

Japan plans new wind legislation

KENT DAHL

Windpower Monthly
Japan

The Japanese government cabinet last month approved the draft of a Renewables Portfolio Standard (RPS) which is now wending its way through the parliamentary process. Under the legislation, which sets a minimum standard for the proportion of renewables power in the country's electricity portfolio, Japan's utilities will be obliged to source 1.1% of their total electricity supply from renewables by 2010. They can meet the obligation through their own production or by buying in green power from independent power producers and other utilities, possibly through a system of green credit trade. The proposed law was sent on its way by the cabinet on March 15.

The draft law, however, has come in for heavy criticism from not only the green power lobby, but also the environment ministry. The bill, which is being proposed by the Ministry of Economy Trade and Industry (METI), includes a range of energy sources as "green". As well as wind they include solar, geothermal, hydro and "sources other than oil that the government specifies". Critics fear that this means allowing power from incineration of waste into the green basket. The environment ministry fears this questionably "renewable" source could actually increase CO2 emissions, a view shared by Japan's Green Energy Network (GEN). "Waste should not be classified as a green energy source as it pollutes the air" says GEN's Tetsunari Iida, a former nuclear engineer and member of a coalition group set up to support renewables. "Waste power plants

will be able to supply enough electricity to fill the government quota and they will be able to do it at a much lower cost than wind turbines." And while companies like Sanix Co, a plastics group which plans to build five power plant fed by burning waste plastic, can sell their electricity to end customers, wind developers will be obliged to sell their electricity to a utility, leaving the market price structure unclear.

The wind industry fears a poorly constructed RPS may lead to a volatile pricing system. "If the government introduced a real RPS bill, then it would help the environment," says Iida. "But that is apparently not the government's intention." The current utility tendering system provides wind developers with long term contracts at a fixed price. An RPS might not provide the same financial security, fears GEN. It prefers a fixed tariffs system for wind power like that in Germany.

After its initial approval, the bill will now be presented to parliament. It will then go on to the Committee on Rules and Administration of the House of Representatives. There, it will be discussed further before going to the Committee of Economics and Industry (CEI) at the Lower House. If the bill is adopted it will continue on to the House of Councillors to be made law.