bp and Chubu Electric sign MoU to evaluate decarbonisation opportunities in Japan and Asia region

3 February 2023

bp and Japanese power company Chubu Electric on 2nd February signed a memorandum of understanding (MoU) to explore opportunities for decarbonisation in Japan and the wider Asia region.

This MoU includes exploring the feasibility of collecting, aggregating, utilizing and transporting CO_2 from major emitters in the Nagoya area to CO_2 storage sites, potentially internationally, through Nagoya CCUS hub. This potential infrastructure could support decarbonization of a range of carbon intensive industrial businesses in the Nagoya area.

Nagoya is Japan's biggest port in terms of cargo volume. It connects the steel, automotive, aircraft, machine, and manufacturing sectors to global markets. Industries around the port account for 3% of Japan's total emissions; however, the port has an ambition to reduce its emissions by 35% by 2030 compared to 2013.

William Lin, bp's executive vice president for regions, corporates and solutions, said: "This MoU builds on the long relationship between Chubu Electric and bp, bringing our complementary skills together to develop potential solutions for decarbonization in Japan and Asia more widely. Pairing our strengths in low carbon solutions and Chubu's size and history in this industrial region, we believe we have the opportunity to create real change and help some of the hardest to abate sectors transition."

The exploratory work will leverage bp's development experience in large-scale CCS projects for industrial clusters, while Chubu's deep knowledge and regional business relationships will facilitate development in the port and surrounding areas.

Beyond Nagoya, bp and Chubu will together explore opportunities to accelerate availability of decarbonisation solutions with a variety of renewable energy technologies in key markets in Asia.

Hiroki Sato, Chubu's Senior Managing Executive Officer, Division CEO, Global Business Division said: "This MoU is the key step for bp and Chubu towards the net zero journey. We are convinced that our business activities for the decarbonization solution will definitely contribute to the climate neutrality of our planet."

It also represents a further potential opportunity alongside the large-scale CCS projects for industrial clusters bp is pursuing globally. bp is already in action at the Texas Gulf Coast industrial corridor and in Teesside, the industrial heart of the United Kingdom.

bp is focusing on working with corporates in key industrial sectors that have significant carbon emissions to manage, to help them to decarbonize. Its ambition is to be a net zero company by 2050 or sooner, and to help the world to get to net zero.

Chubu Electric is one of the largest energy companies in Japan. Chubu group has a history of more than seven decades across the energy value chain, including power generation, power transmission/distribution and energy retail business. Chubu aims to reduce emissions from its businesses to net zero by 2050.

Notes to editors

- In Chubu's global business, it intends to contribute to the realization of a low carbon society and aims to further increase earnings by optimally combining the four domains of (i) "green" business centred on renewable energy, (ii) "blue" business in relation to de-carbonization, (iii) "retail, power transmission and distribution, and new services" and (iv) "frontier" business.

- In 2021, Chubu acquired 20% shares of Bitexco Power Corporation, major Vietnamese private renewable power company, to accelerate the development of renewable energy and contribute to Vietnam's efforts to achieve a decarbonized society. In 2022, Chubu acquired shares of OMC Power Private Limited in India to contribute to OMC's efficient business operations by leveraging Chubu's operation and maintenance skills for power transmission, distribution and improvement of the efficiency of generation facilities, and will also contribute to a decarbonized society and the well-being of local people through clean power supply.

- bp has been operating in Japan since 1960. Today it has oil and LNG trading and Castrol lubricants businesses, aiming to continue to grow these.

- In 2021, bp agreed to work with Japanese shipping company NYK Line on exploring future fuels and transportation solutions to support decarbonization of the hard-to-abate shipping sector. In 2022, bp announced a strategic partnership with Marubeni, the major Japanese integrated trading and investment conglomerate, to explore offshore wind and potentially other decarbonization projects, including hydrogen.

- bp and Chubu are also co-investors in Eavor Technologies Inc. - a leader in scalable geothermal technology.

Contact

For media queries, please email InfoJapan@bp.com