

Economics of hydrogen fuels in heavy-duty transport


Jonas Martin, Anne Neumann, Anders Ødegård

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Which cost has decarbonized freight transport towards 2050 by using hydrogen fuels?

Short-sea:
7680 GT vessel

 ~ 9,450 t



Long-haul:
40 t semi-truck

 ~25 t

Competitive?



Short/mid-haul:
A320 freighter

 ~20 t

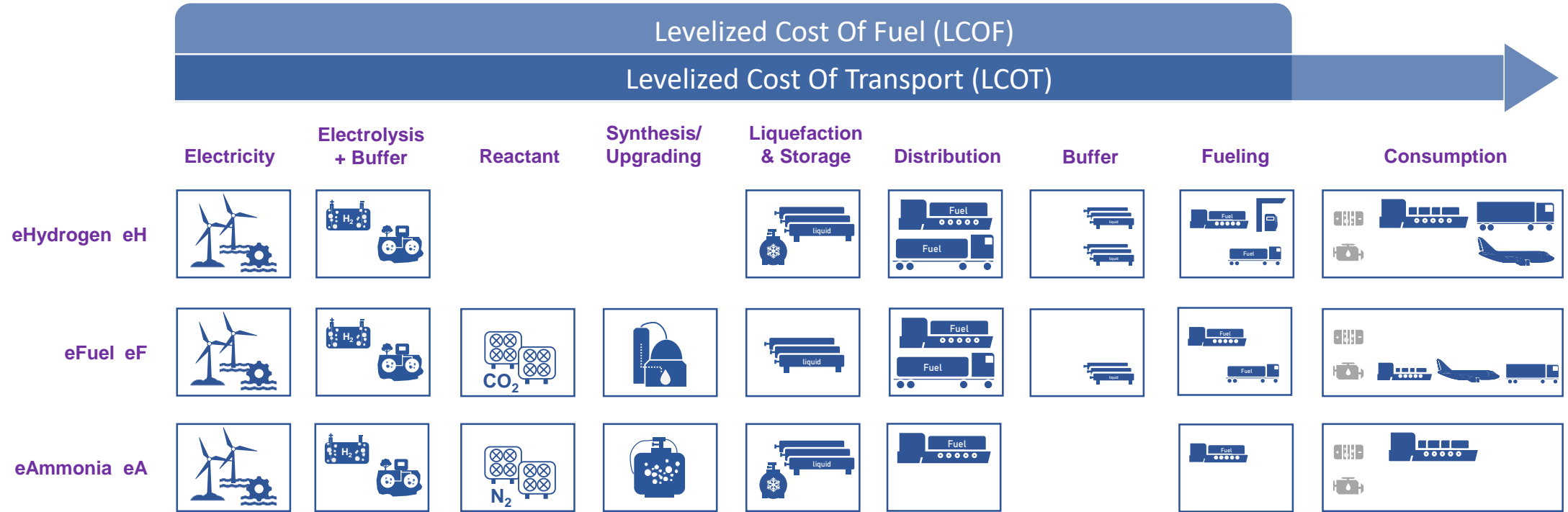
Sources:

Plane: elbeflugzeugwerke.com

Ship: confeeder.com

Truck: scania.com

Bringing hydrogen into transport



Methodology: Levelized cost of X

Step 1) Electricity

Step 2) Fuel

Step 3) Transport

$$LCOX = \frac{Capex_x * ucrf + Opex_{x,fix}}{Output_x} + Opex_{x,var}$$

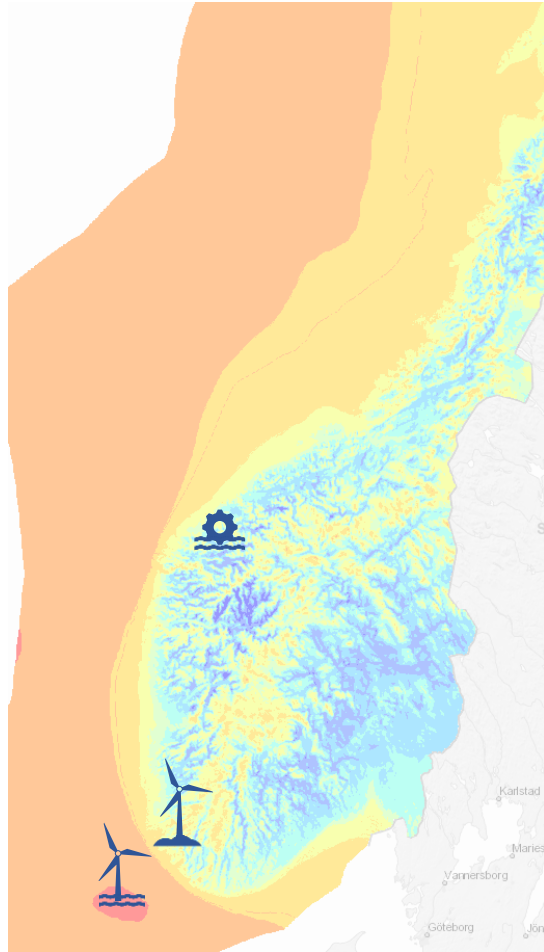
ucrf uniform capital recovery factor

$$ucrf = \frac{WACC * (1 + WACC)^N}{(1 + WACC)^N - 1}$$

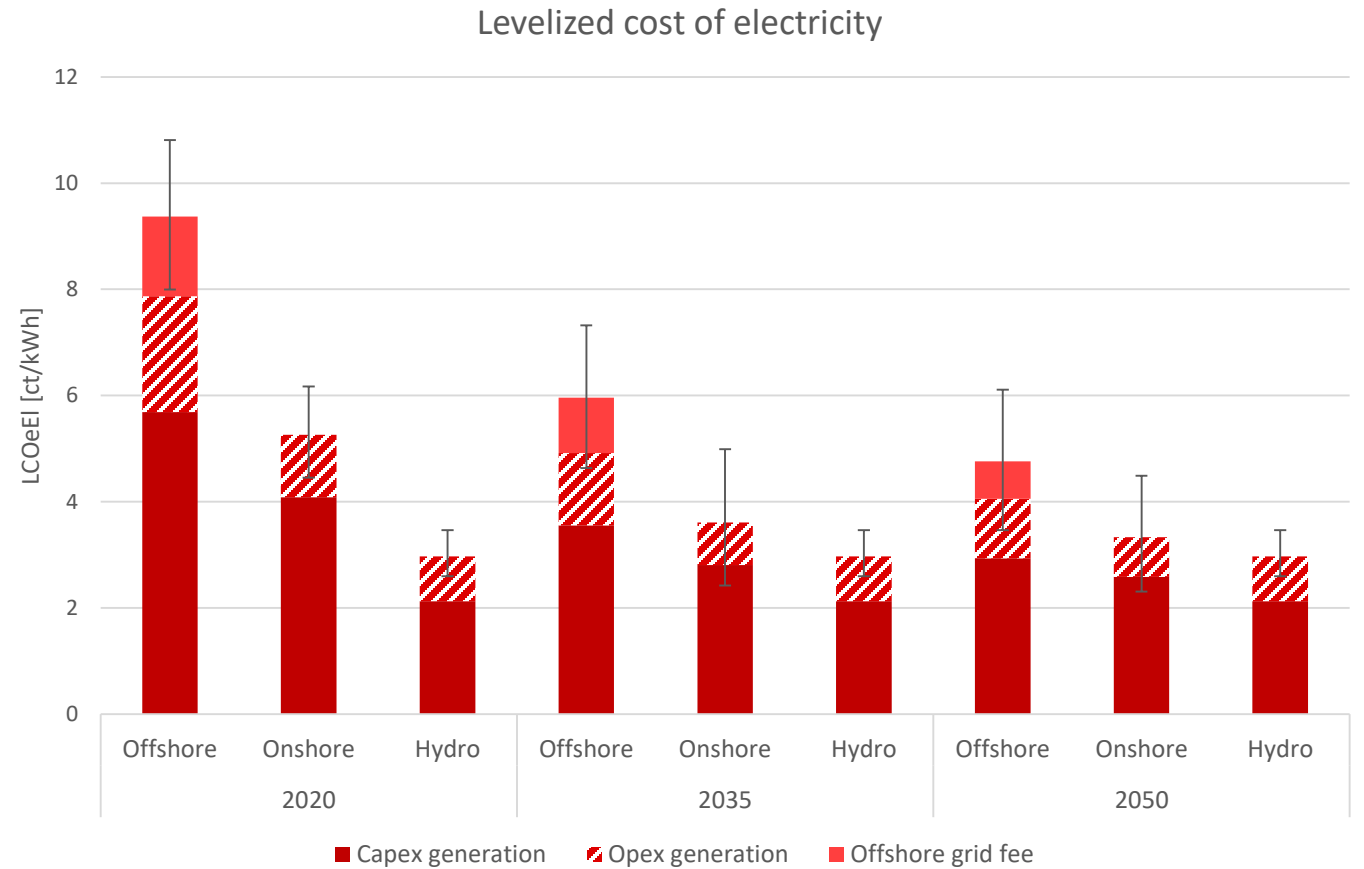
WACC weighted average cost of capital (6 %)

- ➡ ~ 140 techno-economic parameters along the value chains
- ➡ Excluding any governmental intervention by taxes or subsidies

Step 1) Levelized cost of electricity

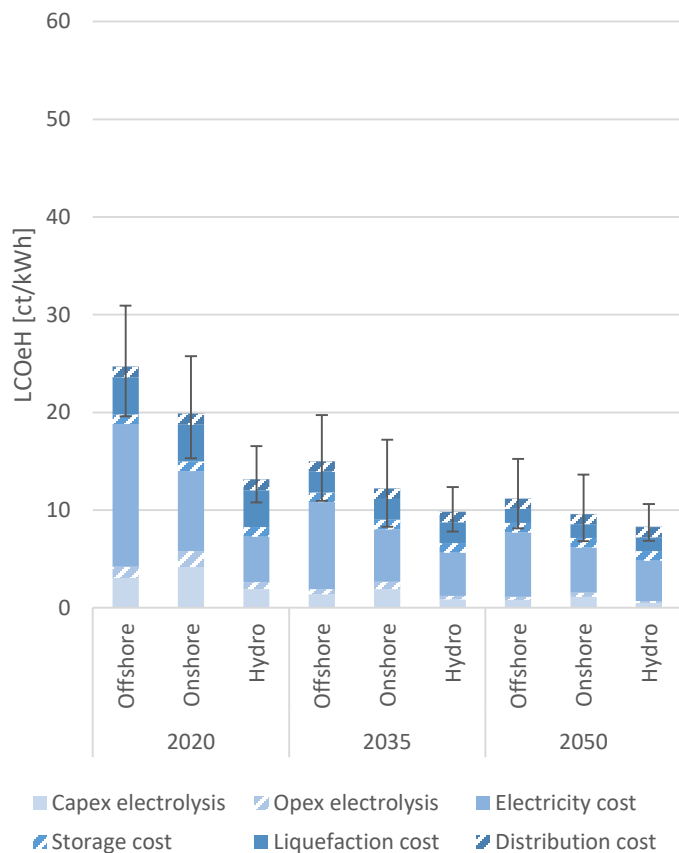


Source: <https://atlas.nve.no/Html5Viewer/index.html?viewer=nveatlas#>

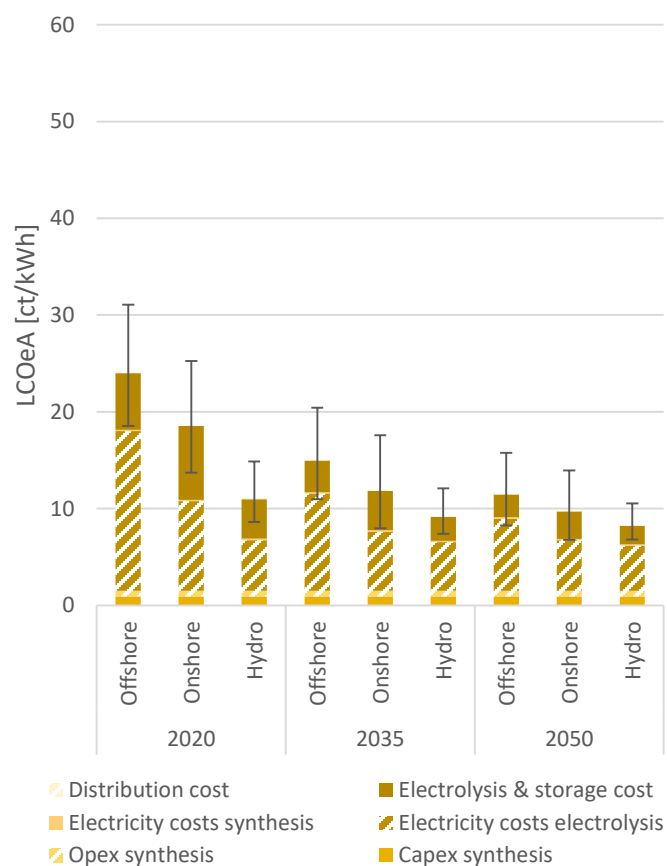


Step 2) Levelized cost of fuels

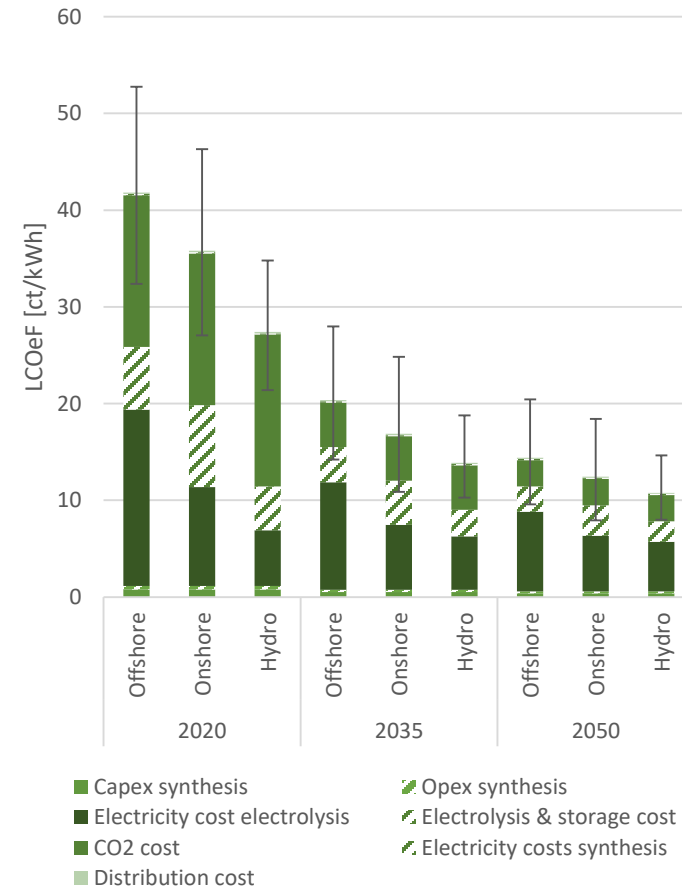
Levelized cost of eHydrogen



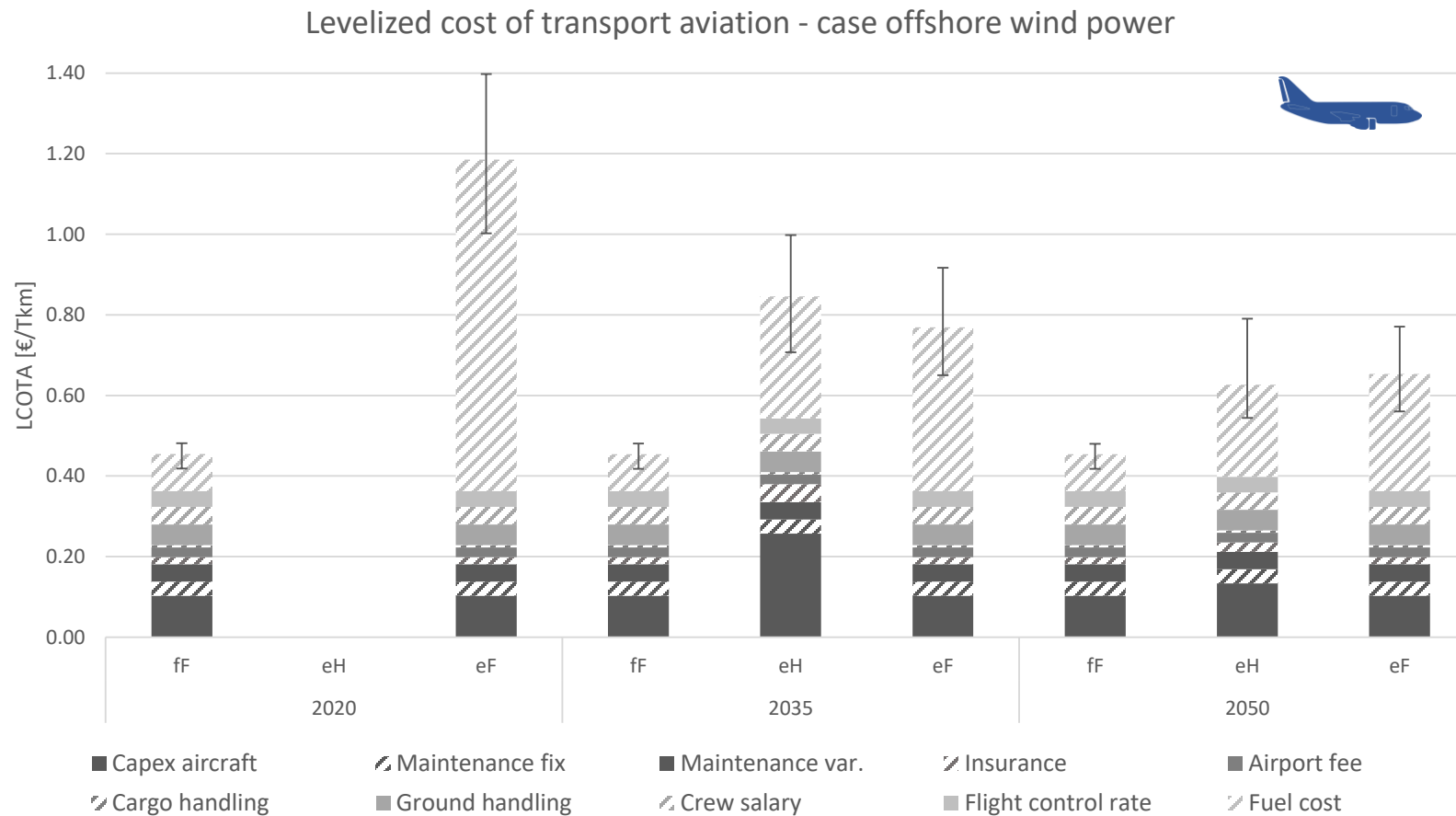
Levelized cost of eAmmonia



Levelized cost of eFuel



Step 3) Levelized cost of transport



Key takeaways

- 1) **Optimal fuel choices** are eH for trucking, eA and eH for shipping, eF first and later eH for aviation
- 2) **Shipping** cost are most **sensitive** if it comes to sustainable hydrogen fuels
- 3) Among the transport modes, alternative fuels do **not change the overall cost ranking**
- 4) The choice of **electricity sources** has significant impact on **early transport** decarbonization
- 5) Decarbonization pathways are **out of reach without** the use of **economic instruments** by 2050

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Paper coming soon.

Thank you.



Jonas MARTIN

Department of Industrial Economics and Technology Management
NTNU - Norwegian University of Science and Technology

Phone: +47 463 36 35 0

E-mail: jonas.martin@ntnu.no

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