

Note: The following is an English translation of the Japanese-language original

July 6, 2022  
Chofu Bio-Power LLC  
Japan Petroleum Exploration Co., Ltd.  
TOKYO ENERGY & SYSTEMS INC.  
MOT Research Institute, Ltd.  
CHOFU SEISAKUSHO CO., LTD.  
KAWASAKI KINKAI KISEN KAISHA, LTD.

## Start of Construction on Chofu Biomass Power Plant in Shimonoseki City, Yamaguchi

Chofu Bio-Power LLC (CBP) and its five sponsors, which are Japan Petroleum Exploration Co., Ltd. (JAPEX), TOKYO ENERGY & SYSTEMS INC., MOT Research Institute, Ltd., CHOFU SEISAKUSHO CO., LTD., and KAWASAKI KINKAI KISEN KAISHA, LTD., announced that CBP has started the construction work of the Chofu Biomass Power Plant (hereinafter “the power plant”) today, after holding a groundbreaking ceremony at the plant location in Shimonoseki City, Yamaguchi Prefecture.

The power plant will proceed the basement works at first and start construction works for the main unit of the power plant in April 2023. The commercial operation of the power plant is planned to commence in January 2025.

Construction of the biomass power plant was decided by CBP in September 2021 which the power plant only use wood pellets as a fuel with an output of 74,950kW. The amount of power generation will be approximately 520 GWh per year and all of them will be sold to Chugoku Electric Power Transmission & Distribution Co.,Inc., based on the Feed-in tariffs scheme (FIT) for renewable energy.

CBP will conduct the construction and management of the power plant, while the sponsors will be entrusted with the works related to the power plant from CBP, such as construction management, operation and maintenance, fuel procurement and transportation in accordance with each company’s capabilities. The sponsors will also cooperate and support CBP for building and keeping relationships with local government and neighborhoods.

Please refer to the appendix for the outline of the power plant and CBP as an operator.

CBP and the five sponsors will contribute to expanding the use of electricity derived from renewable energy sources with low environmental impact and developing local economies, with the understanding and support from stakeholders of the Shimonoseki area.

(Photos)



Groundbreaking Ceremony on July 6, 2022



Image of the power plant (Google Earth overlay)

[Appendix]

1. Outline of the Power Plant

Name	Chofu Biomass Power Plant
Location	3-4, Chofuogimachi, Shimonoseki City, Yamaguchi Prefecture
Land Area	62,800m <sup>2</sup>
Generation Method	Steam Power
Output Scale	74,950kW
Generation Fuel	Wood pellets 100% (Imported from overseas)
Offtaker	Chugoku Electric Power Transmission & Distribution Co.,Inc. (Fixed sales by FIT for 19 years and 11 months, 21JPY/kWh for unit sales price)
Electricity Sales Volume	Approximately 520 GWh per year (Estimaned)
Business Owner	Chofu Bio-Power LLC
Asset Management	Japex Green Energy Co., Ltd. (100% Subsidiary of JAPEX)
Constructor	Mitsubishi Heavy Industries, Ltd.
Commercial Operation Commencement	January 2025 (Planned)

2. Outline of the Operator

Name	Chofu Bio-Power LLC (Abbreviation: CBP)	
Incorporation	November 9, 2020	
Head Office	3-4, Chofuogimachi, Shimonoseki City, Yamaguchi Prefecture	
Representative	Representative Partner: CITRUS General Incorporated Association Job Executor: HIRANO Kazutoshi	
Sponsors	Japan Petroleum Exploration Co., Ltd.	39.9%
	TOKYO ENERGY & SYSTEMS INC.	20.0%
	MOT Research Institute, Ltd.	15.1%
	CHOFU SEISAKUSHO CO., LTD.	15.0%
	KAWASAKI KINKAI KISEN KAISHA, LTD.	10.0%
Business Description	Construction and management of biomass power plant, biomass power generation, and related businesses	

(Map)



\* Added specific information on the map provided by Geospatial Information Authority of Japan

###