

February 16, 2023
Shizen Energy Inc.

ITOCHU Corporation and Shizen Energy sign MOU for collaboration in grid-scale storage battery business

Shizen Energy Inc. (Shizen Energy) and ITOCHU Corporation (ITOCHU) signed a memorandum of understanding (MOU) regarding collaboration in the grid-scale storage battery business and have agreed to commence discussions on a joint project. Through this collaboration, Shizen Energy aims to make a full-scale entry into the grid-scale storage battery business.

In light of the Japanese government's declaration to become carbon neutral by 2050, communities and businesses are facing the challenges of incorporating renewable energy, shifting to EVs, and strengthening their energy resilience to cope with the severity of recent natural disasters. Meanwhile, as we expect renewable energy sources to increase, and taking into consideration its characteristics of being variable to natural conditions, Shizen Energy believes that it is important to make effective use of surplus power and to secure flexibility that contributes to stable power supply during power shortages.

The following three points are planned for consideration for this joint project.

(1) Collaboration with IBeeT Corporation (a joint venture between ITOCHU Corporation and Tokyo Century Corporation, which offers a subscription service for distributed power sources) in which IBeeT will procure and operate the equipment from its extensive lineup of grid-scale storage batteries, which is one of ITOCHU's strengths.

(2) Shizen Energy and ITOCHU will optimize the operation of grid-scale storage batteries by utilizing Shizen Connect, an aggregate energy management system developed and operated by Shizen Energy.

(3) Shizen Energy will provide flexibility from the grid-scale storage batteries for power markets, such as the wholesale power market and supply and demand adjustment market.

As the first phase of this joint project, a demonstration project involving the installation of grid-scale storage batteries with a rated capacity of 2MW/4.8MWh will be conducted. In this demonstration project, BlueStorage, an energy storage system utilizing reused EV batteries from IBeeT, and Shizen Connect from Shizen Energy will be installed in Fukuoka Prefecture to improve the accuracy of market price forecasts, accumulate know-how on market trends, and verify the feasibility of future multi-site, large-scale deployment.

Shizen Energy will promote the introduction of grid-scale storage batteries and energy management systems throughout Japan to contribute to the realization of a sustainable decarbonized society through the efficient use and stable supply of

electricity derived from renewable energy sources.

<Outline of the Demonstration Project>

Storage battery	Product name: BlueStorage Storage capacity: 4.8 MWh (output: 2 MW) (Provided by IBeeT Corporation)
Energy management system	Product name: Shizen Connect (Provided by Shizen Energy Inc.)
Developer	Shizen Energy Inc.
Location (plan)	Fukuoka prefecture

<Image of system (tentative)>



【ITOCHU Corporation】

<https://www.itochu.co.jp/en/index.html>

【Tokyo Century Corporation】

<https://www.tokyocentury.co.jp/en/service/>

【IBeeT Corporation】

A joint venture between ITOCHU Corporation and Tokyo Century Corporation. Established in April 2021 to provide subscription services for distributed power sources and related equipment that will contribute to the realization of a decarbonized society. The company aims to establish a "distributed power supply platform" that uses AI to mutually accommodate surplus power generated from distributed power sources owned by the company.

【Shizen Energy Inc.】

Founded in June, 2011. With the company purpose of “We take action for the blue planet,” the company’s business includes development, financing, and asset management of renewable energy power plants using solar power, wind power, small-scale hydroelectric power, and biomass. Since 2016, the company has also been focusing on its international operations, expanding its development and power generation projects in areas such as Southeast Asia and Brazil. In 2019, the company also entered the energy tech business, offering micro-grid and VPP construction, smart charging and discharging services for EVs, and other services through its self-developed EMS (energy management system). Shizen Energy Group has been involved in more than 1 GW of renewable energy generation internationally.

- URL : <https://www.shizenenergy.net/en/>

【Shizen Connect】

Shizen Connect is an aggregation energy management system that collectively controls energy resources such as renewable energy power generation, storage batteries, EVs and EcoCutes. Shizen Connect can control residential solar power generation with storage batteries and V2H equipment, as well as operation of microgrids connecting multiple buildings with transmission lines, and VPP construction of several thousand units of energy resources. Individual control and VPP control tended to be separate, but Shizen Connect provides a one stop service allowing energy resources to be utilized with multi-purpose which also improves economic efficiency. The system can be adapted with any equipment supplier, allowing energy resources to be chosen freely without relying on a certain manufacturer.

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