

Castle: H-Prize Will Help Spur Alternative Fuel Development -- May 10, 2006

University of Delaware, Delaware State University, others could compete for grants

WASHINGTON, D.C. -- Delaware Congressman Mike Castle, who has long pushed for increased resources to study and develop alternative sources of fuel, today backed "The H-Prize Act" on the House floor, saying it will help jump start investment in this critical area. Castle has previously voted against energy bills in the House of Representatives because they have not done enough in the area of alternative fuel development and said today's bill is a good start in the right direction.

"I have long believed that an answer to our energy problems in the United States is a comprehensive approach that combines conservation with investment in alternative fuels. Today's legislation establishes a prize competition to encourage the development of breakthrough technologies that would make hydrogen a practical alternative to oil in our transportation sector. Right now the costs of doing so are prohibitive and the timeline is too far away.

"I am going to do all I can to encourage Delaware universities and businesses to apply for these prizes. I feel that our state is as well positioned as any to be a player in this issue. The University of Delaware is already building a fuel cell bus and the Delaware State University is studying hydrogen storage and we have private companies interested in various sources of alternative fuels."

Castle and the Congressional Delegation last year secured nearly \$2 million for the University of Delaware Automotive-Based Fuel Cell Hybrid Bus Program and \$1.25 million for the Delaware State University Center for Hydrogen Storage.

Specifics of the H-Prize Act: The H-Prize, modeled after the successful Ansari X Prize - which spurred the first privately funded suborbital human spaceflight last year - would help overcome technical challenges related to hydrogen by offering prizes in three categories:

- o Technological Advancements - Four prizes of up to \$1 million awarded biennially in the categories of hydrogen Production, Storage, Distribution and Utilization;
- o Prototypes - One prize of up to \$4 million awarded biennially that forces working hydrogen vehicle prototypes to meet ambitious performance goals; and

oTransformational Technologies - One grand prize consisting of a \$10 million cash award, funded in whole or in part by federal contribution. Additional matching funds could be awarded for development of wells-to-wheels breakthrough technologies.

Ø H.R. 5143 would authorize \$110 million in appropriations over 10 years (FY 2007 - 2016):

o \$20 million for the Technical Advancement prizes;

o \$20 million for the Prototypes prizes (awards in these two categories alternate annually);o \$10 million for a single Transformational Technologies grand prize; ando \$2 million annually for administrative and advertising costs.

Ø The legislation would also direct the Secretary of Energy to contract with a private foundation or panel that would include experts in the field to establish criteria for the prizes and administer the prize contest.