Japan’s Renewable Energy Policy & Offshore Wind

(1) RES introduction after FIT started

- Solar: 0.8%
- Biomass: 0.05%
- Wind: 2.5%
- Mid/small hydro: 3.0%
- Geothermal: 93.7%

-93.7%

(2) RE Share vs FIT Surcharges

- Share of RES 16% Surcharges 3.1 T JPY
- Share of RES +8% Surcharges +1 T JPY
- Share of RES +6% Surcharges +2 T JPY

(3) New Law for Promoting Offshore Wind to Use Ocean Area

<Challenges>

1: No uniform rule for exclusive right to use ocean area

2: Vague rule for coordinating with prior users (e.g. fishermen)

<Measures>

- Establish a consultation body in order to enable smooth coordination with local stakeholders.
- Establish a scheme in which national government designates certain ocean area as promotional zone, selects developers by auction and grants the right to occupy long-term use of ocean area.

(4) Grid / Flexibility

✓ further cross-regional adjustment through OCTTO.
✓ Connect & Manage scheme
✓ Further discussion on the next generation grid development both for expanding resilience & for RES integration