

Press Release:

KEPCO Cancelled Coal Power Project in Hyogo - First out of 48 units

January 31st, 2017

Kansai Electric Power Company (KEPCO) announced cancellation of Ako power plant, retrofit projects from the current heavy and crude oil thermal power to the coal power. The power plant is located in Ako city, Hyogo and planned capacity was 1200MW (2 units of 600MW). The reason for their decision is the fall in electricity demand due to energy saving and energy efficiency improvements, and the requirement to strengthen its CO2 reduction measures. This became the first case of cancellation since new coal projects emerged last few years, up to 48 units. We welcome a decision by KEPCO recognizing the decline in the electricity demand and the necessity to reduce CO2.

Ako Power Plant initially aimed to start construction in 2015 and begin operations in 2020. Although the heavy and crude oil that they currently use also emits CO2 and air pollutants, if a coal boiler is equipped and the utilization rate rises, CO2 emissions will rise for decades thereafter, resulting in an enormous environmental impacts. Criticism from local residents has been on the rise. The governor of Hyogo prefecture stated that the CO2 reduction measures have not been adequately explained and requested an investigation into the harmful substances in coal. This made the construction of the unit delayed. This case is a testament of the efforts of local government leaders, locals and NGOs.

The situation is not unique only to this project. There are 45 other coal power projects in Japan. KEPCO itself has 6 other new coal-fired power plants besides Ako plant. But, Japan continuously progress in energy conservation and a fall in electricity generation by 12% since the Great East Japan Earthquake. It is also expected renewable energy will deploy dramatically. Thus there are great uncertainty around the coal projects if it could be a viable business investment. With this opportunity, it is wise for KEPCO to review their other coal plans.

Furthermore, there is no justification for KEPCO to reactivate or replace nuclear power plants just because of this cancellation. What is necessary at this time is to break free from carbon intensive coal and high risk nuclear. Now is the time to shift towards a new energy system with pursuing further energy efficiency and renewable energy. This is what needs to be done to meet the decarbonization goal of the Paris Agreement.

References/Websitess

(English)

• Don't Go Back to the Sekitan! - Platform for ending the support for coal-fired

市民のチカラで、気候変動を止める。

power generation

気候ネットワーク

- <u>http://sekitan.jp</u>/en
- New coal-fired power plant watch Ako Power Station (Ako No. 1/Kansai Electric/Ako city, Hyogo prefecture)
- http://sekitan.jp/plant-map/en/plant/kanden_akoh1
- New coal-fired power plant watch Ako Power Station (Ako No. 2/Kansai Electric/ Ako city, Hyogo prefecture)
- <u>http://sekitan.jp/plant-map/en/plant/kanden_akoh2</u>

(Japanese)

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