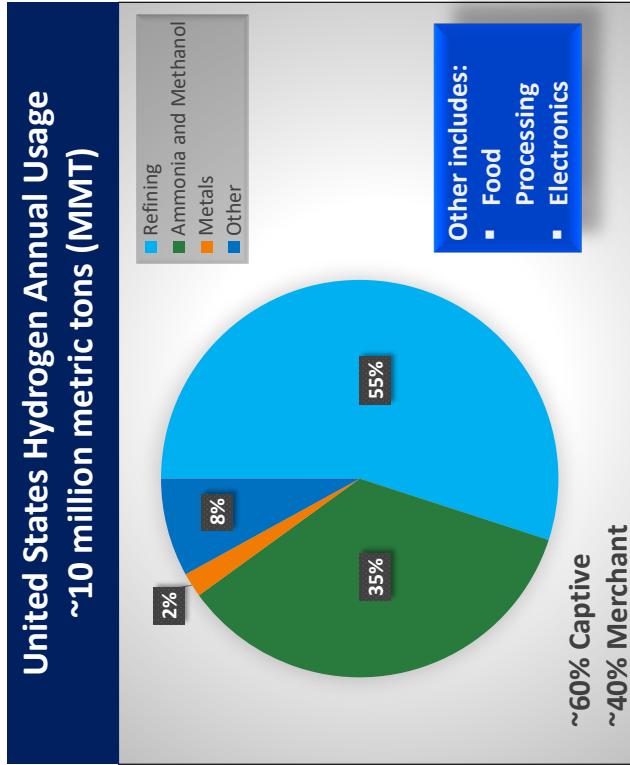
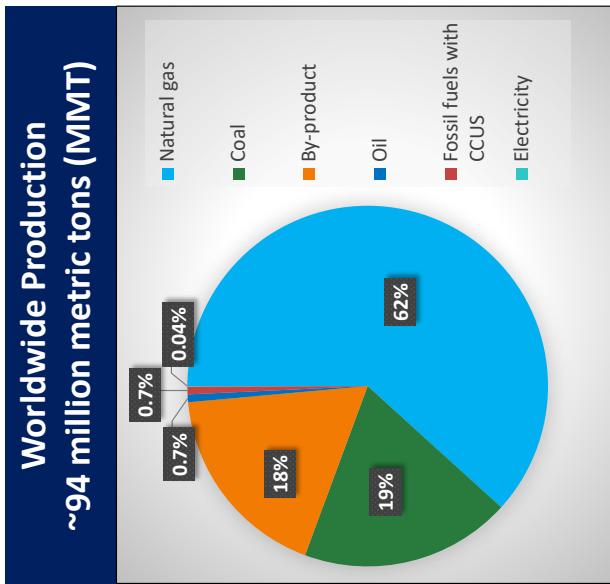
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U.S. existing natural gas & H₂ potential storage capacity, TWh



Where is hydrogen used today?

Current Production Scale and Use



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IEA (2022), Global Hydrogen Review 2022, IEA, Paris <https://www.iea.org/reports/global-hydrogen-review-2022>, License: CC BY 4.0

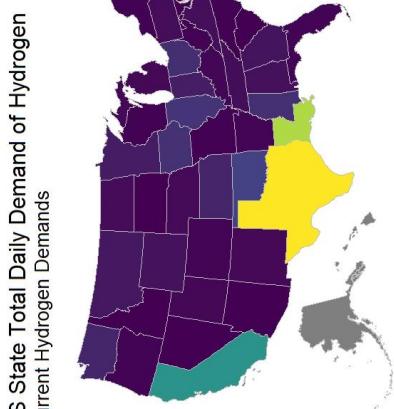
U.S. Department of Energy (DOE), "DOE National Clean Hydrogen Strategy and Roadmap," 2023, <https://www.hydrogen.energy.gov/docs/hydrogenprogram/branches/pdfs/us-national-clean-hydrogen-strategy-roadmap.pdf>

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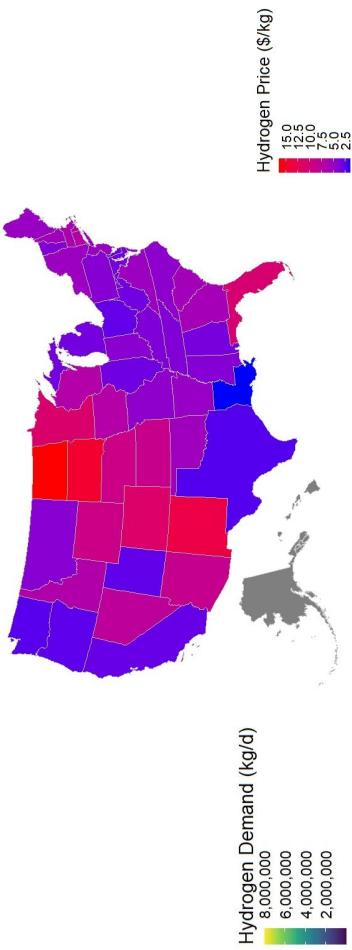
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A Closer Look at U.S. Hydrogen Supply and Demand



U.S. State Average Delivered Price of Hydrogen, \$/kg
Current Average Delivered Price of Hydrogen to End Users



Hydrogen demand varies geographically. Most hydrogen demand is concentrated in Texas, Louisiana, and California due to high concentrations of petroleum refining facilities.

Source: EPRJ, STEP North American Hydrogen Market Model

The areas with higher hydrogen demand are typically the areas where hydrogen prices are lower. This is primarily driven by proximity to hydrogen production facilities and demand volumes.

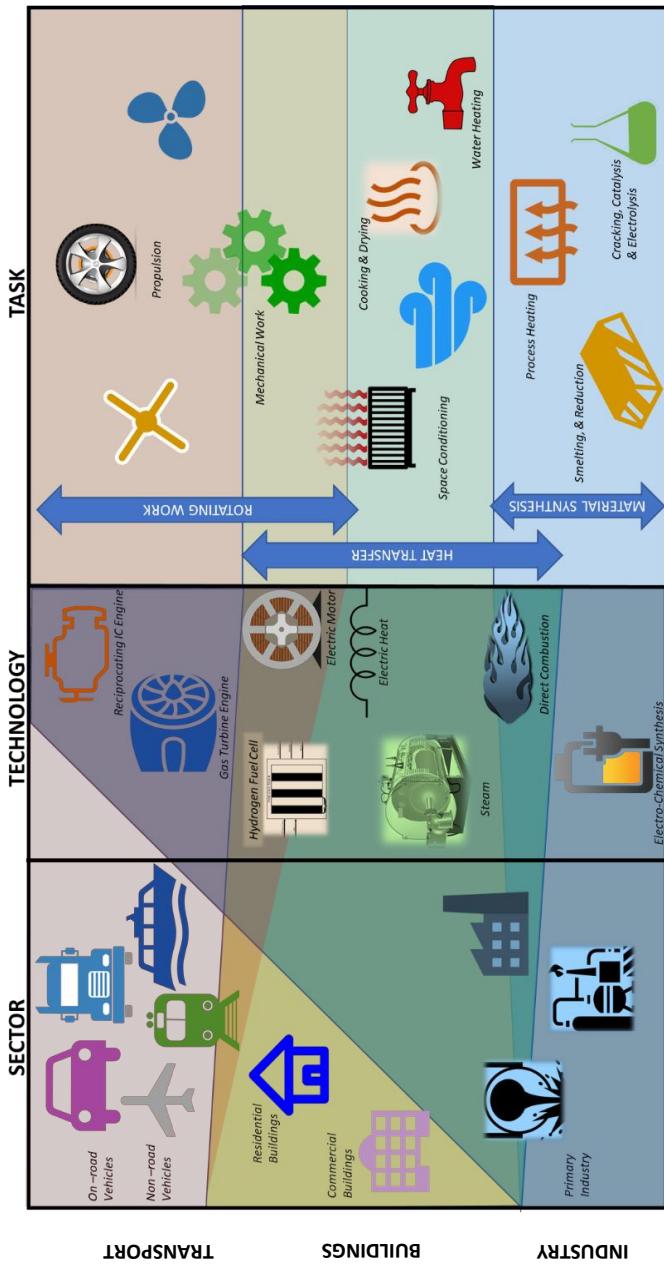
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Hydrogen's applications across multiple end use sectors

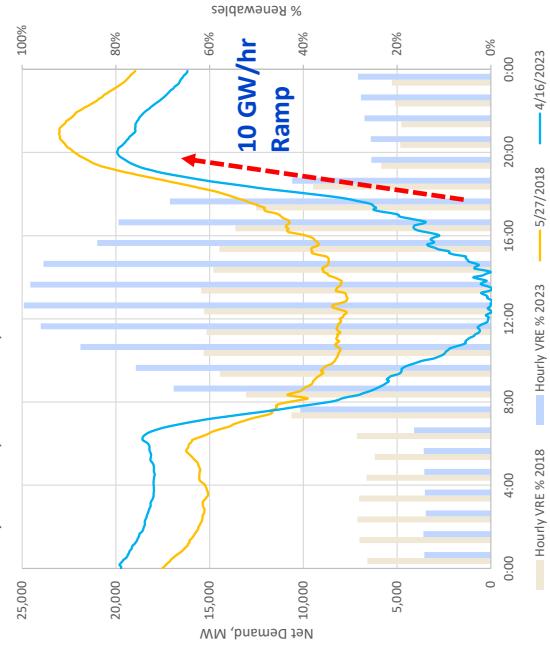
Use Cases of Hydrogen to Decarbonize Final Energy



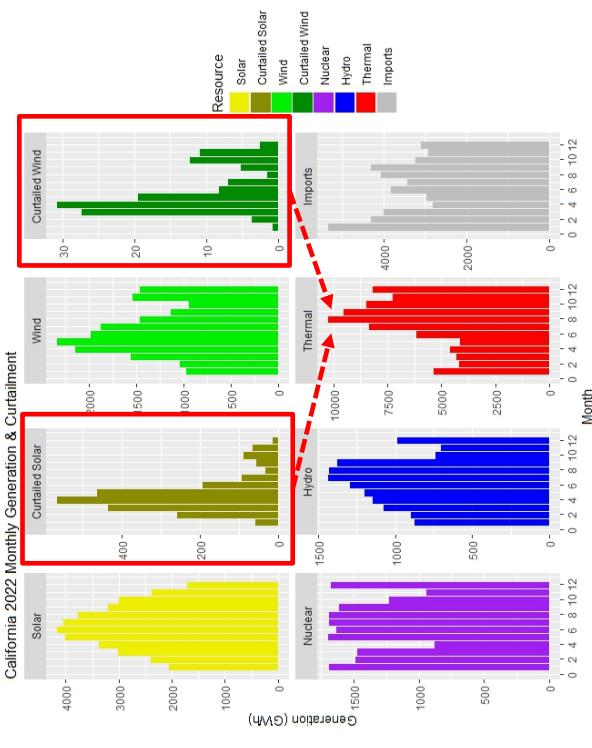
Opportunities for low-carbon fuels in the power sector

How can low-carbon fuels support peaking & reliability needs?

5-year Comparison of Operational Demands: CAISO

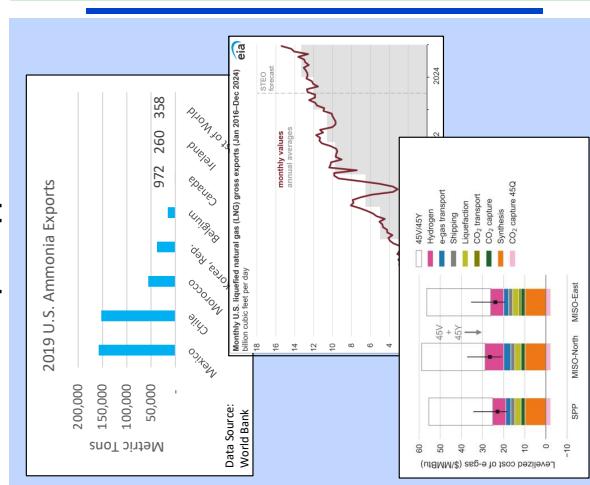


How can low-carbon fuels support the overall energy system?

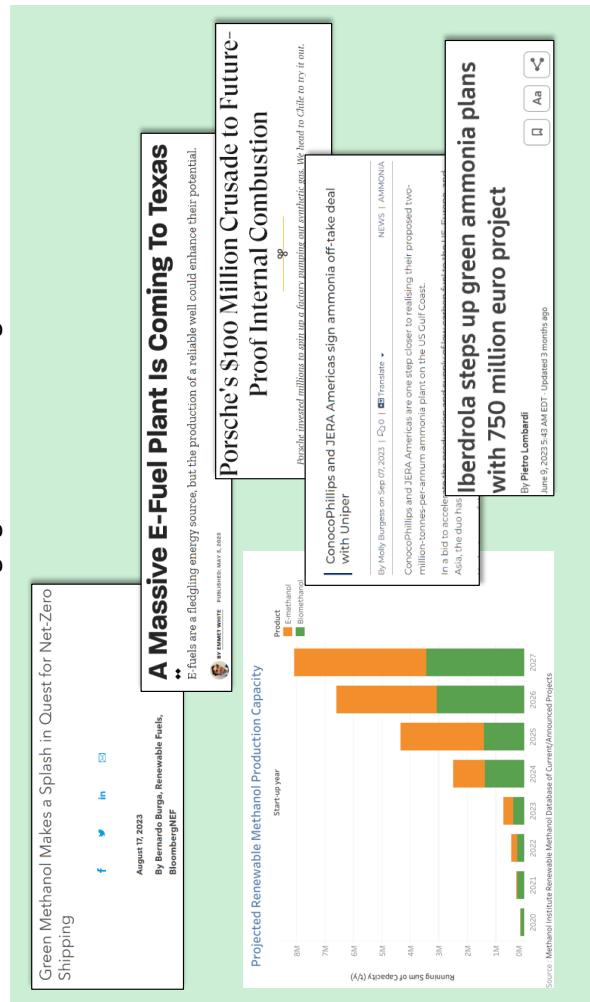


Emerging markets

Potential export opportunities

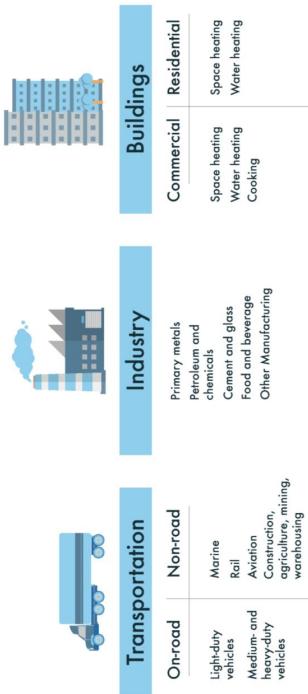


Low-carbon fuels: leveraging new and existing markets

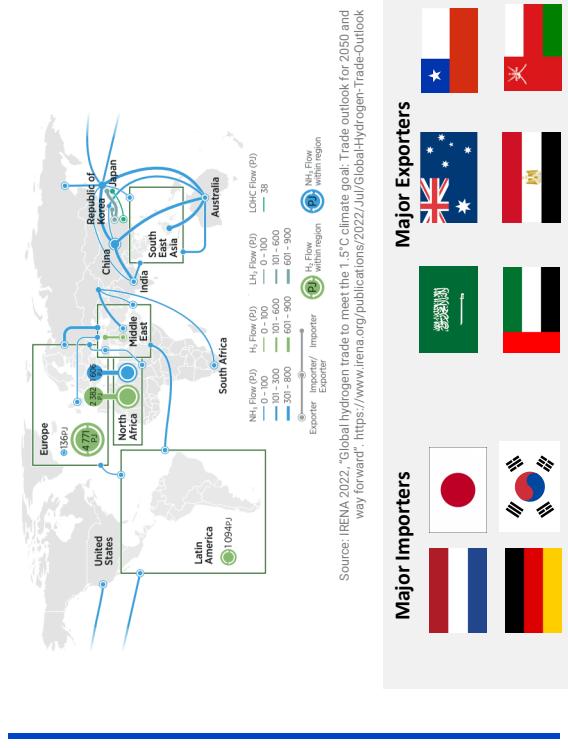


International & domestic opportunities

Emerging Domestic Energy Economy



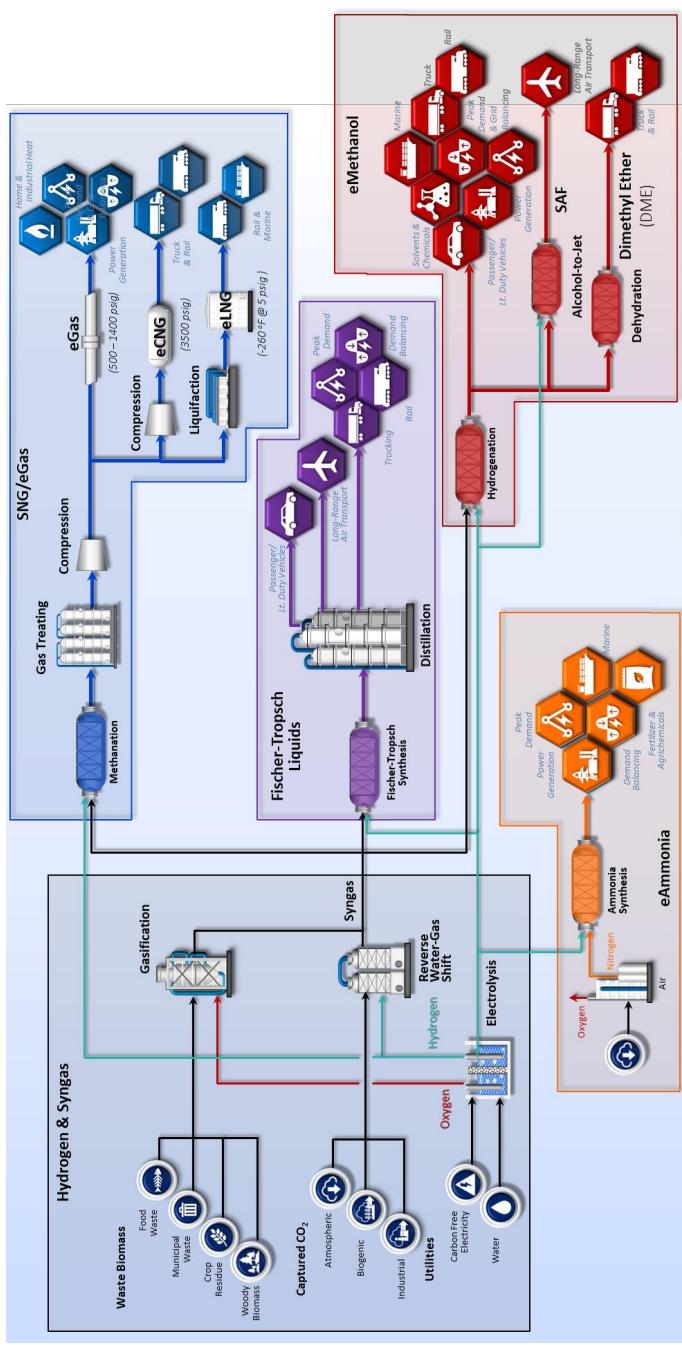
Emerging International Energy Trade Flows



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Hydrogen is key to the power-to-fuels value chain

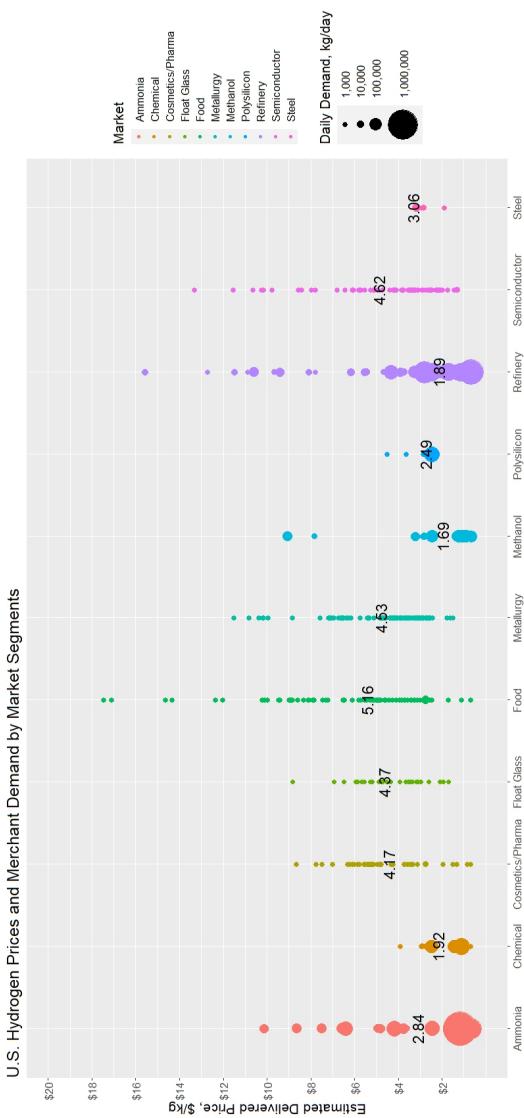


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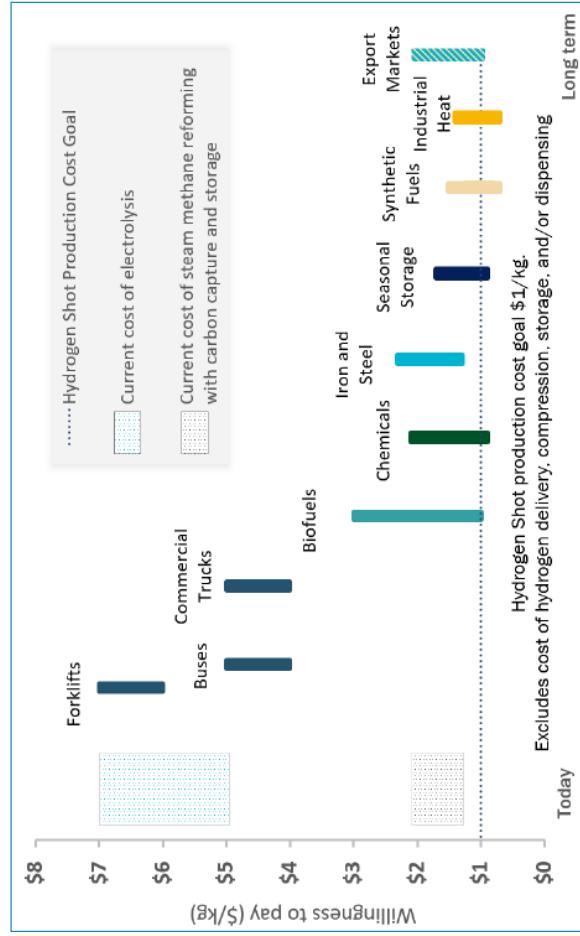
Economic Considerations

Current U.S. Hydrogen Supply and Demand



New Market Development

Hydrogen Offtake Applications: What are you willing to pay?



U.S. Department of Energy (DOE). "DOE National Clean Hydrogen Strategy and Roadmap," 2023.
<https://www.hydrogen.energy.gov/pdfs/hydrogenprogramlibrary/pdfs/us-national-clean-hydrogen-strategy-roadmap.pdf>

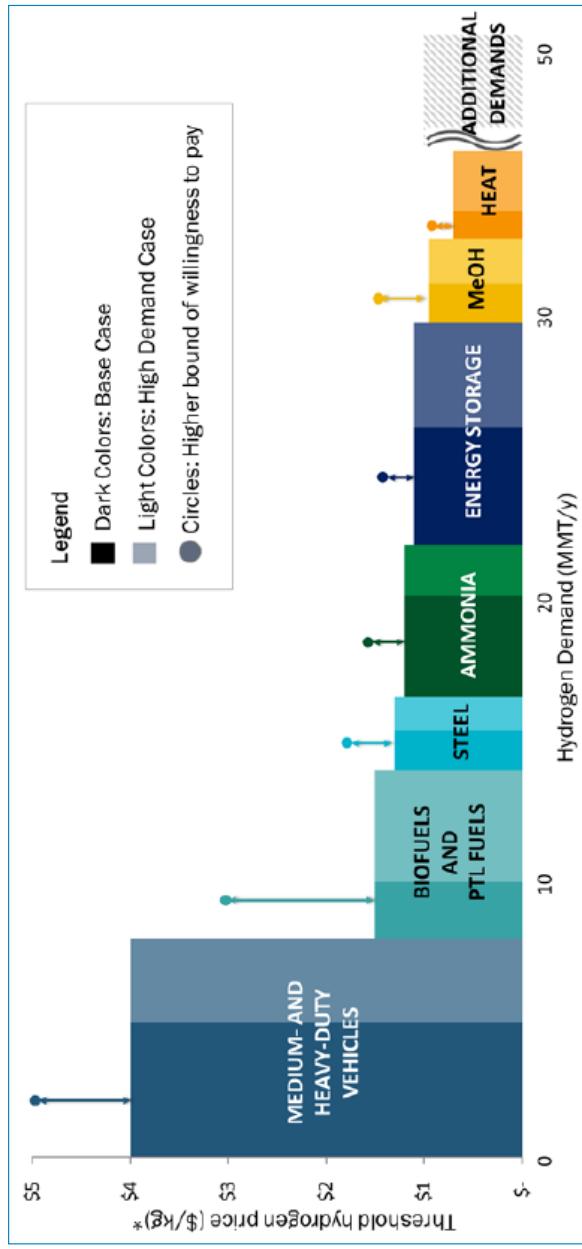
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New Market Development

Clean Hydrogen Demand in Key Sectors: How much do you want?



U.S. Department of Energy (DOE). "DOE National Clean Hydrogen Strategy and Roadmap," 2023.
<https://www.hydrogen.energy.gov/doe/national-clean-hydrogen-strategy-roadmap.pdf>

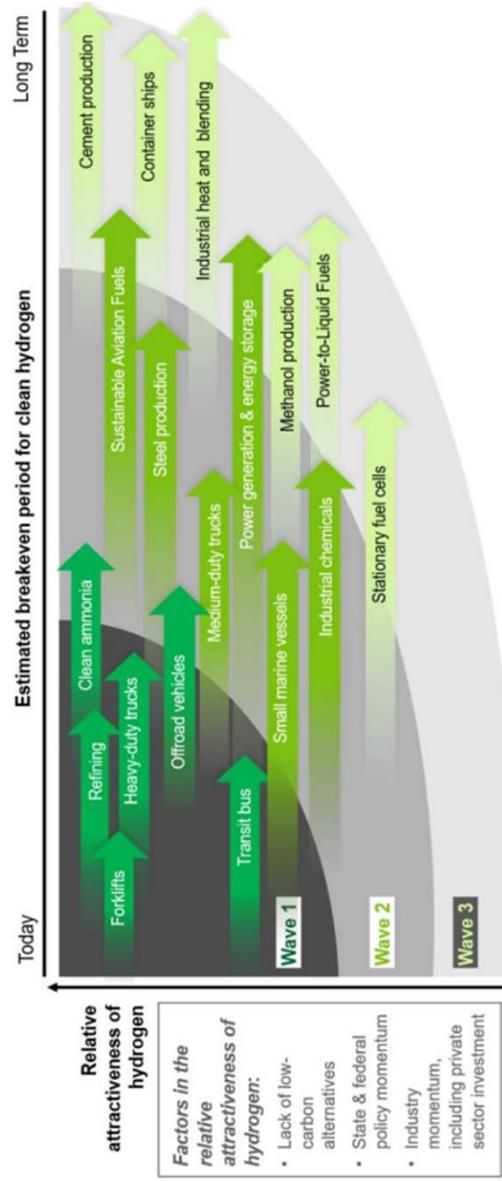
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New Market Development

When could adoption occur?



Clean hydrogen will meet demands in waves based on attractiveness in each end-use application

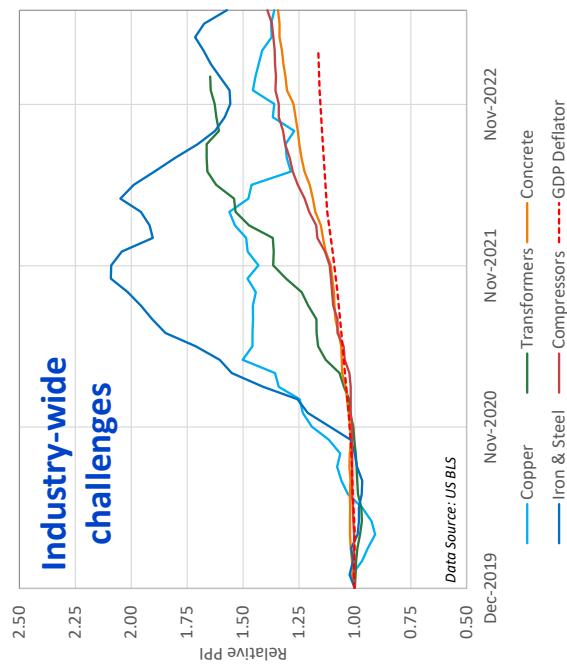
U.S. Department of Energy (DOE). "DOE National Clean Hydrogen Strategy and Roadmap," 2023. <https://www.hydrogen.energy.gov/docs/hydrogenprogramlibrary/pdfs/us-national-clean-hydrogen-strategy-roadmap.pdf>

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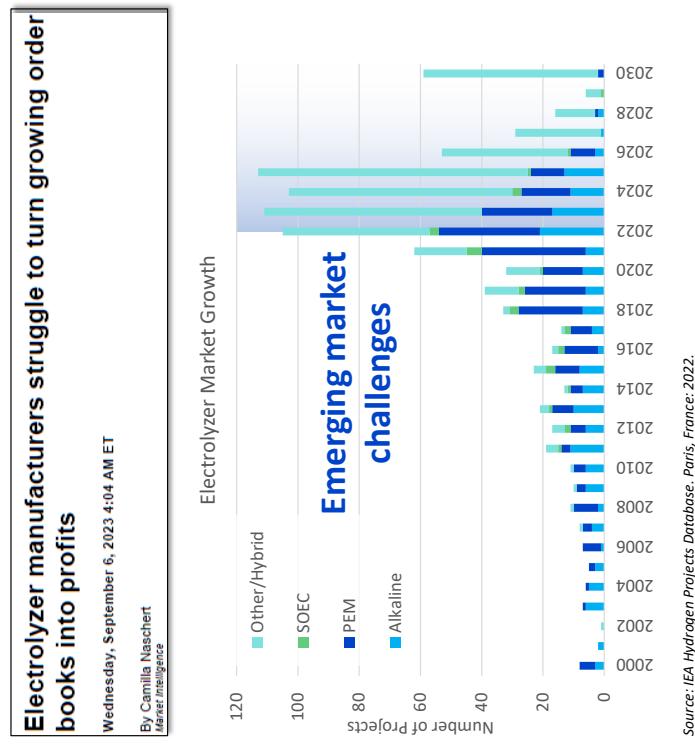


Change is never easy Market headwinds & growing pains

Key Market Producer Price Indexes
Relative to 2019 Prices



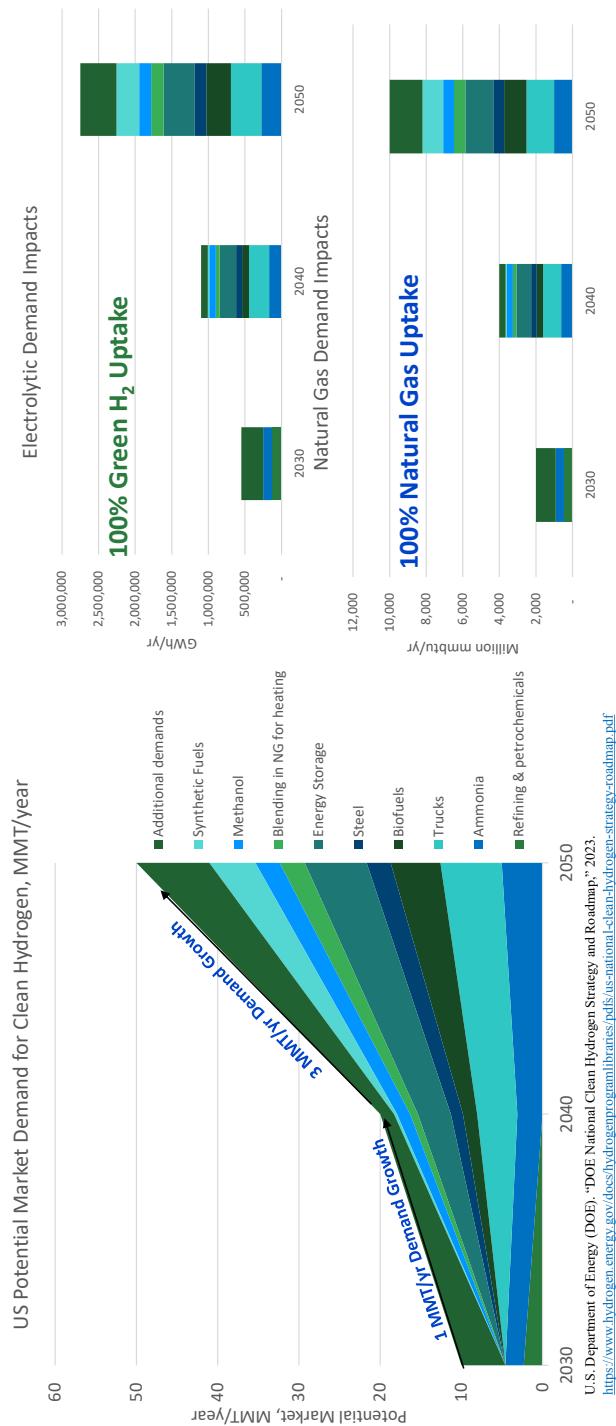
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Large potential = large impacts



Diverse range of end-use applications with large markets

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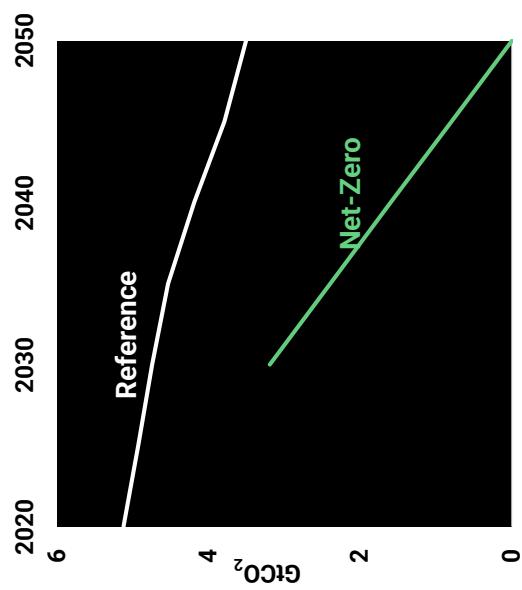


Pathways to Net-Zero

LCRI U.S. NET-ZERO 2050

*Full report available at
lowcarbonlcri.com/netzero*

Reference with no new carbon policy,
continued technology improvements



Net-Zero by 2050 with three core
sensitivities around CCS, gas, bioenergy

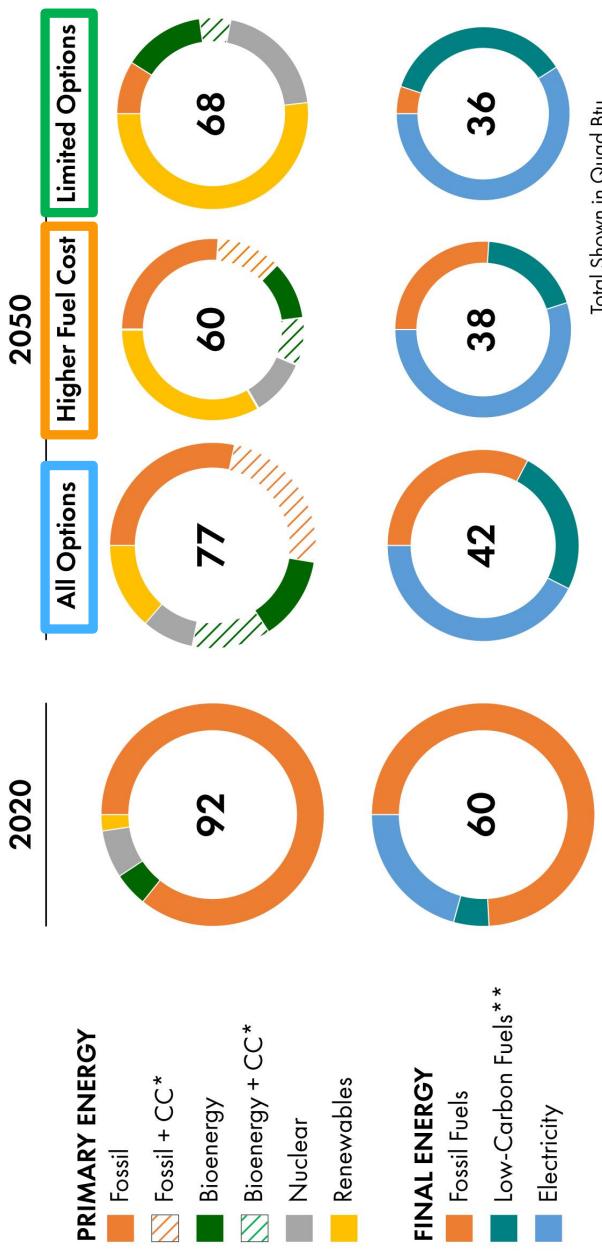
	All Options	Higher Fuel Cost	Limited Options
Geologic Storage of CO ₂	Lower Costs	Higher Costs	Not Available
Natural Gas Supply Costs	Lower Costs	Higher Costs	Lower Costs
Bioenergy Feedstock Supply	Full	Supply Limited	Supply Limited

Source: LCRI Report 30002024882



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Primary and Final Energy in Net-Zero 2050 Scenarios



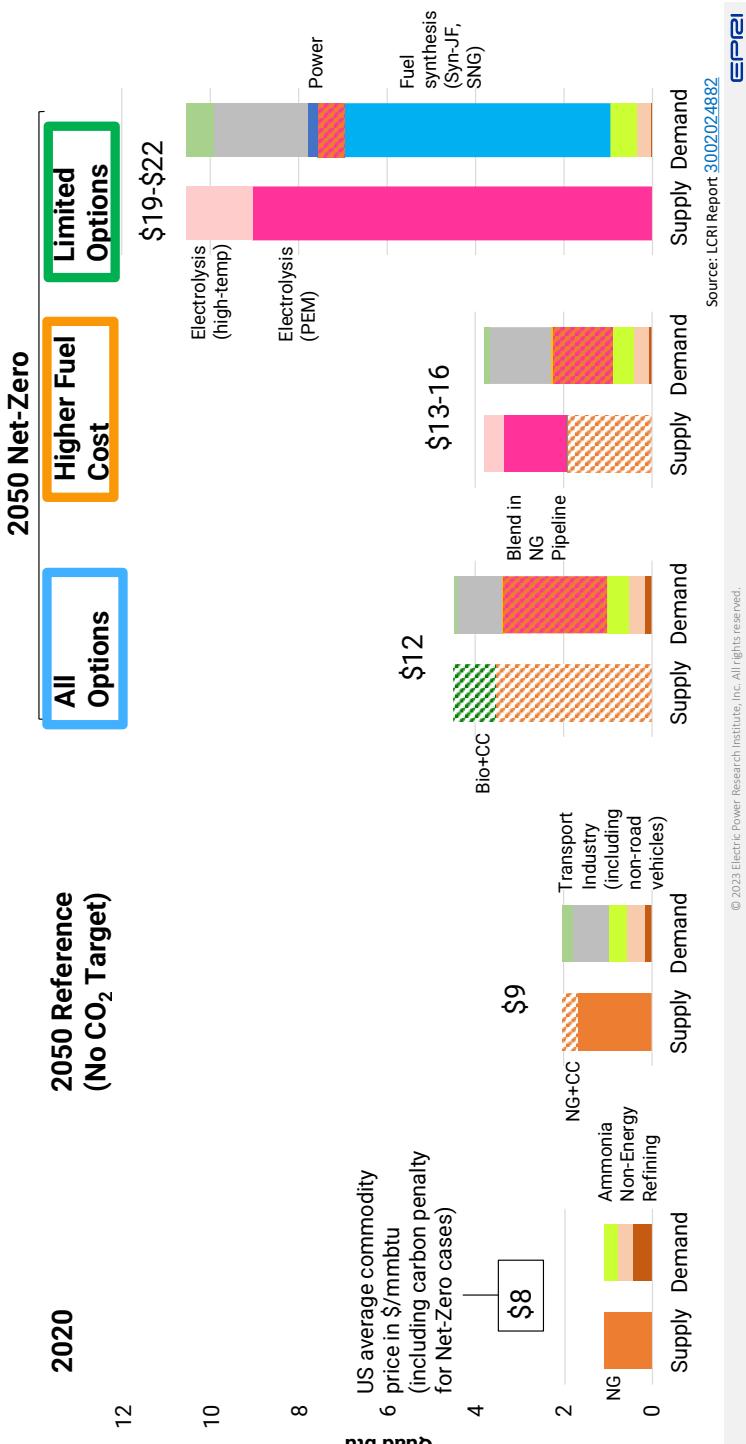
*Carbon capture, with storage or utilization
**Low-carbon fuels include hydrogen, hydrocarbon-derived fuels (e.g., synthetic fuels and ammonia) and bioenergy.

Source: LCR Report 3002024882



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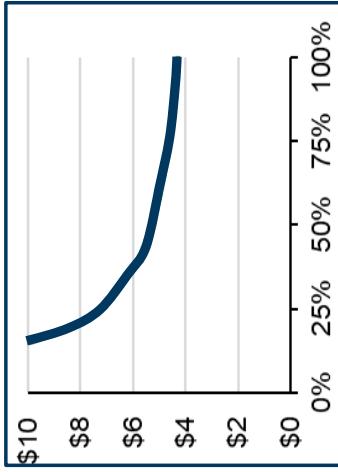
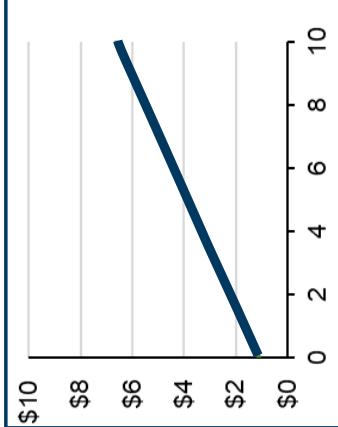
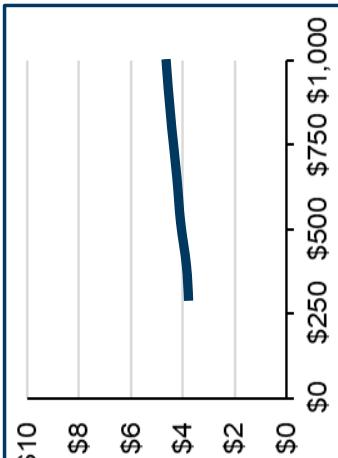
Hydrogen Supply and Demand



Electrolytic Hydrogen Cost Sensitivities

LCOH = Levelized Cost of Hydrogen

\$/kg



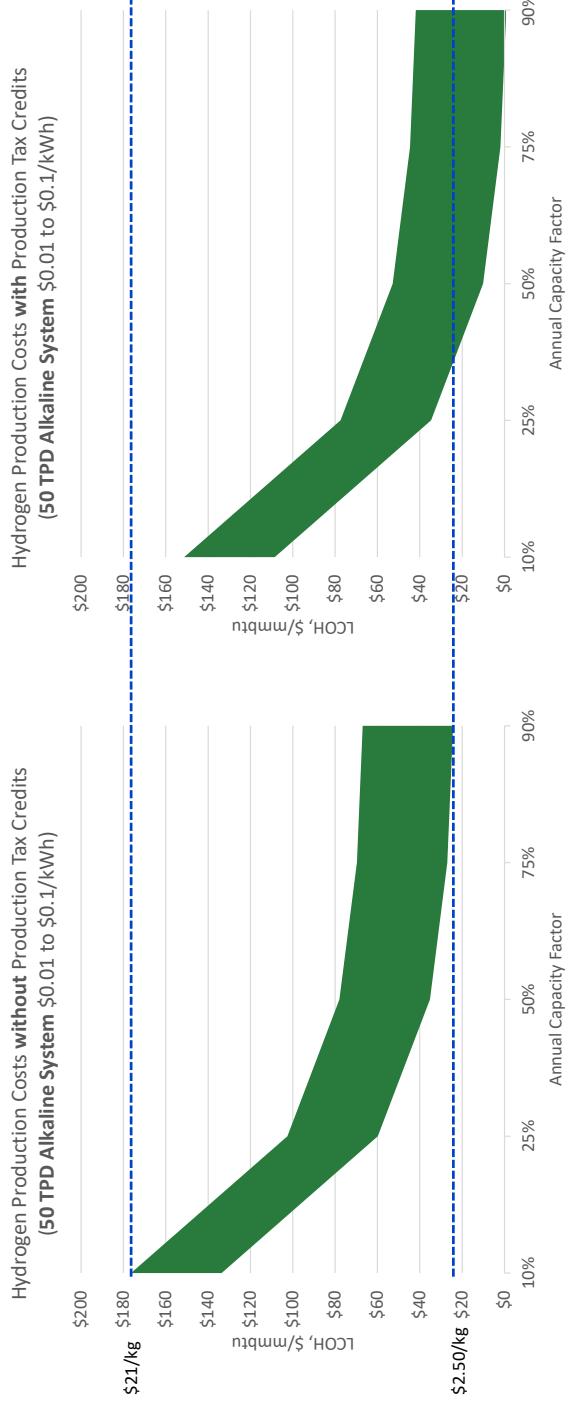
Capital Cost
\$/kW

Electricity Price
\$/kWh

Capacity Factor
%

ELECTRICITY COST and CAPACITY FACTOR may have the largest influence on electrolytic hydrogen production costs

Electrolysis LCOH Comparisons: 45V Impacts (\$3/kg)



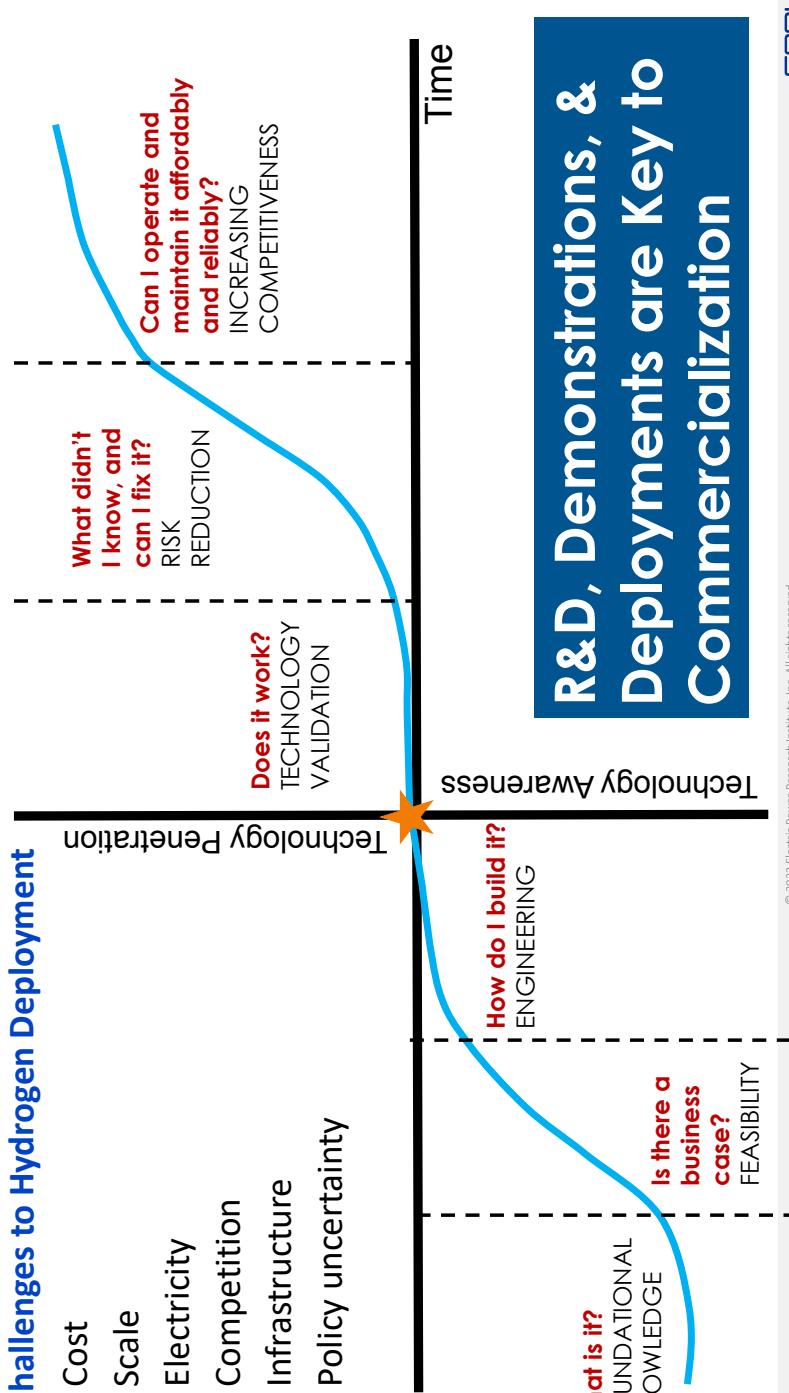
**Potential to have significant impacts on H₂ production costs from electrolysis
2% O&M and PTC escalation, 5.4% discount rate, 20-year MACRS, 20-year booklife, 2% degradation**



Challenges, benefits, & opportunities

Key Challenges to Hydrogen Deployment

- Cost
- Scale
- Electricity
- Competition
- Infrastructure
- Policy uncertainty



**R&D, Demonstrations, &
Deployments are Key to
Commercialization**

Benefits of Low-Carbon Hydrogen

Reduced emissions and environmental impact	<ul style="list-style-type: none">• No direct CO₂ emissions when combusted• Decarbonize current sectors that use hydrogen• Decarbonize hard-to-abate sectors that can be difficult to electrify• Possibility to positively contribute to equity and environmental justice
Balancing asset	<ul style="list-style-type: none">• Increased storage opportunities• Able to capture peaks in electricity generation from renewables and store as hydrogen molecules for later• Deliver hydrogen and other hydrogen carriers to areas that need the energy• Increases reliability and resilience
Economic	<ul style="list-style-type: none">• Spur domestic manufacturing• Enable energy affordability• Increase jobs• Learning by doing and economies of scale• Scaling renewable energy can further decrease the cost of renewable energy as well as low-carbon hydrogen

Hydrogen can help make the case for integrating more renewable energy into the grid

U.S. Department of Energy (DOE). "DOE National Clean Hydrogen Strategy and Roadmap." 2023. <https://www.hydrogen.energy.gov/doe/us-national-clean-hydrogen-strategy-roadmap.pdf>

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Creating a Market for Low-Carbon Hydrogen

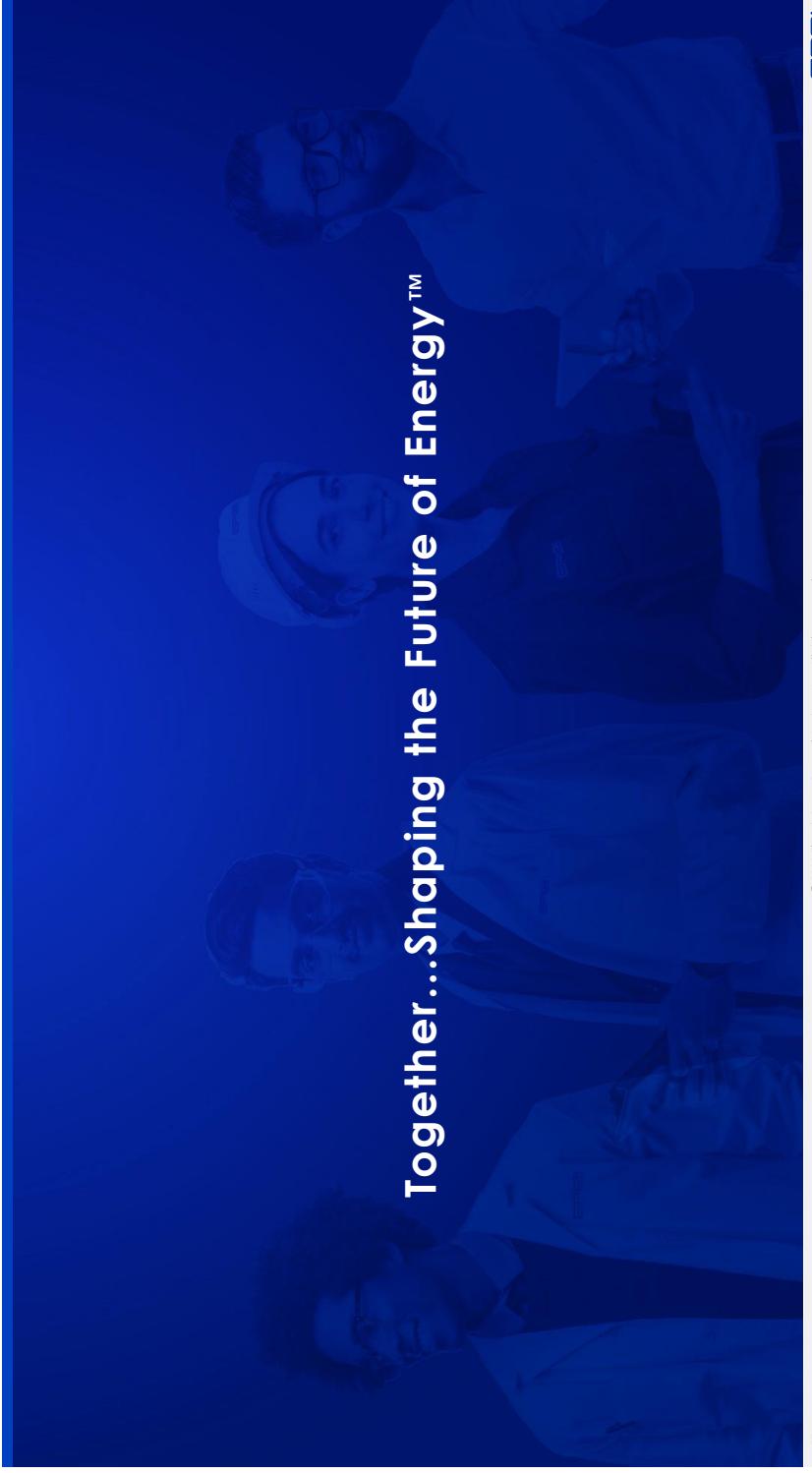
Government Support through the Infrastructure Bill



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Public resources

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- U.S. Department of Energy (DOE). “Pathways to Commercial Liftoff: Clean Hydrogen,” 2023. <https://liftoff.energy.gov/clean-hydrogen/>
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- IEA (2023), Global Hydrogen Review 2023, IEA, Paris <https://www.iea.org/reports/global-hydrogen-review-2023>,
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- The Low-Carbon Resources Initiative (LCRI). “Net-Zero 2050: U.S. Economy-Wide Deep Decarbonization Scenario Analysis,” 2023. <https://lcri-netzero.epric.com/>



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