

Korean Herald
Sept. 5, 2008

POSCO completes world's largest fuel cell plant

POSCO completed construction on the world's largest hydrogen fuel cell production plant in Pohang, North Gyeongsang Province, yesterday.

Capable of producing hydrogen fuel cells with a combined output of 50 megawatts each year, the plant is the world's largest facility for manufacturing hydrogen fuel cells to generate electricity.

The facility was opened in a ceremony attended by over 300 people, including POSCO's chief executive Lee Ku-taek and the Minister of Knowledge Economy Lee Youn-ho.

"The fuel cell technology is the optimal solution to the problems humanity faces, such as the depletion of fossil fuel reserves and pollution," POSCO's Lee said at the ceremony.

"The company will establish a mass-production system in order to develop the fuel cell project into a global business and to develop Pohang into a mecca for the fuel cell industry."

Hydrogen fuel cells generate electricity by combining hydrogen and atmospheric oxygen, with only water being produced as a by-product. In addition, because electricity is generated directly from the hydrogen-oxygen reaction, fuel cell generators achieve higher energy efficiency than conventional generators using fossil fuels. According to POSCO, fuel cell generators can achieve up to 47 percent energy efficiency, compared to conventional generators' 35 percent.

In recent years, the world's fuel cell market has been growing by more than 80 percent annually. The market is expected to grow to \$80 billion by 2020.



Minister of Knowledge Economy Lee Youn-ho (third from left), POSCO CEO Lee Ku-taek (fourth from right) and other participants cut the tape to mark the completion of a

hydrogen fuel cell plant in Pohang, North Gyeongsang Province, yesterday. [POSCO]

In light of such projections, the company plans to build another plant of equal production capacity by 2011. POSCO also intends to establish a research center dedicated to fuel cell technology and to collaborate with various research organizations, including the Research Institute of Industrial Science and Technology and the Pohang University of Science and Technology, to develop fuel cells which are 10 percent more efficient and 20 percent cheaper to make, the company said. In establishing additional production and research facilities, the company said that it will invest 170 billion won (\$149 million) by 2012.

In addition, the steelmaker is expecting its fuel cell operations to bring positive effects if it succeeds in taking over Daewoo Shipbuilding and Marine Engineering Co. POSCO said in a statement that the fuel cell technology could be applied to marine engineering to develop clean oil rigs and silent vessels, and could help open up new horizons for the country`s shipbuilding industry.

POSCO is competing against three local firms - GS Group, Hanwha Group and Hyundai Heavy Industries Co. - in the bidding to take over the company.

By Choi He-suk

(cheesuk@heraldm.com)

Copyright 2002~2004 Digital Korea Herald. All rights reserved