

Press Release

June 28, 2021  
Shizen Energy Inc.

**Shizen Energy Group's First Biomass Power Plant  
Completed in Kagoshima Prefecture  
Aiming to Be a Local Recycling-Oriented Power Plant Utilizing Local Unused Materials**

Shizen Energy Inc. ("Shizen Energy") completed construction on its first woody biomass power plant Satsuma Biomass Power Plant (the "Power Plant") on June 1, 2021. An opening ceremony for the plant was subsequently held on June 25.

The Plant is a woody biomass power plant located in the city of Satsuma in Kagoshima Prefecture, Japan. The Power Plant has an output of approximately 1,990 kW and generates enough energy annually to serve approximately 4,500 typical households\*. The woodchips used for fuel at the Power Plant are produced at Satsuma Biomass Fuel LLC (the "Fuel Company") which is located next to the Power Plant. Most of the woodchips will be made from Satsuma's unused timber resources, and the Power Plant plans to use roughly 30,000 tons of woodchips per year.

**Characteristics of the Power Plant:**

1. Stable procurement of fuel: Being a Local Recycling-Oriented Power Plant
2. Assisting the creation of forest management plans: Systematic Forest Preservation and Development
3. Local job creation

**1. Stable procurement of fuel: Being a Local Recycling-Oriented Power Plant**

Typically, woody biomass power plants must stably procure sustainable fuel\*<sup>1</sup>. Having concluded a procurement agreement with 17 local business entities, the Fuel Company expects to be able to stably procure the timber resources to be used for fuel. Stable procurement will be further aided by the use of tree bark, which is not generally used at larger power plants.

**2. Assisting the creation of forest management plans: Systematic Forest Preservation and Development**

Systematic forest preservation and development are also essential for the stable procurement of timber resources. For Shizen Energy to be able to promote the formulation of forest management plans centered on the town of Satsuma, materials producers\*<sup>2</sup> and others must act on behalf of the owners of mountain forests to

manage these forests, and help to aggregate the mountain forests to reduce fixed costs as well as systematically cut the forests.

\*\* Information on forest management planning:

[https://www.rinya.maff.go.jp/j/keikaku/sinrin\\_keikaku/con\\_6.html](https://www.rinya.maff.go.jp/j/keikaku/sinrin_keikaku/con_6.html)

### 3. Local job creation

The Fuel Company and Satsuma-cho Biomass Power LLC which operates the business of power generation at the Power Plant have hired eight employees in total.

With its purpose to “take action for the blue planet,” Shizen Energy commits itself to building renewable energy power plants worldwide, and to promoting a lifestyle that relies on safe and sustainable electricity so more people can continue to live happily on the planet. Shizen Energy will be further accelerating the realization of a 100% renewable-powered planet with even more initiatives to develop diverse renewable energy sources going forward.

\*1 *Present Status and Issues for Biomass Power Generation Business*, Ministry of Economy, Trade and Industry (METI)

[https://www.meti.go.jp/shingikai/enecho/shoene\\_shinene/shin\\_energy/pdf/013\\_06\\_00.pdf](https://www.meti.go.jp/shingikai/enecho/shoene_shinene/shin_energy/pdf/013_06_00.pdf)

\*2 Forestry terminology for people who produce materials by logging or cutting

#### ■ Project Overview

Name of Facility	Satsuma Biomass Power Plant
Location	The City of Satsuma, Kagoshima Prefecture
Output	1,990kW
Start of Construction	May 2020
Start of Operation	June 2021

■ Unused timber resources to be made into woodchips



■ Reference

\* Calculated according to the annual power consumption of 3,120 kWh/year by a typical household.

**【About Shizen Energy Inc.】**

Founded in June 2011. With the purpose of “We take action for the blue planet.”, Shizen Energy Group has contributed to the development of approximately 1 gigawatt worth of renewable energy across Japan. In addition to development, EPC (engineering, procurement, construction), O&M (operation and maintenance) and asset management business for the installation and operation of large-scale renewable power plants, we also provide decarbonization solutions such as PPA business by small and medium-sized power plants and electricity retail business. The company intends to construct photovoltaic power plants in countries around the world, beginning with the regions of Asia and Brazil from 2018.

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