

Settlement of FY2015 Purchase Prices and FY2015 Surcharge Rates under the Feed-in Tariff Scheme for Renewable Energy

The Ministry of Economy, Trade and Industry (METI) determined FY2015 purchase prices for newcomers and FY2015 surcharge rates under the Feed-in Tariff Scheme for Renewable Energy.

1. FY2015 purchase prices for newcomers

The Procurement Price Calculation Committee compiled and publicized a recommendation concerning the FY2015 purchase prices and the periods thereof. Respecting the recommendation, METI finalized the prices and periods thereof as below:*

*Note: When no procurement price of electricity generated at photovoltaic power generation facilities has been set by March 31, 2015, the procurement price on the day when the authorized electricity generators of the facilities conclude an agreement with utilities concerning the connection of the facilities to power grids should be applied. However, when electricity generators and utilities do not reach an agreement on such connection, without reasons attributable to the generators, within 270 days from the day after the utilities receive application for such connection from generators, the procurement price of electricity on the day when 270 days have passed from the application date should be applied.

1) Electricity generated by photovoltaic power for non-household customers (10 kW or more)

	FY2014	FY2015 (April 1 to June 30)	FY2015 (from July 1)
Purchase price (excluding tax)	32 yen /kWh =>	29 yen /kWh =>	27 yen /kWh
Purchase period	20 years	20 years	20 years

2) Electricity generated by photovoltaic power for household customers (10 kW or less)

		FY2014	FY2015
Purchase price (excluding tax)	When generators are not required to install output control equipment	37 yen /kWh =>	33 yen /kWh
	When generators are required to install output control equipment**		35 yen /kWh
Purchase period	10 years	10 years	10 years

**Note: Concerning the areas where Hokkaido Electric Power Co. Inc., Tohoku Electric Power Co. Inc., Hokuriku Electric Power Company, the Chugoku Electric Power Co. Inc., Shikoku Electric Power Co. Inc., Kyushu Electric Power Co. Inc. and Okinawa Electric Power Company control the supply-demand balance of electricity, electricity generators of power generation facilities in the areas are required to install output control equipment for the facilities when such utilities received application for the connection to power grids from electricity generators after April 1, 2015. Accordingly, the procurement prices of electricity generated by the facilities operated by electricity generators subject to the requirement will be those for generators required to install such equipment. For the generators for which such installation is not required, the procurement prices of electricity generated at their facilities, regardless of installation, will be those for generators not required to install such controller.

3) Unused wood biomass***

		FY2014	FY2015
Purchase price (excluding tax)	Less than 2,000 kW	32 yen /kWh =>	40 yen /kWh
	2,000 kW or more		32 yen /kWh
Purchase period	20 years	20 years	20 years

***Note: In principle, power generation facilities whose operation has already been authorized will be subject to the previous procurement prices, regardless of the new procurement prices, since the electricity generators of the facilities have made investment decisions. However, for power generation facilities using unused wood biomass, the ratio of fuel cost, a cost generated after the initial investment, is significantly larger than the ratios for other renewable energy sources, and this burden may cause a disadvantage to authorized generators of such facilities when they procure fuels. To address this situation, electricity of less than 2,000 Kw generated at facilities using unused wood biomass will exceptionally be subject to the new procurement price, namely, 40 yen/kWh, from April 1, 2015, when the facilities have already been authorized as of April 1, 2015. This measure is formulated based on the suggestions by the Procurement Price Calculation Committee.

4) Other renewable energy (land-based wind power, offshore wind power, geothermal power, small and medium hydropower, and biomass except unused wood biomass)

Reference: FY2015 list of purchase prices

Categories			FY2014	FY2015
Photovoltaic power	10 kW or more		32 yen	29 yen (April 1 to June 30)
				27 yen (from July 1)
	Less than 10 kW	When generators are not required to install output control equipment	37 yen	33 yen
		When generators are required to install output control equipment		35 yen
Land-based wind power	20 kW or more		22 yen	22 yen
	Less than 20 kW		55 yen	55 yen
Offshore wind power	20 kW or more		36 yen	36 yen
Geothermal power	15,000 kW or more		26 yen	26 yen
	Less than 15,000 kW		40 yen	40 yen
Small and medium hydropower	1,000 kW or more but less than 30,000 kW	Installing fully new facilities	24 yen	24 yen
		Utilizing the existing head race channels	14 yen	14 yen
	200 kW or more but less than 1,000 kW	Installing fully new facilities	29 yen	29 yen
		Utilizing the existing head race channels	21 yen	21 yen
	Less than 200 kW	Installing fully new facilities alone	34 yen	34 yen
		Utilizing the existing head race channels	25 yen	25 yen
Biomass	Wood (unused)	2,000 kW or more	32 yen	32 yen
		Less than 2,000 kW		40 yen
	Wood (general)		24 yen	24 yen
	Wood (waste materials of buildings)		13 yen	13 yen
	Waste materials		17 yen	17 yen
	Methane fermentation		39 yen	39 yen

2. FY2015 surcharge rates

METI calculated possible FY2015 surcharge rates based on the purchase prices and other factors in item 1 above and as a result, determined the rate to be 1.58 yen/kWh. As a reference, monthly surcharges collected from average households which consume 300 kWh per month will be 474 yen based on this rate.

In addition, FY2015 surcharge rates will be added to the electricity rates billed between May 2015 and April 2016.

For further details, see the Japanese language press release.

Release date

March 19, 2015

Divisions in charge

New and Renewable Energy Division, Energy Conservation and Renewable Energy Department, Agency for Natural Resources and Energy

Related Information

[Renewable Energy](#)