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Shizen Energy Inc.

## **Construction to begin this summer on Satsuma Biomass Power Plant, Shizen Energy Group's first Biomass Power Plant development project**

On May 2020, Shizen Energy Inc. (Headquarters: Fukuoka City, Fukuoka Prefecture; Representative Directors: Ken Isono, Kenji Kawado, Masaya Hasegawa; hereinafter "Shizen Energy") will begin construction of the Satsuma Biomass Power Plant (hereinafter the "Power Plant") in the town of Satsuma in Kagoshima Prefecture, Japan. It will be Shizen Energy's first woody biomass power generation business.

The woodchips to be used as fuel will be produced at Satsuma Biomass Fuel LLC (hereinafter the "Fuel Company"), which will be located next to the Power Plant. The Fuel Company concluded a land use agreement with the town of Satsuma on January 16, and most of the woodchips will be made from Satsuma's unused timber resources. The Power Plant plans to use roughly 30,000 tons of woodchips per year to generate enough electricity to power 4,500 average homes (\*) for a year. Japan's Feed-in Tariff (FIT) system to purchase renewable energy at set prices will be used to sell power generated by the Power Plant to Kyushu Electric Power. Considerations are also under way to supply power generated at the Power Plant for sale as Shizen Denryoku no Denki.

"With energy transition becoming a major issue in Japan, it is very meaningful that we are creating this business starting in Satsuma. By producing energy from the abundant timber resources in the community and using it not only in the area but in cities that are eager to transition toward renewable energy, I hope we can create connections between communities, and connect rural areas with cities. With these connections, I hope we can establish relationships that will last into the future."

(Ken Isono, Representative Director, Shizen Energy)



At the land use agreement signing ceremony

Shizen Energy has made the company's purpose to "take action for the blue planet." In doing so, Shizen Energy aims to spread the use of safe and sustainable energy through the global development of renewable energy power plants, in order for more people to live happily on Earth. Through the development, construction, operations, and maintenance of renewable energy power plants that are both high in quality, as well as rooted in the community, Shizen Energy will continue to accelerate towards the realization of a "100% renewable-powered planet."

#### ■ Project overview

Name of Facility	Satsuma Biomass Power Plant
Output	1,990 kW
Location	Satsuma-cho, Satsuma-gun, Kagoshima Prefecture
Start of Construction	May 2020 (Planned)
Expected Completion	Summer 2021 (Planned)

#### 【Reference】

\* The average annual amount of power usage among ordinary homes is calculated to be 3,120 kWh/year.

<https://www.meti.go.jp/press/2016/03/20170314005/20170314005.html>

**【About Shizen Energy Inc.】**

Founded in June 2011 with the mission of “We take action for the blue planet.”, Shizen Energy group has contributed to the development of approximately 1 gigawatt (as of the end of December 2019) worth of renewable energy across Japan. It is engaged in all services required for the installation and operation of solar, wind, small hydroelectric, and other renewable energy power plants, such as development, EPC (engineering, procurement, construction), O&M (operation and maintenance), electricity retail market, and asset management. The company intends to construct photovoltaic power plants in countries around the world, beginning with the regions of Asia and South America. More specifically, in 2018, it launched the construction of such plants in Indonesia and Brazil.

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