

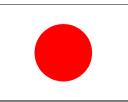
Prospect of Synthetic Liquified Gas - DME and LPG -

The University of Kitakyushu Kaoru Fujimoto

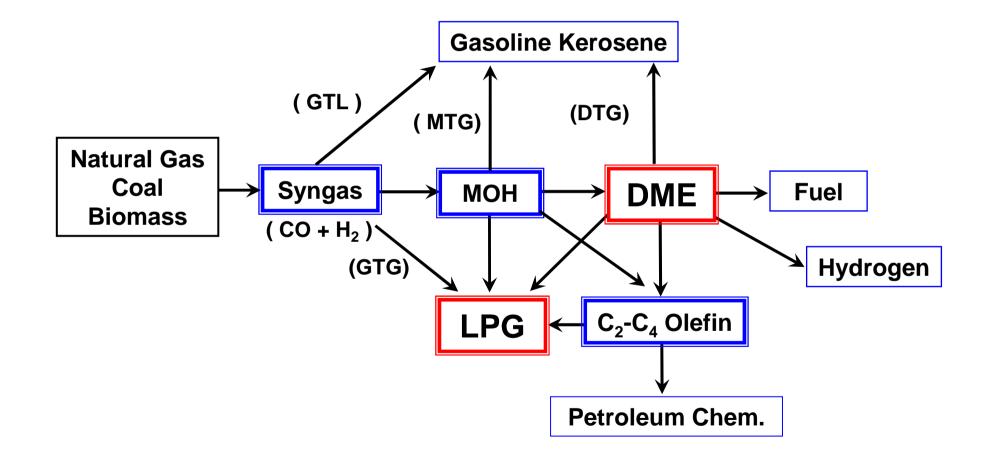
23rd World Gas Conference Jun. 5-9, 2006







NEW SYNTHETIC FUEL SYSTEM

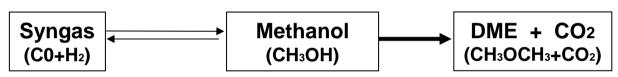


SYNTHESIS PROCESS FOR METHANOL AND DME

Indirect process



Direct process



PHYSICAL PROPERTY OF DME

	DME	CH ₄	C ₃ H ₈	CH ₃ OH	Diesel (FT)
Boiling point (°C)	-25.1	-161.5	-42.0	64.4	180-370
Density (g/cm ³ , 20°C)	0.67	-	0.49	0.79	0.84 (0.78)
Vapor pressure (atm, 25 °C)	6.1	246	9.3	-	-
Cetane number	<65	0	(5)	5	40-60 (70)
Heating value (kcal/kg)	6,900	12,000	11,100	5,000	10,000

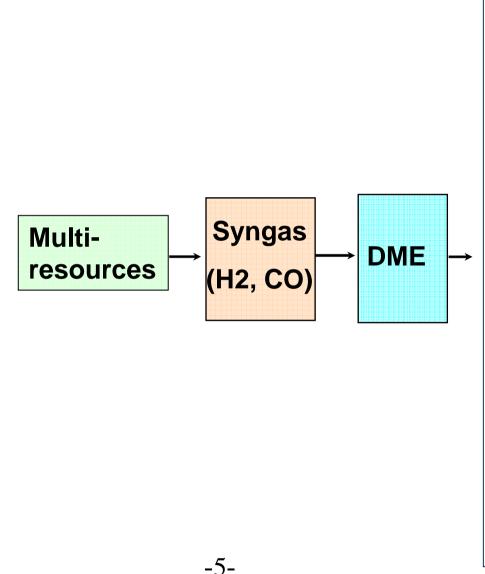
FUEL DME PRODUCTION

Direct process (JFE)

5t/d pilot plant at Kushiro (1999-2002) JAPAN 100t/d demonstration plant at Kushiro (2003-) JAPAN

Indirect (methanol) process

Jiutai Chemical Corp., 100,000 ty (2005-) CHINA Mitsubishi Gas Chemical, 100,000 t/y (2007-) JAPAN Toyo Engineering Corp., 100,000 t/y (2005-) CHINA Toyo Engineering Corp., 210,000 t/y (2007-) CHINA



DME UTILIZATION

Home fuel LPG substitute FC fuel

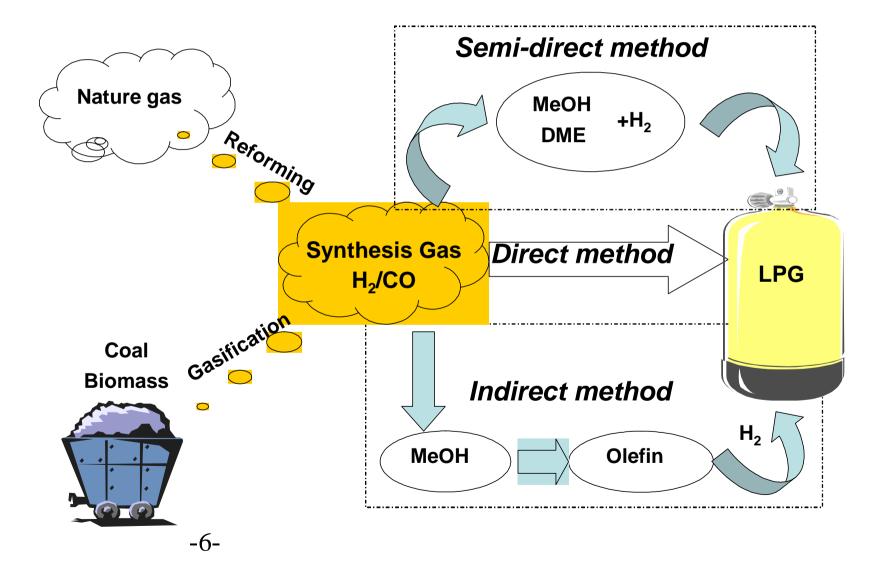
Transportation fuel Diesel fuel FC vehicle Hydrogen source

Power generation fuel Gas turbine Diesel co-generation

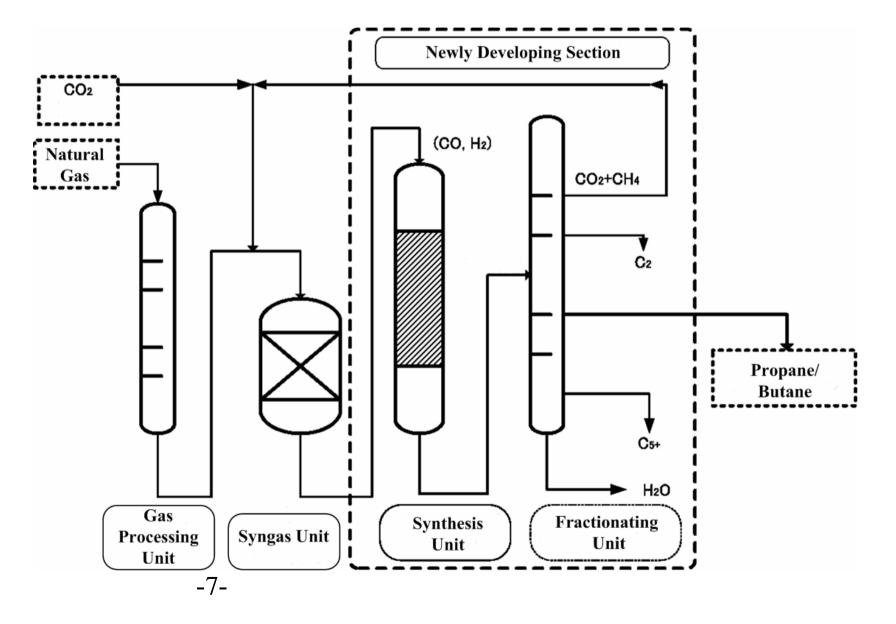
Chemical use Olefin production Methanol chemicals

LPG production Japan Gas Syn.

Three Roots for LPG Synthesis



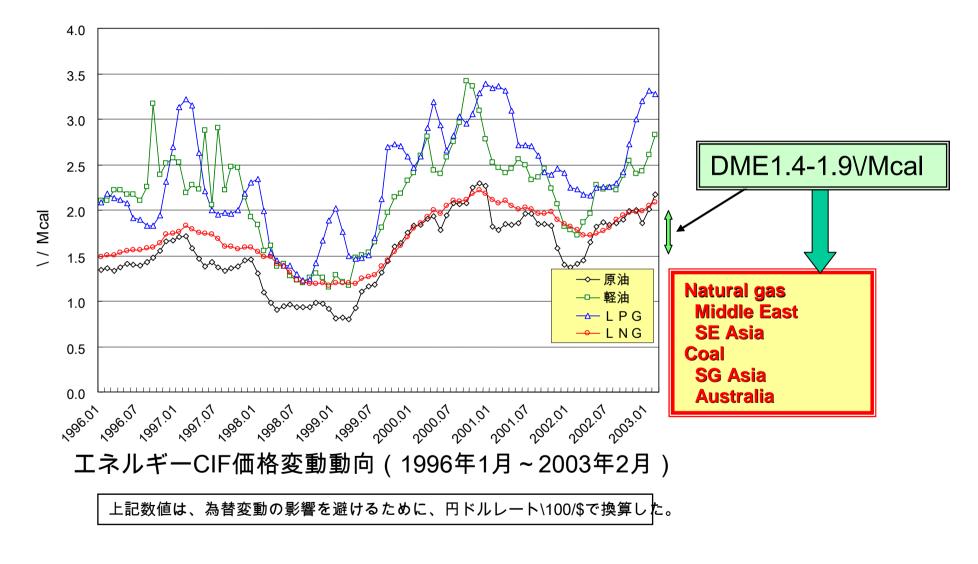
Schematic Diagram of LPG Synthesis Plant

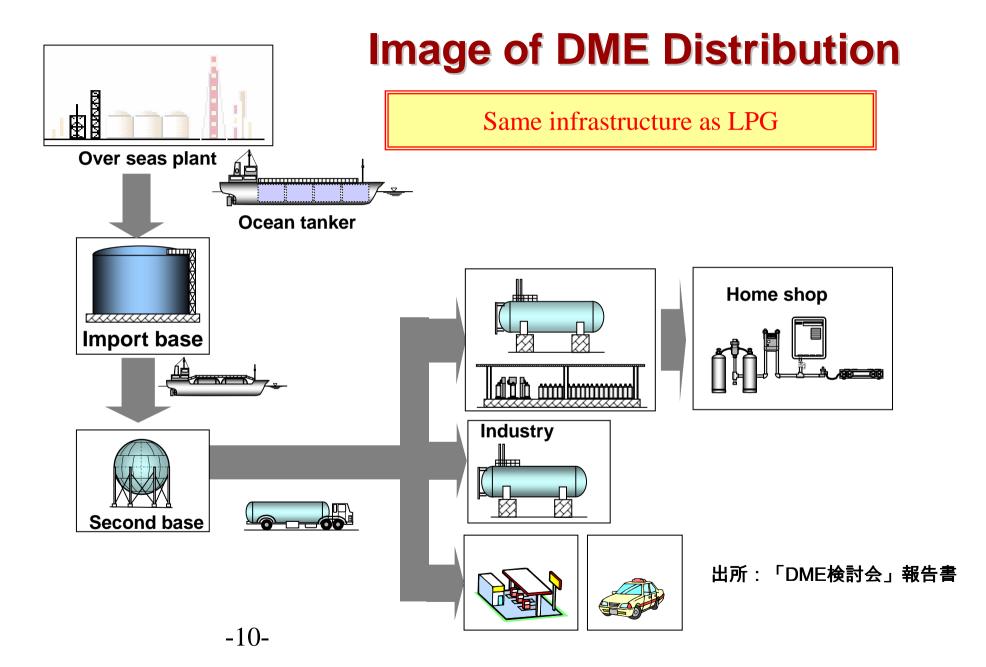


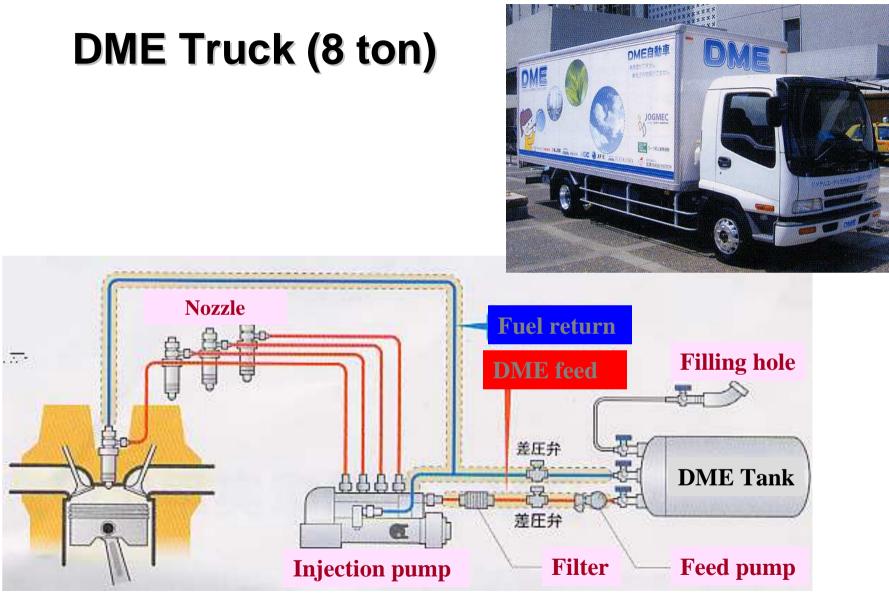
CONCEPT OF DME AS ENERGY

- **1. DME is a synthetic fuel**
- 2. DME can be manufactured from many resources
- 3. DME is a clean fuel
- 4. DME can be used for multi way
- 5. DME is no toxic and gas-liquid
- 6. DME is an energy-media even superior to electricity

CALCULATED DME PRICE (CIF JAPAN)



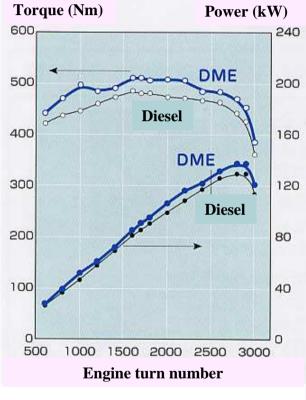




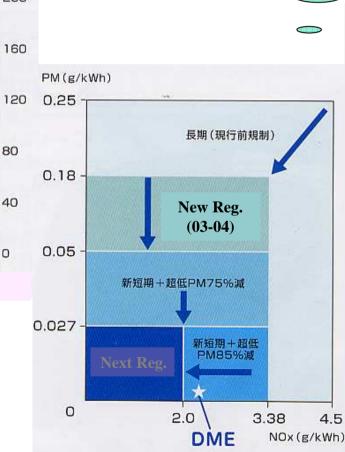
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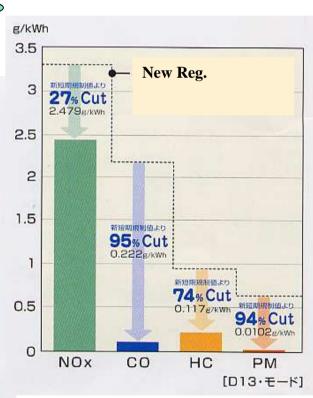
High Power

CLEAN OFF GAS

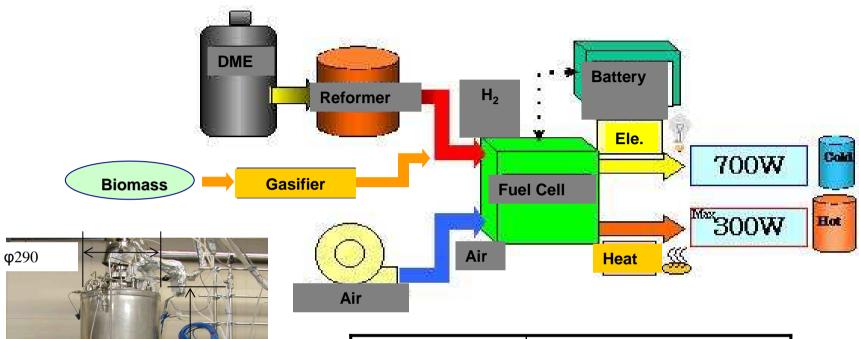


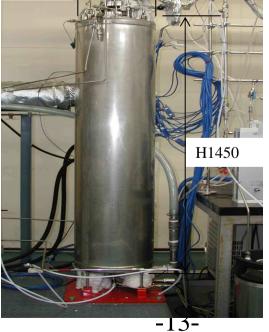
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DME FUEL CELL SYSTEM





Feul	DME	
Output	5kW	
Hydrogen occurrence ability	4Nm ³ /hr	
Reforming Cata.	CuZn/Solid acid	
Reforming Temp.	350°C	
	Reformer, CO Remover,	
Constitution	Water evaporation device, Combustion burner	

REMODELING OF EXISTING APPARATUS

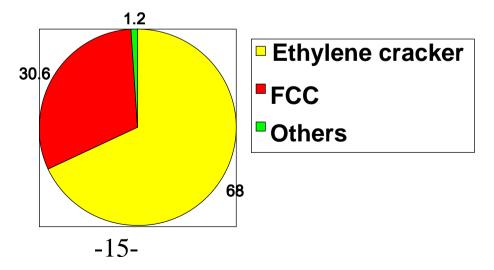
Development of DME retro-fit diesel engine for co-generation system Period : 2001-2003 (2 years) Partners : Yanmar Diesel, Iwatani, AIST Fund : JNOC's fund (approx. 1.6m\$)

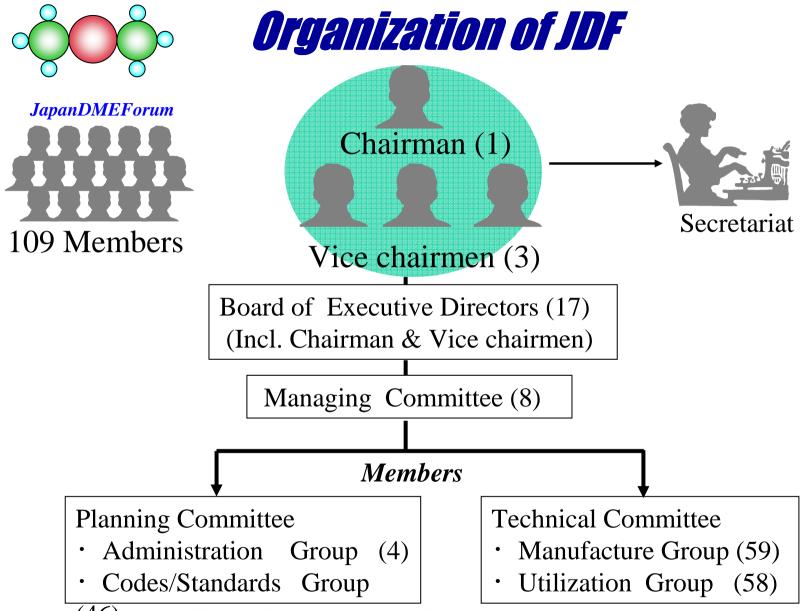
Verification of DME fuelling to existing boilers on retrofit basis Period : 2001-2003 (2 years) Partners : MHI Fund : JNOC's fund (approx. 1.6m\$)

DTO Process

Product	DME feed	DME feed	Naphtha feed
(C-wt%)	Ethylene max %	Propylene max %	(Commercial)
Ethylene	48	5	32
Propylene	31	50	17
Butenes	9	23	8
$C_2^{=}/C_3^{=}$	1.5	0.1	1.8

WORLD PROPYLEN PRODUCTION





Kato member will join in the above one, two or three groups.

(The number of the member in each groups was updated on Dec.6, 2002) -16-

JDF'S THREE STUDY GROUPS

1. Utilization Group

Power generation /system including gas turbine Household/industry fuel, DME diesel related technologies Emission tests from diesel engine Marketing study, Road test of DME vehicle

- 2. Production Group (Manufacturing Group) Production technologies, 100t/d demo-plant construction Economic and LCA analysis of DME production by multiple processes Ocean transportation, etc
- **3. Codes & Standard Group (Legislative Group) Studies for standardization of DME fuel in Japan**

JDF'S CONCEPT ON INTERNATIONAL TREND

- 1. In east Asian countries DME will be introduced quickly as home fuel.
- 2. Diesel DME will be introduced soon
- 3. Technologies and infrastructures are not sufficient.
- 4. JDF will co-operate with other countries.

SOCIAL SUBJECTS

- 1. Present regulation is not suitable for the introduction of DME
- 2. Social consensus is not sufficient.
- 3. Financial support should be made for its introduction.
- 4. Application of special Tax such as "Environmental Tax" is expected.

SUMMARY

- 1. A variety of new technologies has been developed which utilize DME as the new generation clean fuel and chemicals.
- 2. A large DME production plants are ready to be constructed for starting in 2006. Lower CIF price than gas oil can be expected.
- 3. Establishments of supply system is expected easy by utilizing existing system (LDG diesel)
- 4. DME will contribute to promote the energy security in many countries.