

Honda's new business venture: solar power -- Carmaker had been testing it as way to produce hydrogen for fuel cells

ANS and DOE are neglecting what other more credible organizations are doing.

MS NBC
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Describing itself as "the first automaker to enter into solar cell business," Honda Motor Co. said on Monday it plans to start mass-producing solar cells in 2007, eyeing growing demand for environmentally friendly energy sources.

Japan's third-biggest automaker said in a statement it would build a new factory for thin-film solar cells on the site of a car plant in Kumamoto prefecture, on the southwestern Japanese island of Kyushu.

The company said it aims to generate annual sales of \$40 million to \$70 million from solar cells once the factory's output reaches full annual capacity of 27.5 megawatts, enough to power about 8,000 households.

"The mass production of Honda's next-generation solar cell became possible with a new mass production process for thin film solar cells developed independently by Honda Engineering," the company stated.

Honda will be competing with major solar cell manufacturers such as Kyocera, Sharp and Mitsubishi Electric Corp.

Solar for hydrogen?

Honda has been testing the thin-film solar cells at 13 facilities, most in Japan but also in Thailand and Torrance, Calif., where its North American operations are headquartered.

The U.S. project uses solar power to get hydrogen from water, thereby powering vehicles that run on fuel cells. The technology is still prohibitively expensive, but researchers have lowered costs significantly in recent years.

A Honda spokeswoman did not say when the factory would hit full capacity and declined to disclose the size of the investment, which the Nihon Keizai business daily estimated would be just short of \$100 million.

Less CO2 in production

Honda said its solar cells would be composed of non-silicon compound materials, consuming half as much energy and generating 50 percent less carbon dioxide during production when compared with conventional solar cells made from silicon.

Many scientists tie manmade carbon dioxide emissions to global warming.

The company aims to sell the solar cells for both residential and industrial use. It will initially target the Japanese market.

Prior to mass production, Honda plans to manufacture and sell solar cells in a limited area in Japan from late 2006.