

Sales of Hybrid & Electric car batteries have tripled in three years

DATE : 2014-05-13

Sales of batteries for hybrids and electric vehicles hit 1.4 gigawatt-hours worth in the first quarter of 2014 — more than tripling over the last three years.

According to Lux Research and its Automotive Battery Tracker, lithium-ion batteries — which are used in Tesla's Model S and the Chevy Volt — accounted for 68 percent of all that sold energy storage. Nickel metal hydride batteries took up another 28 percent, thanks to the fact that they're still used in Toyota's top-selling Prius hybrid. More advanced solid-state batteries, by contrast, are only making a small dent, at one percent of the market.

In terms of the battery makers, Panasonic has leap-frogged to the front of the pack, thanks to a partnership with Tesla. That's garnered them 39 percent of the plug-in battery market in terms of energy storage. NEC took 27 percent of the market this past quarter, and LG Chem came in third with 9 percent.

[blocked URL](#)

Source : Lux Research

"Even at relatively low volumes — less than 1 percent of all cars sold — plug-in vehicles are driving remarkable energy storage revenues for a few developers, like Panasonic and NEC, that struck the right automotive partnerships," said Cosmin Laslau, a Lux Research Analyst.

Plug-in vehicles — which include all-electric cars like the Nissan Leaf and Tesla's Model S, as well as extended-range hybrids like the Chevy Volt — topped out at just over one GWh this past quarter. The rest was taken up by non-plug-in hybrids like the Prius. And while hybrid cars — which combine an electric motor with a gasoline-powered engine — sell the most, their batteries are smaller. Thus they account for a smaller share of the market in terms of energy storage even as they make up a large share of actual cars sold.

This is also good news for the grid and various utilities, which are beginning to rely on used car batteries to supplement their own storage. That said, all-electric and hybrid vehicles still make up an extremely small share of the car market. So battery production will have to massively expand still further to really transform both the transportation sector and the world's electrical grids.

Boosting that production is one of the goals of Tesla's upcoming gigafactory. It's supposed to be up and running within three years, and is anticipated to ultimately double world production of lithium-ion batteries.

The company has also dropped hints it may build a second gigafactory here in the US before all is said and done.

SOURCE ClimateProgress