

# Exemptions from expiration rule contemplated under 2022 amendment

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### Overview of conditions to exemption from expiration rule

Pursuant to the amendment of the Act on Special Measures concerning the Procurement of Renewable Electric Energy by Operators of Electric Utilities (the Renewable Energy Act) that was introduced on 25 February 2020 and came into force on 1 April 2022 (the 2022 amendment) (for further details, see "[Cabinet approves Renewable Energy Act amendment bill](#)"), renewable energy projects under development in Japan are required to submit the following two documents (the conditions) by the deadlines specified below:

- a grid connection work application<sup>(1)</sup> (GCWA); and
- a construction planning notice (CPN) under the Electricity Business Act of Japan<sup>(2)</sup>.

The deadlines in the table below are categorised by renewable energy type, and whether the project is subject to the environmental assessment procedure under the Environmental Impact Assessment Act of Japan (the EIA Act) or its local ordinances (the EIA ordinance). Failure to satisfy the conditions by their respective deadlines will result in the expiration of the project's feed-in tariff certification issued by the Ministry of Economy, Trade and Industry (METI) (METI certification) that grants and secures the fixed purchase price for the project by the date specified (the expiration date). In the table below are the analyses of offshore wind, vintage onshore wind and vintage solar power projects. "Vintage solar power projects" are those that have obtained (or are deemed to have obtained) METI approval on or prior to 31 March 2019. "Vintage onshore wind power projects" are those that have obtained (or are deemed to have obtained) METI approval on or prior to 31 March 2019, or, if METI approval was obtained earlier than 31 March 2016, with a grid connection agreement executed on or before 31 March 2018.

Project type	EIA Act	EIA ordinance	Original expiration date	If GWCA is duly received by the original expiration date	If both GWCA and CPN are duly received by the original expiration date
Solar power projects (with output greater than 10 kilowatts)	n/a	n/a	31 March 2023	The original expiration date will be extended to 31 March 2025.	The original expiration date will be extended to 31 March 2042.
Onshore wind power projects	n/a	n/a	30 November 2025	The original expiration date will be extended to 30 November 2028	The original expiration date will be extended to 30 November 2044.
	Applicable	n/a	30 November 2029	The original expiration date will be extended to 30 November 2032.	The original expiration date will be extended to 30 November 2048.
	n/a	Applicable	31 August 2026	The original expiration date will be extended to 31 August 2029.	The original expiration date will be extended to 31 August 2045.
Offshore wind power projects	n/a	n/a	One year after the commencement date of the "project implementation period" described in	The original expiration date will be extended to four years after the	The original expiration date will be extended to 20 years after the

			the approved occupancy plan.	commencement date.	commencement date.
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#### Requirements to file GCWA

The enforcement regulation indicating the requirements to file the GCWA came into force on 1 April 2022. The concept of "GCWA" is unique to the projects that are subject to the 2022 amendment and is usually not required when developing a renewable energy project in Japan (unless the project is subject to the amendment to the Renewable Energy Act published on 5 December 2018). Pursuant to the ordinance, project owners may submit the GCWA once the project owner:

- obtains a forest development permit pursuant to the Forest Law;
- acquires the land use rights to all land parcels (the subject land) indicated in the METI certificate; and
- converts all subject land (if any) to a purpose other than agricultural land.

Each of the requirements must be and remain satisfied by the deadlines applicable to each project described above for the project owner to be able to submit the GCWA to the applicable competent authority. As to the specific format of the application, each transmission utility has published its own version of the application on their websites as follows:

- Hokkaido Electric Power Network;
- Tohoku Electric Power Network;
- TEPCO Power Grid;
- Chubu Electric Power Grid;
- Hokuriku Electric Power Transmission & Distribution Company;
- Kansai Transmission and Distribution;
- Chugoku Electric Power Transmission & Distribution;
- YONDEN T & D;
- KYUSHU Electric Power Transmission and Distribution; and
- The Okinawa Electric Power Company.

#### Requirements to file CPN

The CPN is filed with the applicable local METI office pursuant to the Electricity Business Act of Japan at least 30 days prior to the start of any electricity equipment installation work for the project. A project owner of a solar power project with capacity of two megawatts or more is required to file a CPN with the applicable local METI office. This is required regardless of whether the project is subject to the 2022 amendment.

#### Effect of expiration of METI certificate

If a project's METI certificate expires pursuant to the 2022 amendment after having reached the relevant expiration date, the project owner will need to reapply for the METI certificate. Under the current feed-in tariff regime, a project owner who applies for a new METI certificate for a solar power project with capacity of one megawatt or more will no longer be entitled to a set fixed price. Rather, they will have a variable price determined by the feed-in premium (FIP) programme through a competitive tender process. For further details, please see "Cabinet approves Renewable Energy Act amendment bill".

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#### Endnotes

(1) *keitou renkei kouji chakkou moushikomisho.*

(2) *kouji keikaku todokede.*