

Service Article: Automakers Ramp Up Fuel Cell Production

Topic:



Automakers such as General Motors and Honda Motor are taking initial steps towards the commercial production of hydrogen fuel cell systems, which are another alternative to traditional gasoline-powered cars beyond electric vehicles. Many people in the automotive industry believe that fuel cells could replace diesel fuel in “generators, heavy-duty trucks, semi-trucks and construction equipment among others” (Wayland, 2024). GM and Honda have agreed on a 50-50 venture to build an \$85 million fuel cell system production facility in the suburbs of Detroit, Michigan. Although the companies will be marketing and selling their own products separately, they are claiming that this joint venture will be “the first of its kind in the U.S.” (Wayland, 2024). Both carmakers and the Fuel Cell System Manufacturing LLC joint plans marked “a historical moment for the technology” which had been underway since 2013 (Wayland, 2024).

Officials claim that due to increased regulations, tightening caps on emissions, technological improvement, more pressure to protect the environment, and social and corporate governance have led to this opportunity in the automotive industry. Charlie Freese, Executive Director of “Hydrotec” fuel cell products at GM asserted that “We’re getting some capability; we’re bringing costs down. And now we can start to move it into these segments where before it wasn’t really feasible” (Wayland, 2024). Honda is expected to introduce the new system into their vehicles this year, while GM is expected to use the fuel cells in backup power stations and large truck fleets.

Honda predicts to sell approximately 2,000 of the fuel cell systems by 2025, and 60,000 units by 2030. Although it seems small in comparison to the millions of traditional gasoline vehicles and EVs GM and Honda are predicted to manufacture in the upcoming years. GM has not released any sales expectations, however Freese stated that GM plans to use fuel cells as supplemental to electric vehicles in their goal of phasing out the production of gasoline-powered cars by 2035. However, some challenges with the fuel cell vehicles include acceptance from consumers, fueling infrastructure, and associated costs. Due to these shortcomings, many expect fuel cells to be used in commercial applications (i.e. trucking) and then make their way to consumers.

Source:

Wayland, M. (2024, January 25). *GM, Honda begin U.S. fuel cell production in step toward replacing Diesel*. CNBC. <https://www.cnbc.com/2024/01/25/gm-honda-begin-us-fuel-cell-production.html>