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PRESS RELEASE

Completion and Operation of the 'Regional Microgrid' project for Tokyu Land Corporation in Matsumae Town, Hokkaido

Chiyoda Corporation (Chiyoda) is pleased to announce the successful completion and operation of the 'Regional Microgrid'^{*1} project for Tokyu Land Corporation (Tokyu Land).

Project Overview:

- 1. Customer: Tokyu Land Corporation
- 2. Project Name: Matsumae Town 'Regional Microgrid' Construction Project
- 3. Location: Matsumae Town, Matsumae District, Hokkaido Japan
- 4. Details:

The 'Regional Microgrid' project in Matsumae Town, completed in collaboration with Tokyu Land, Matsumae Wind Farm Joint Corporation, Matsumae Town and Hokkaido Electric Power Network, Inc., (Developers), supplies renewable energy generated by the 'ReENE Matsumae Wind Power Plant' (rated output of 40.8 MW and storage capacity of approximately 130 MWh) to Matsumae Town in case of large-scale blackouts caused by natural disasters. As the main contractor, Chiyoda was responsible for the design and construction of the system which utilizes diesel generators (emergency power generators), an Energy Management System (EMS), distribution panels and integration with Hokkaido Electric Power Network, Inc.'s transmission lines and existing facilities, such as wind turbines and storage batteries. The Developers and Chiyoda commenced operation of the system, the first ever 'Regional Microgrid' construction project, on 29 February 2024.

This system enhances the resilience of the local community^{*2} by supplying renewable energy from the ReENE Matsumae Wind Power Plant to Matsumae Town during emergencies, ensuring a stable power to the town hall, evacuation centers and households. It was developed through the application of the Ministry of Economy, Trade and Industry's 'Subsidy for Promoting the Spread of Regional Coexistence-Type Renewable Energy and Other Initiatives (part of the Regional Microgrid Construction Support Project)' for fiscal year 2021 and supplemental budget, jointly applied for by Matsumae Town and Tokyu Land. Chiyoda also supported Tokyu Land in conducting system simulations for the subsidy application and has contributed to realizing the project over several years.

Regional microgrids are an essential component in promoting local consumption of renewable energy and building resilient communities against natural disasters. Our company will continue contributing to enhancing such resilience and achieving decarbonization and low-carbon goals in the region through activities such as microgrid construction, utilization of surplus renewable energy, load curtailment measures, planning and construction of energy storage systems and adjustment facilities for power output fluctuations such as electrolytic hydrogen, and the implementation and utilization of renewable energy at a local level.

We will also continue contributing to the realization of projects aimed at improving regional resilience through the local consumption of renewable energy, leveraging the experience gained from this project.

Background and Overview of the Initiative

The project involves disconnecting the existing power distribution network and switching to a standalone network that can be powered by renewable energy from the ReENE Matsmae Wind Power Plant, thus enhancing the resilience of the local community and maximizing the utilization of renewable energy.

The Regional Microgrid utilizes the existing power distribution network, allowing for efficient and widespread emergency power supply compared to self-supplied lines^{*3}. This initiative enables the provision of emergency power to important facilities and community disaster prevention facilities, such as local government offices, evacuation centers and households during emergencies.

Press Release from Tokyu Land Corporation on 29th February 2024(Japanese Only) URL: <u>https://www.tokyu-land.co.jp/news/2024/001168.html</u>

*1: A localized grid that can operate independently or in conjunction with the main power grid, typically incorporating renewable energy sources and energy storage systems in case of large-scale blackout caused by natural disasters such as earthquakes and Typhoons.

*²: The Plan is to create "powerful communities" that can withstand natural disasters or disruptions without sustaining dysfunction and remain healthy and functional for an extended period of time. (Concept pursued by General Incorporated Associations 'Environmental Innovation and Communication Organization')

*³: Transmission lines installed by entities other than general power distribution companies.

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