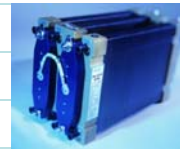
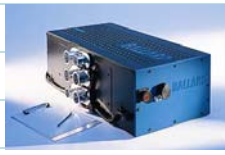




**making fuel cells a commercial reality**



# Presentation Outline

1

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- Ballard Power Systems
- Near-term Applications
- Momentum in Automotive
- Discussion of Senate Energy Tax Package

# Industry Leading Automotive Fuel Cell Alliance

2

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DAIMLERCHRYSLER ▶



◀ *Ford Motor Company*

19.0% ownership  
of Ballard

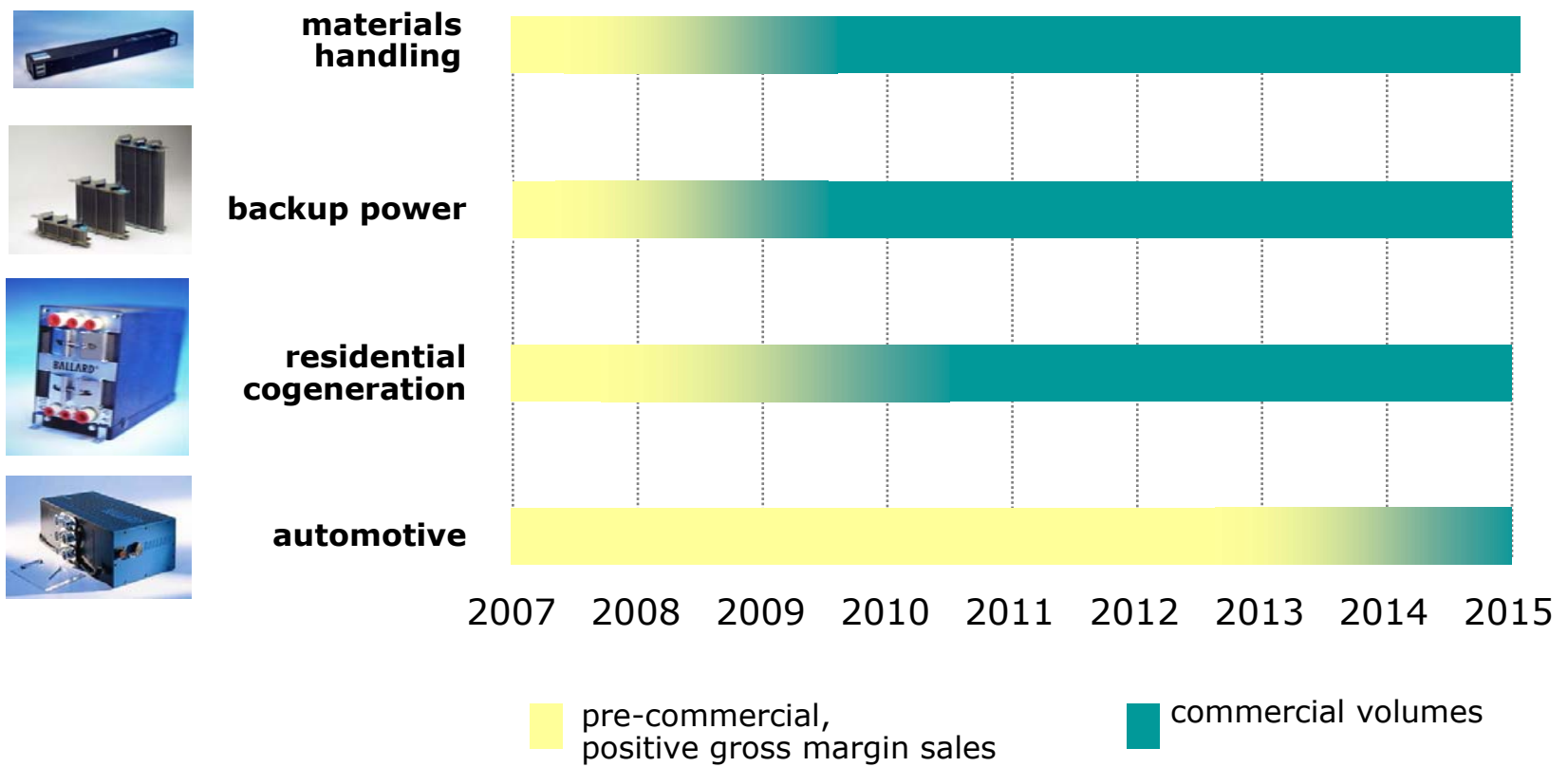
11.4% ownership  
of Ballard

- Joint development / funding
- Shared research
- Field experience
  - world's largest fuel cell vehicle fleet

# Ballard's Fuel Cell Products Serve Diverse Markets

3

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*market commercialization timelines based on Ballard projections*

# Where We Are Today

4

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- The national commitment to the hydrogen economy is now bearing fruit
- Fuel cell products are entering the market today. Examples include:
  - Back-up power
  - Material Handling Equipment (forklifts)
  - Cogeneration
  - Portable
- Voice of the Customer (Video)

# Today's Applications

5

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- Why are these and other near-term applications important from a climate change and energy independence policy perspective?
- We are establishing the foundation for the hydrogen economy....
  - Volume Drives Cost Reduction Across the Supply Chain for fuel cells and hydrogen equipment
  - Establish Early Hydrogen Infrastructure
  - Push Codes & Standards
  - Educate the Public



# Common Solutions

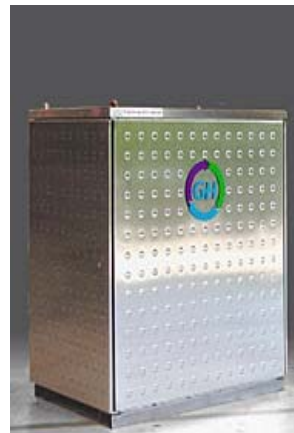
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## Automotive



## Forklifts



**We can accelerate the commercial readiness of fuel cell vehicle technology by facilitating market traction for today's early hydrogen and fuel cell applications.**

# Momentum: Automotive

9

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- Signs of momentum in the industry are compelling ...
- .... Yet there is a perception in certain quarters on the Hill that hydrogen fuel cell vehicles are too distant ....
- ... As a result, we are missing opportunities to foster an environment that supports an acceleration...

# Recent Examples

10

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- Ford's Edge HySeries Drive
- GM's resource shift from R&D to Engineering
- Honda's Leasing Program in California
- BMW's 7 Series Leasing Program

# Senate Energy Tax Package

11

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- **What should be the goal of tax policy with respect to this sector and opportunity?**

Support today's hydrogen and fuel cell applications and thereby establish the foundation for the broader hydrogen economy.

# The Current Senate Energy Tax Package

12

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## ...Measured Against the Goal....

✓ **Some Very Effective Policy** 30% tax credit for fuel cell power plants extended through 2016.

### – **But Also Some Policy Mismatches**

- \$30K tax credit for h2 fueling stations
- \$.50 / gge excise tax credit for *liquid* hydrogen

= **Cost-Competitive Fuel Cells but Very Expensive Hydrogen**

# Graham-Dorgan Amendment

13

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- Seeks to correct the energy tax package with a meaningful yet cost-effective hydrogen tax credit
  - Supports nearer term h2 and FC applications such as forklifts, buses, power generation, and early stage automotive fleets, as well as H2 ICE
  - Establishes the foundation for the broader hydrogen economy by driving cost reduction (via volume), establishing initial fueling infrastructure, and pushing codes and standards

# Graham-Dorgan Amendment (Cont)

14

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- Comprehensive, High Impact, Low Score
  - Provides support for Installation, Infrastructure, and Fuel
  - 3 years and capped at \$85 M total
- Has the broad and active support of the hydrogen industry

# Connecting Plug-in and Fuel Cell Technology: Ford's Edge HySeries Drive

15

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