

October 28th, 2021

Open Letter to Investors

**Requesting engagement to TEPCO and Chubu Electric Power for JERA Co. Inc.,
to terminate their coal-fired power plant business.**

Friends of the Earth Japan
Kiko Network
No Coal Yokosuka

We are organizations based in Japan concerned with climate change and energy. We are requesting financial institutions and corporations to defund and cease businesses that utilize coal-fired power plants, a prominent cause of climate change.

This written request is sent to the 28 shareholders of TEPCO Fuel & Power Inc. and Chubu Electric Power Co., Inc., two companies that have ownership and invest capital in JERA Co. Inc. We are asking for them to terminate operations that run counter to the efforts of the Paris Agreement, such as the construction for the new coal-fired power plant and zero-emission strategies reliant on fossil fuels.

According to Germany-based NGO Urgewald's report *Global Coal Exit List (GCEL)*¹. TEPCO and Chubu Electric Power are named as two of the corporations that are expanding in coal-based power businesses. TEPCO and Chubu Electric Power's joint corporation JERA is currently Japan's largest power generator, as well as Japan's largest coal-fired power generator.

A year after the Paris Agreement was passed, JERA presented plans to build 2 new coal-fired power plants on the Kurihama bay in Yokosuka City, Kanagawa Prefecture where an oil-fired power plant used to stand. When creating new power plants, the plans are subject to environmental assessments, which include researching the impacts of building the plants. When the plan was initially presented, the old oil-power plant was no longer in operation, thus no pollutants or greenhouse gasses were emitted. However, JERA untruthfully changed the current-to-planned comparison data, changing the current statistics with the non-functioning power plant, to that of when the oil-based power plant was operational. This shows that the new coal-based plant emits less pollutants than the 'current' levels, which therefore make it seem favorable to add this coal-based plant. Under the *Improved Replacement Guidelines*, this allowed them to omit parts of the environmental assessment that measure environmental impacts, and proceeded to starting construction on August 1st 2019. The site is planned for completion in April 2023.

We have continued to voice our concerns around this event, especially around the impacts on climate change, as well as the neighboring population.

In addition, JERA announced their *JERA Zero Emission 2050* initiative. It plans to terminate all inefficient coal-fired power plants by 2030, and move toward energies centered around hydrogen and ammonia based 'Zero-Emission' fuel and offshore wind-powered energies.

However, these seem like empty promises that fail to recognize the gravity of the situation. Inefficient coal-fired power plants owned by JERA have all been terminated. Roadmaps for offshore wind-powered energy projects are unclear. Extraction procedures as well as the refining of hydrogen and ammonia is still much reliant on fossil fuels.

¹ Global Coal Exit List (GCEL), <https://coalexit.org/>

Details regarding the above are in an attached document. In view of these facts, we ask you the shareholders to urge TEPCO and Chubu Electric Power to halt all coal-fired power energies and fossil-fuel reliant Zero-emissions initiatives operated by JERA.

If JERA does not abide by your terms and does not reconsider their insufficient decarbonization practices, we ask you to consider divesting from TEPCO and Chubu Electric Power.

Sincerely,

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