



## A step towards the energy transition in truck transport

PRESS RELEASE — APRIL 29<sup>th</sup>, 2024: Five Icelandic companies have signed a letter of intent (LOI) to purchase hydrogen-powered MAN hTGX freight trucks. These are heavy-duty trucks, 44/49 tons.

The power company Orka náttúrunnar (ON) produces hydrogen at the Hellisheiði Geothermal Power Plant to power the trucks, and Blær, the Icelandic Hydrogen Association, distributes it. The effort unites the manufacturer and importer of the trucks, customers, and the companies that produce and distribute the energy source in one of Iceland's most significant energy transition projects.

Contracts for the import of the trucks and the LOI to purchase them have been under negotiation by Iceland New Energy (Íslenskt Nýorka) for about 18 months. Iceland New Energy was founded in 1999 in connection with the Icelandic government's declaration of intent to use renewable energy sources for transport.

Jón Björn Skúlason, CEO of Iceland New Energy, said, *“This is one of the largest single energy transition projects in Iceland's history. The fuel consumption of 20 trucks equals over a thousand passenger cars. We can estimate an annual saving of burning 700,000 litres of diesel. With the import and sale of the trucks, a big step has been taken towards energy transition in heavy transport in Iceland. The next steps are to ensure both the supply and competitive price of hydrogen for use in transport so that full energy transition can occur.”*

The LOI to purchase the trucks was signed at the Hellisheiði Power Geothermal Power Plant, where ON produces its hydrogen, on Monday, April 29<sup>th</sup>. Kraftur represents MAN in Iceland, and the companies buying the first trucks are BM Vallá, Colas, MS, Samskip Iceland, and Terra. In connection with the agreement, Blær is building a new hydrogen station that can service trucks and passenger cars.

Kraftur has secured 20 trucks for Iceland next year and the year after, with the first trucks arriving in the spring of 2025. The hope is that more companies will choose to use emission-free big trucks. In 2025, the trucks are only available in a so-called 6:2=2 version (8 wheels), while the 6:4 (10 wheels) truck will be available from the beginning of 2026.

Friedrich Baumann, Executive Board Member of MAN Truck & Bus and responsible for Sales & Customer Solutions, said, *“We are continuing to focus on battery-electric vehicles to decarbonize road freight transport. These currently have clear advantages over other drive concepts regarding energy efficiency and operating and energy costs. However, trucks powered by hydrogen combustion engines are a useful addition for special applications and markets. The use of familiar technology enables us to enter the market early and thus provides a decisive impetus for the ramp-up of the hydrogen infrastructure. With the hTGX, we have added an attractive product to our zero-emission portfolio.”*

Björn Erlingsson, CEO of Kraftur, said, *“We at Kraftur, the representative of MAN in Iceland, are extremely proud and pleased that MAN has chosen us, and thus Iceland, to participate in this*

wonderful project. As far as we know, this is the first time that such a large car manufacturer has chosen Iceland for a milestone project of this sort, which can significantly impact the energy transition. We want to especially thank Jón Björn Skúlason at Iceland New Energy for his tireless work in getting this off the ground.”

Gísli Þór Arnarson, COO of Domestic, Samskip Iceland, said, “The emphasis on sustainability is embedded in Samskip’s core strategy, and it is extremely pleasing to be among the companies taking this important step towards energy transition in heavy transport on land. To achieve success, we must ensure the supply and competitiveness of the energy source against fossil fuels. We are committed to this effort by bringing these trucks to use.”

Guðmundur Ingi Þorsteinsson, CEO of Blær, said, “We at Blær have over twenty years of experience in operating hydrogen stations through Orkan’s and Skeljungur’s hydrogen projects. We welcome the fact that with this project, a huge step is taken in using hydrogen in land transport, which will undoubtedly have a knock-on effect on the use of hydrogen in the coming years.”

Hólmfríður Haraldsdóttir, ON’s Energy Sales Expert, said, “ON has been a leader in the Icelandic energy transition and is aware that there is more than one path to the energy transition. ON is the sole hydrogen producer in Iceland. The hydrogen station VON, located at the Hellisheiði Power Plant, has produced hydrogen for transport since 2020. VON’s annual capacity is about 100 tons of hydrogen, enough for about 800 hydrogen passenger cars per year or five to seven large hydrogen trucks. ON welcomes this project and this important step towards increased hydrogen use in Iceland’s transport. We envision that VON will hopefully be a good springboard for the continued energy transition with hydrogen.”

Pálmi Vilhjálmsson, CEO of Mjólkursamsalan, MS, said, “In its operations, MS places a strong emphasis on nature conservation and sustainability and wants to be at the forefront of the energy transition from fossil fuels to renewable and non-polluting energy sources. MS is pleased to have now the option to power its transport trucks with green and non-polluting hydrogen produced from renewable Icelandic energy.”

Sigurður Ólafsson, Business Development Manager, Linde, said, “Linde is a world leader in the production, storage and distribution of hydrogen. We are immensely proud to be able to contribute to the energy transition and help Iceland achieve its ambitious climate goals.”

Sigþór Sigurðsson, CEO of Colas, said, “Colas has long thought that the energy transition will not be solved solely with electricity and batteries, but rather a mix of solutions where hydrogen plays an important role. Hydrogen is particularly suitable for heavy-duty machinery and trucks. Therefore, we embark on this journey to import a truck that runs on hydrogen with great pleasure. The project fits the big picture Colas has drawn up for carbon-free operations, is supported by our parent company, and will be watched with interest throughout Europe.”

Valgeir Baldursson, Terra’s CEO, said, “We are extremely pleased to participate in this project, as one of Terra’s most important goals is accelerating our fleet’s energy transition and reducing the company’s carbon footprint. We see great opportunities in hydrogen-powered vehicles for the future as part of achieving Terra’s sustainability goals.”

Þorsteinn Víglundsson, CEO of Eignarhaldsfélagið Hornsteinn, said, “We are extremely pleased to participate in this landmark project and making significant progress towards BM Vallá’s vehicle and machinery fleet’s energy transition. The participation aligns with our policy on environmental issues and our goal of carbon neutrality. We have already reduced our carbon

*footprint by twenty per cent, and hydrogen-powered trucks with renewable energy will play a major role in achieving carbon neutrality.”*

In early April, MAN announced the production of the hTGX hydrogen-powered trucks. The trucks run on combustion engines using hydrogen so that all maintenance and care are comparable to vehicles companies have in operation already. Initially, at least 200 trucks will be manufactured and sold in Germany, the Netherlands, Norway, Iceland, and selected markets outside Europe.

The trucks' ranges are up to 600 kilometres, which makes them competitive with conventional diesel-powered trucks. Trucks of this size are among the most fuel-consuming vehicles worldwide, driven long distances each year. Therefore, the energy transition in heavy transport has a huge impact and will weigh heavily in reducing emissions in Iceland.

*For more information, please contact:*

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**See also:**

*MAN's announcement about the production and sale of the MAN hTGX trucks:*

<https://press.mantruckandbus.com/corporate/man-expands-its-zero-emission-portfolio/>

*Print resolution photos of the truck:* <https://we.tl/t-PPeIdDdbXV>