



March 26, 2025

Cosmo Energy Holdings Co., Ltd.

Cosmo Eco Power Co., Ltd.

## Cosmo Concludes First Virtual PPA With JR West

~Utilizing Cosmo Eco Power's Chuki Wind Farm for Wind Power Generation~

Cosmo Energy Group company Cosmo Eco Power Co., Ltd. (hereafter, "Cosmo Eco Power") announced that, effective March 24, 2025, it has entered into its first-ever virtual Power Purchase Agreement (PPA) with West Japan Railway Company (hereafter, "JR West").

A corporate PPA is a contract under which a consumer directly purchases renewable energy from a power producer. A virtual PPA, meanwhile, is a type of agreement where the consumer procures only the environmental value of renewable energy generated at a dedicated power plant located at a site other than their own.

While direct transactions were only permitted for power plants that began operation in 2022 or later under PPAs governed by the conventional FIP scheme<sup>1</sup>, the upcoming shift to a new scheme in April 2025 will eliminate this restriction on operational start dates. As a result, the conclusion of this PPA—utilizing Cosmo Eco Power-operated Chuki Wind Farm, which has been operational since April 2021—was made possible.

Under the agreement, JR West will receive approximately 40 million kilowatt-hours (kWh) worth of environmental value associated with electricity generated at Chuki Wind Farm per year in the form of non-fossil certificates over a 16-year period. This is expected to result in an annual CO<sub>2</sub> emissions reduction of 17,000 tons—equivalent to the emissions of about 7,000 households.

In August 2024, Cosmo Eco Power and JR West signed a basic agreement to discuss the further expansion of renewable energy-derived electricity<sup>2</sup> and remain committed to mutually accelerating initiatives, beyond this agreement, toward the realization of a carbon-neutral society.



[Conceptual diagram of this virtual PPA\*]

\*PPA: An abbreviation for Power Purchase Agreement



(Chuki Wind Farm)

## Overview of the Power Plant

<b>Power plant name</b>	Chuki Wind Farm
<b>Location</b>	The ridgeline of the Shirama Mountain Range, which extends across the towns of Hirogawa, Hidakagawa, and Aridagawa in Wakayama Prefecture
<b>Facility capacity</b>	48.3MW

1. Feed-in Premium (FIP) scheme: A program established in April 2022 to further promote renewable energy adoption and establish it as a main power source. Under this scheme, power producers receive a premium on top of the revenue earned from selling electricity. Unlike the conventional FIT scheme, where electricity generated at power plants is purchased by electric power companies, the FIP scheme allows power producers to choose their buyers, including sales to the wholesale electricity market or direct transactions with consumers via corporate PPAs, etc.

2. Press release issued on August 7, 2024

<https://www.cosmo-energy.co.jp/en/information/press/2024/240807-01.html>

(The official language for Cosmo Energy Group's filings with the Tokyo Stock Exchange and Japanese authorities, and for communications with our shareholders, is Japanese. We have posted English versions of some of this information on this website. While these English versions have been prepared in good faith, Cosmo Energy Group does not accept responsibility for the accuracy of the translations, and reference should be made to the original Japanese language materials.)