

Press release

MoE announces more rigorous EIA screening of coal power projects: It's time to cancel all projects at the phase of EIA and construction

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Mie Asaoka, President

Kiko Network

On March 28, Ministry of the Environment (MoE) released a new policy entitled "Three New Actions to Decarbonize the Electricity Sector" (provisional translation) with the actions being (1) Toward steady emission reductions from coal power: More rigorous environmental impact assessments, (2) Toward expansion of regional renewable energy: Set up a collaborative team with the Ministry of Economy, Trade and Industry (METI), and (3) Toward realization of carbon circulation: Accelerating efforts to mainstream CCUS (carbon capture, utilization and storage).

In February 2016, MoE and METI effectively showed their acceptance of the new construction of coal-fired power plants when they agreed on a policy approach that would allow electricity sector efforts to be based on a voluntary framework, and that the Ministries would assess progress made and the effectiveness of existing policies and measures, including the Act Concerning the Rational Use of Energy.

Based on this agreement, since 2016, MoE has conducted an annual "Assessment of progress with climate countermeasures in the electricity sector." The 2018 assessment (released March 23, 2019) states that there are "concerns about the effectiveness of the voluntary framework," and currently "problems are becoming evident regarding efforts based on benchmark indicators for the Act Concerning the Rational Use of Energy." It also states that the Minister will call for the cancellation of projects where a path to achieve targets is not clearly indicated in environmental impact assessment (EIA) procedures.

Coal power projects are among the most urgent issues to address climate change, and under this more rigorous approach by Minister of the Environment Yoshiaki Harada for environmental impact assessments, the Minister can conceivably reject new projects on the occasion of reviewing EIA documents. A move in this direction is laudable. However, while many developed countries have decided to phase out coal power by 2030 under the Paris Agreement, these actions of MoE don't include specific measures for decarbonization and 100% renewable energy. They rather accept the continued consumption of coal through the development of CCUS technologies. In short, these new

policies have many shortcomings.

Furthermore, there is only one project (2 units at Nishiokinoyama, Yamaguchi Prefecture) that remains subject to the Ministry's new EIA policy approach, so the new approach has come too late. Moreover, even before the 2016 agreement, in multiple cases the Minister of the Environment stated he "cannot approve" a project, but this did not result in the Minister of Economy, Trade and Industry terminating the construction plans. Among the 50 newly proposed coal plants tracked by Kiko Network since 2012, many are now under construction, already in operation, or proceeding to the final stage of EIA, except 13 units (7,030 MW) that were actually cancelled by a decision of the proponent. All of this shows that Japan has as-yet failed to take effective measures to decarbonize.

These actions announced by the MoE must be used to ensure that all new coal plants are cancelled. Not only should the construction of projects subject to these actions be cancelled, but also, at the very least, the installation and operation of all coal plant projects.

Status of 50 coal power plant units

Status	Units	Capacity (MW)	Implications for new rigorous assessments applied
Already operating	12	1,300	None -EIA complete (or no EIA)
Under construction	15	8,580	None - EIA complete (or no EIA)
EIA completed (Yokosuka 2 units, Akita 2 units, Saijo 1 unit)	5	3,100	None - (EIA complete (or no EIA)
EIA under way (Nishiokinoyama 2 units)	2	1,200	Opinion of Minister of Environment expected
Planning stage, no EIA yet	3	2,000	—
Cancelled	13	7,030	—

Projects the Minister of the Environment classified as "cannot approve": Total 5 cases

- **Nishiokinoyama Power Plant (provisional name): New Construction**

Capacity: 1.2 million kW (600,000 kW × 2 units)

Companies: Yamaguchi Ube Power (Osaka Gas, J-Power, Ube Industries)

EIA First Screening Report: "**Difficult to approve**" (June 12, 2015)

→ **Currently at draft EIS stage.**

- **Taketoyo Thermal Power Plant Unit 5: Replacement Project**

Capacity: 1.07 million kW

Companies: Chubu Electric Power → Currently JERA

Assessment in screening-1 stage report: "**Cannot approve**" (August 14, 2015)

Draft EIS: "**Reconsider**" (August 1, 2017)

→ **On October 13, 2017 notice of decision from Minister of Economy, Trade and Industry. Start of construction announced on April 18, 2018. Currently under construction.**

- **Chiba Sodegaura Thermal Power Plant Units 1 and 2: Construction Project (provisional name)**

Capacity: 2 million kW (1 million kW × 2 units)

Companies: Idemitsu Kosan, Tokyo Gas, Kyushu Electric Power

EIA First Screening Report: "**Cannot approve**" (August 28, 2015)

→ **On January 31, 2019, the companies announced their decision to abandon coal and instead consider LNG thermal power.**

- **Ichihara Thermal Power Generation Construction Project**

Capacity: 1 million kW

Companies: Tonen General Sekiyu, KENES

EIA First Screening Report: "**Cannot approve**" (November 13, 2015)

→ **On March 23, 2017, the companies announced the cancellation of the plan.**

- **Akita Port Power Plant (provisional name) Construction Project**

Capacity: 1.3 million kW (650,000 kW × 2 units)

Companies: Marubeni, Kanden Energy Solutions

EIA First Screening Report: "**Cannot approve**" (November 13, 2015)

Draft EIS: "**Reconsider**" (September 28, 2018)

→ **On December 21, 2018, notice of decision (approval) issued by Minister of Economy, Trade and Industry. EIS is complete.**

Projects where Minister of the Environment determined the project "requires reconsideration": Total seven cases (including Taketoyo and Akita Port)

- **Soga Thermal Power Plant (provisional name)**

Capacity: 1.07 million kW

Companies: Chiba Power Corp. (Chugoku Electric Power, JFE Steel)

EIA First Screening Report: "**Requires reconsideration**" (March 10, 2017)

→ **On December 27, 2018, the companies announced that they would abandon coal power and consider the plan as LNG power.**

- **Misumi Power Plant Unit 2 Construction Project**

Capacity: 1 million kW

Company: Chugoku Electric Power

Draft EIS: "**Requires reconsideration**" (January 12, 2018)

→ **On April 11, 2018, notice of decision (approval) issued by Minister of Economy, Trade and Industry. Start of construction announced on November 1, 2018. Currently under construction.**

- **Kobe Steel Power Plant (provisional name) Installation Project**

Capacity: 1.3 million kW (650,000 kW × 2 units)

Companies: Kobelco Power Kobe 2 (subsidiary of Kobe Steel Works)

Draft EIS: "**Requires reconsideration**" (March 23, 2018)

→ **On May 22, 2018, notice of decision (approval) issued by Minister of Economy, Trade and Industry. Start of construction announced on October 1, 2018. Currently under construction.**

- **(Provisional name) Yokosuka Thermal Power Plant: New Units 1 & 2 Construction Project**

Capacity: 1.2 million kW (650,000 kW × 2 units)

Companies: Tokyo Electric Power → JERA

Draft EIS: "**Requires reconsideration**" (August 10, 2018)

→ **On November 30, 2018, notice of decision (approval) issued by Minister of Economy, Trade and Industry. EIA process is completed.**

- **Saijo Power Plant Unit 1 Replacement Project**

Capacity: 500,000 kW

Company: Shikoku Electric Power

Draft EIS: "**Requires reconsideration**" (November 30, 2018)

→ **On February 19, 2019, notice of decision (approval) from Minister of Economy, Trade and Industry. EIA process is completed.**

References

MoE, "Three New Actions to Decarbonize the Electricity Sector" (March 28, 2019) (in Japanese)

<http://www.env.go.jp/press/106574.html>

MoE, "Assessment of progress with global warming countermeasures in the electricity sector" (March 23, 2019) (in Japanese)

<http://www.env.go.jp/press/106567.html>