

European Gas and Hydrogen Conference
Vienna, 21. – 23.03.2022

Natural Gas to Blue Hydrogen and Ammonia – Transportation to markets and Decarbonisation in multiple sectors

Torkild R. Reinertsen, PhD
Chairman and Market Lead Hydrogen
REINERTSEN New Energy AS

REINERTSEN
NEW ENERGY

.... Developing Clean Energy Solutions

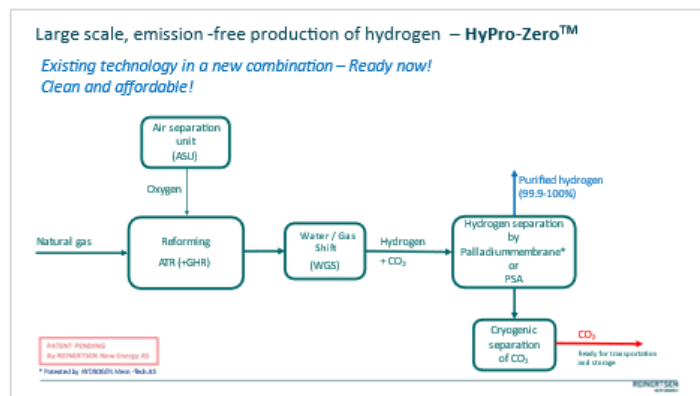
Natural Gas to Blue Hydrogen and Ammonia – Transportation to markets and Decarbonization in multiple sectors

Electrification is the most important tool for decarbonization of Europe but will be limited by insufficient renewable electricity production capacity and flexibility. In addition, Hydrogen and CCS will play an important role in decarbonization. However, hydrogen produced clean, in large volumes at a competitive cost will be needed.

Until recently, EU's hydrogen strategy is focused on producing green hydrogen from scarce renewable energy. An obvious alternative would be to produce large volumes of blue, competitive hydrogen, emission-free from natural gas (not LNG?). The CO₂ biproduct will have to be transported to a safe storage facility. The EU could get access to large volumes of blue hydrogen and ammonia by import from Norway and other regions.

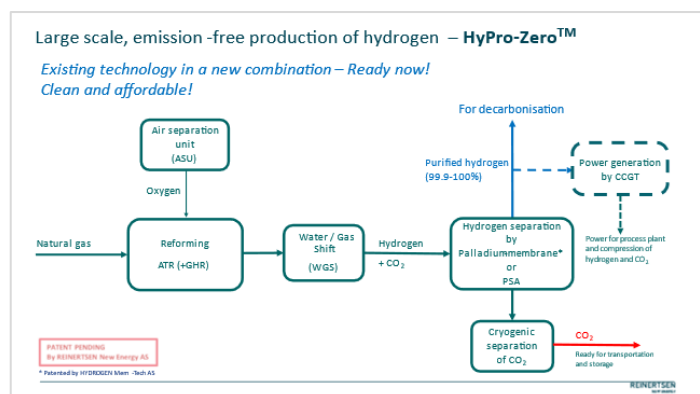
We have investigated the feasibility of blue hydrogen and ammonia production in Norway, storage of the CO₂ close to the production site, as well as the transportation of hydrogen and ammonia to the market, and the use of it for decarbonization in multiple sectors.

New and cleaner processes have recently been promoted by REINERTSEN New Energy and others. We have developed a process named HyPro-Zero™ based on Autothermal Reforming (ATR), fed by oxygen from an Air Separation Unit (ASU), Palladium membrane or PSA for H₂ separation, and cryogenic separation of CO₂.



The process solution has been further developed to an ultrahigh CO₂ capture rate of close to 100% and no need for import of renewable electricity. The technology is proven and can be built, now! Ready now!

If renewable power is not available, a hydrogen power plant can be added.



The hydrogen production cost, including CCS is estimated to 1.5 – 2.0 Euro/kgH₂, the higher figure is valid for ultra-high CO₂ capture rate and no power import. The production cost of blue hydrogen is less than half of green hydrogen!

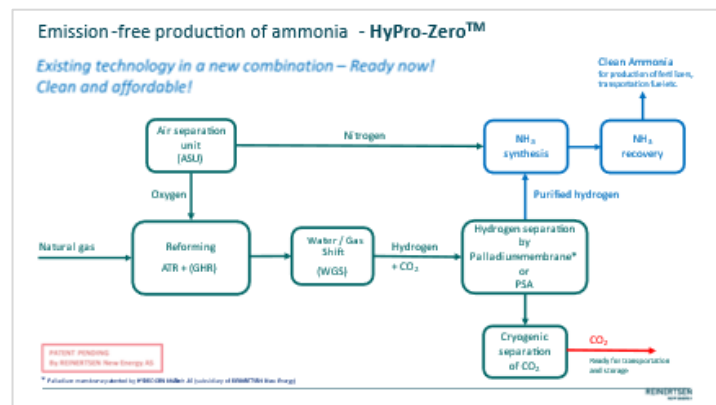
Competitive, emission-free, blue hydrogen production

Hydrogen production cost (incl. CO ₂ capture)*:	1.2 – 1.5 €/kgH ₂
+ CO ₂ transport and storage cost:	0.3 – 0.5 €/kgH ₂
Total production cost**:	1.5 – 2.0 €/kgH₂

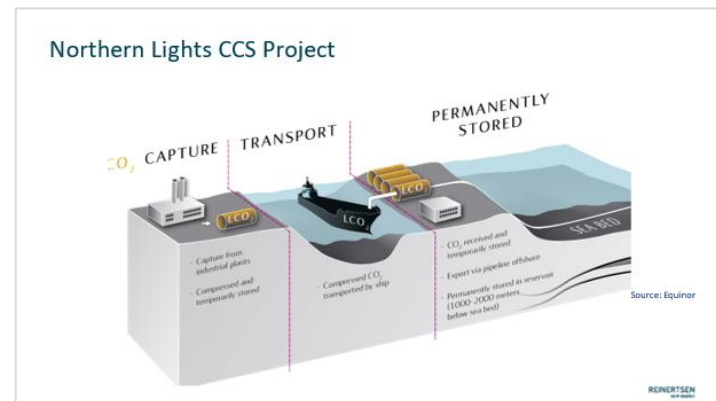
* Natural gas price assumption: 0.12 €/SM³
 ** Net cost, excl. financing, distribution of hydrogen etc.

REINERTSEN
NEW ENERGY

The process (HyPro-Zero) can be extended with a “Bolt on”, standard ammonia production plant. Again, the CO₂ capture rate is very close to 100%!



Although we have developed our HyPro-Zero process, we are a product and technology independent engineering company that will work out the best solutions for our client’s projects.



CO₂ storage is a prerequisite for clean hydrogen production from natural gas and several projects are being developed in Norway, Netherlands, UK, US and other countries.

Several projects are being developed for transportation of hydrogen, 100% or blended in new or repurposed gas pipelines and networks. The H₂ transportation cost for such systems may be very competitive. Studies of a repurposed 40-inch gas pipeline from Norway to Germany or alternatively a new 42-inch pipeline indicate a transportation cost as low as 0.1 Euro/kg H₂! The main cost element is the energy for compression.

Gas pipelines for efficient hydrogen transportation
 Example: Norway to Netherlands/Germany

Existing gas pipeline converted to hydrogen service, 40"/924km

New hydrogen pipeline 42"/800km (3.5 million ton H₂/year)

Cost of hydrogen transportation: ~ 0.10 €/kgH₂*

* Net cost, excl. financing etc.

REINERTSEN
NEW ENERGY

We have been involved in pipeline design, H₂ compressor station design (potentially the world’s largest!), and H₂ de-blending/extraction station at the landfall.

The production and transportation cost adds up to about 2.0 Euro/kg H₂, delivered onshore in Netherlands/Germany!

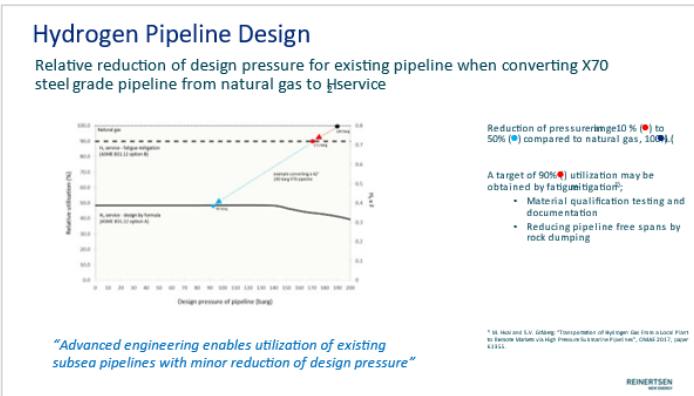
Large scale, competitive, blue hydrogen production and transportation

Hydrogen production cost (incl. CO ₂ capture)*:	1.5 €/kgH ₂
+ CO ₂ transport and storage cost**:	0.3 €/kgH ₂
Total production cost:	1.8 €/kgH₂
+	
Hydrogen transportation Norway– Germany/Netherlands:	0.1-0.2 €/kgH ₂
=	
Total production and transportation cost***:	1.9-2.0 €/kgH₂

* Natural gas price 0.12 €/SM³, zero power import required
 ** Hydrogen production located close to CO₂ storage
 *** Net cost, excl. financing, etc.

REINERTSEN
NEW ENERGY

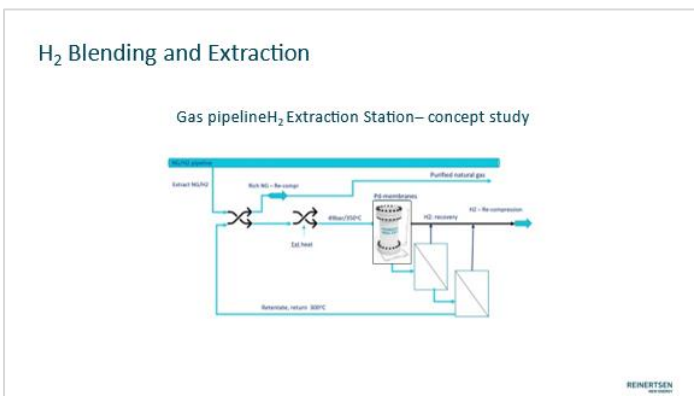
Examples of studies:



Advanced engineering enables utilization of existing subsea pipelines with minor reduction of design pressure.



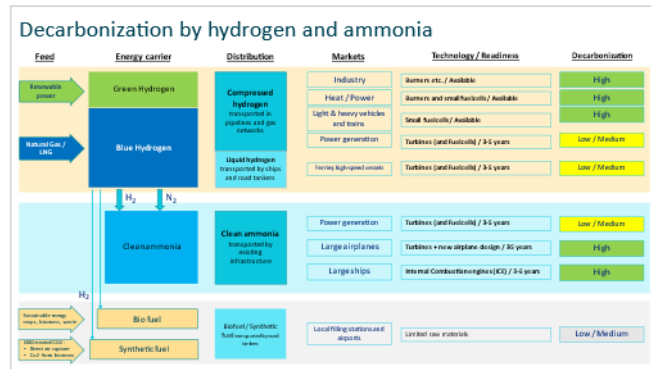
Hydrogen compression study! The world's largest!



Our proposal for de-blending/extraction station at the landfall, using Palladium membrane technology.

Sorry about this busy picture, but in summary, hydrogen can most economically be transported and distributed as compressed hydrogen in pipelines, or as ammonia by ships or road tankers.

The most relevant markets for compressed hydrogen will be industry, heat&power and transportation. For clean ammonia the main markets will be marine shipping and possibly aviation. For clean ammonia, the existing ammonia infrastructure and logistics can be used and expanded.



Both compressed hydrogen and ammonia may be important for power generation and powergrid balancing.

For liquid hydrogen we see a marginal market, only.

End-user technology and TRL

The most important, end-user technology developments for the next years include turbines and internal combustion engines (ICE) run on 100% hydrogen and ammonia. (Fuel cells are currently available, but the capacity is very limited.)

The development ICEs (diesel engines) are important for the maritime, power generation and compression. Wartsila, MAN and others are developing engine modification packages for up to 70% ammonia fuel, and new engines for 100% ammonia.

The ongoing development of turbines is important for power generation, compression and probably for aviation (jet engines). NOx emissions need to be controlled at an acceptable level. (Mitsubishi and GE).

End-user technology – development and technical readiness

- Marine engines** (10-100 MW) are now being developed for ammonia fuel;
 - > Retrofit of existing engines to run on 70% ammonia
 - > New engines for 100% ammonia.
 - > Developments by MAN, Wärtsilä and others
 - > Ammonia is likely to be the dominating maritime fuel of the future!
- Gas turbines** (small and large) are now being developed for H₂ and ammonia.
 - > Large Gas turbines (hundreds of MW) run on H₂ or NH₃ may be very important for power generation / grid balancing etc. (Mitsubishi and others)
 - > Large jet planes, fuelled with ammonia may be the only realistic path forward for significant decarbonisation of aviation. (Reaction Engines Ltd., picture)
 - o Bio-fuel, SAF and liquid H₂ will not be produced in sufficient volumes or will not be realistic to distribute to the world's airports.
 - o Small electricity driven airplanes may use batteries or fuel cells
- Burners and small fuel cells** are available for the use of hydrogen in industry and light vehicles.
 - > The development of large, more efficient fuel cells has been slow, but may become competitive in the future?

REINERTSEN

Example of important end-user technology: REACTION ENGINES Ltd. + STFC

HOW AMMONIA COULD FUEL FUTURE JET ENGINES

- Ammonia fuel is added to the engine, and it is burned in a combustor.
- The gas is pumped from the combustor through a compressor to the turbine.
- A catalyst in a 'stacking reactor' splits some of the ammonia into hydrogen and nitrogen.
- The hydrogen fuel mix is then fed into the engine's combustion chamber as usual.
- However, the waste products will mainly be harmless nitrogen and water vapour.

REINERTSEN

Build on Existing Infrastructure !

- Modify/expand refineries and chemical plants** to enable free production of hydrogen and ammonia
 - > Access to natural gas, light oil?
 - > Harbour for export of ammonia.
 - > Hydrogen for CO₂ emission reduction (pre-combustion CCS)?
 - > Hydrogen to neighbouring regions?
- Repurpose gas pipelines and gas networks** to hydrogen service
 - > Upstream blending and downstream extraction of H₂, as stepwise development
 - > 100% H₂ service
- Expand shipping capacity and storage** for ammonia
 - > ...

REINERTSEN

Thank you for your attention!

We find it most motivating to develop low carbon technology and solutions for a clean planet (for all) and we want to involve the next generation in the transition!

