

AC Transit

Contact: Jaimie Levin
(510) 851-0625

ChevronTexaco Technology Ventures

Contact: Jennifer Silva
(713) 954-6803

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Hydrogen Energy Station of the Future to Become A Reality with Innovative Public/Private Partnership

Oakland, California.... Alameda-Contra Costa Transit District (AC Transit, Oakland, Calif.) and ChevronTexaco (San Ramon, Calif.) announced an innovative cooperative agreement to build a state-of-the-art hydrogen energy station in Oakland, Calif., that will produce hydrogen fuel for fuel cell fleets. The hydrogen will fuel AC Transit's fleet of 40 foot Van Hool/UTC/ISE fuel cell buses and future fleets of light duty vehicles (cars, SUVs, and small trucks) in support of Governor Schwarzenegger's vision of a hydrogen highway network in California. The station will have the additional capability of utilizing excess hydrogen production to generate high quality electrical power from a stationary fuel cell.

Dr. Donald Paul, ChevronTexaco's Vice President and Chief Technology Officer, unveiled an image of the AC Transit/ChevronTexaco hydrogen energy station in a keynote speech before more than 1,000 people at the opening session of the National Hydrogen Association's annual conference in Los Angeles, Calif. The station is under development and is scheduled to be completed by August 2005. Unique to the station's design is the use of small scale, onsite steam reforming of natural gas, to produce hydrogen in the most cost efficient manner for commercial applications. This approach is consistent with the findings cited in the recent National Academy of Engineering report on the hydrogen economy.

As noted by Rick Fernandez, General Manager of AC Transit, "ChevronTexaco's expertise in energy production and distribution combined with their practical, business-based approach to hydrogen infrastructure development, makes them an integral part of our development team. Their small-scale reformer will clearly make our program a true "well to wheel" demonstration, of considerable economic value and environmental benefit to the communities we serve and the transportation industry. We hope to be able to show the ease and economy of operating fuel cell buses using hydrogen fuel produced on site at our facilities."

According to Dr. Paul, "ChevronTexaco has been producing and using hydrogen in large volumes in their refining operations for decades. By adapting and scaling down our unique fuel processing technology, we can efficiently and safely distribute hydrogen production for power and transportation fuel. We are very pleased to partner with AC Transit to make the hydrogen energy station of the future a practical reality today."

Hydrogen Energy Station of the Future to Become A Reality with Innovative Public/Private Partnership

The station is planned for location at AC Transit's Seminary bus maintenance division in Oakland, California, and is intended to be capable of dispensing as much as 150 kilograms of hydrogen per day – more than sufficient to fuel AC Transit's demonstration fleet of three fuel cell buses, which are under construction and due to be delivered for passenger service in the fall of 2005. AC Transit has established a \$16.9 million fuel cell bus demonstration program, funded with state, federal, and regional grants, as well as private contributions. Both AC Transit and ChevronTexaco are members of the California Fuel Cell Partnership, which is dedicated to exploring alternative paths to a hydrogen future through real world demonstrations that aid in technology development.

Construction of the hydrogen station will be managed by Chevron Energy Solutions, a major provider of energy services and energy project management to public institutions. ChevronTexaco Technology Ventures LLC will be providing technical expertise and operational guidance for the energy station using their staff of experienced engineers and scientists from their Hydrogen Business Unit. Both companies are wholly-owned subsidiaries within ChevronTexaco Corporation.

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About AC Transit

AC Transit is a large public transit agency with a fleet of over 700 buses serving 1.5 million people in the East Bay region of the San Francisco Bay Area. With an annual budget of \$250 million, AC Transit carries more than 68 million passengers annually on 100 lines in 13 cities (including Oakland and Berkeley) and 26 transbay lines between the East Bay and San Francisco.

About ChevronTexaco

ChevronTexaco ranks among the world's largest global energy companies. It is the second largest U.S.-based energy company and the fifth largest in the world, based on market capitalization, and is active in more than 180 countries. Headquartered in San Ramon, California, ChevronTexaco is engaged in every aspect of the energy industry, including exploration and production; refining, marketing and transportation; and power generation. In addition to supplying global energy, ChevronTexaco is a leader in numerous advanced clean energy and fuel technologies.