

February 7, 2024
Tokyu Land Corporation
ENEOS Corporation

Tokyu Land Corporation and ENEOS Corporation Utilize Used Cooking Oil in Commercial and Resort Facilities

~Conclusion of Letter of Intent Regarding Utilization of Used Cooking Oil as a Raw Material for Aviation Fuel~

Tokyu Land Corporation (Head Office: Shibuya-ku, Tokyo, President and CEO: Hiroaki Hoshino, “Tokyu Land”) and ENEOS Corporation (Head Office: Chiyoda-ku, Tokyo, Representative Director: Miyata Tomohide, “ENEOS”) have concluded a letter of intent regarding the utilization of used cooking oil as a raw material for sustainable aviation fuel (“SAF”).

Amid growing global environmental awareness, an initiative is underway in the aviation industry to switch aircraft fuel from conventional fossil fuels to SAF, which is made from materials such as used cooking oil and sugar cane. Tokyu Land and ENEOS will contribute to this initiative by utilizing used cooking oil.

Specifically, used cooking oil generated at the COCONO SUSUKINO commercial complex (Sapporo City, Hokkaido), which opened on November 30, 2023, and at 29 hotels and golf courses developed and operated across Japan by Tokyu Resorts & Stays Co., Ltd., a member of the Tokyu Land Corporation Group, will be collected and used as raw material at the SAF manufacturing plant (produces 400,000 kl of SAF annually) being commercialized at the ENEOS Wakayama Plant (Arida City, Wakayama). COCONO SUSUKINO aims to utilize all the used cooking oil generated at the facility for SAF, which, if realized, will be the first such initiative in Japan.

Tokyu Land is developing renewable energy power plants across Japan, with 100 projects (as of the end of December 2023), including those under development nationwide, and a “rated capacity”(power generation capacity) of 1,760 MW (same as above), making it one of the largest renewable energy generation capacities in Japan. Utilizing this power generation capacity, the company had already switched the electricity used in all 244 owned facilities, including offices and commercial facilities (excluding some jointly owned facilities), to renewable energy by the end of 2022 and is actively working on “environmental management,” including achieving the “RE100” standard. Through this initiative, the company intends to cooperate in increasing the production of SAF fuel in order to “solve social issues” by reducing environmental impact.

As stated in the ENEOS Group’s Long-Term Vision, ENEOS is taking on the challenge of achieving both a stable supply of energy and materials and the realization of a carbon-neutral society. As a part of this effort, ENEOS is building an integrated system for SAF, from raw materials procurement, to in-house

manufacturing, and sales. To secure used cooking oil and vegetable oil necessary for SAF production in a sustainable way, ENEOS is collaborating with many partners at home and abroad to promote initiatives to collect unutilized used cooking oil.

■ Meeting SAF (Sustainable Aviation Fuel) Demand

SAF stands for “sustainable aviation fuel” and is produced from used cooking oil, sugarcane, municipal waste, and waste plastic, whereas conventional jet fuel is refined from crude oil. Compared to conventional jet fuel, it is estimated to reduce CO₂ emissions by approximately 60-80%.

Internationally, targets have been set to not increase total CO₂ emissions from international aviation after 2020 and to achieve zero carbon emissions by 2050. In Japan, the introduction target for SAF consumption as of 2030 is to replace 10% (equivalent to 1.71 million kl of estimated demand) of the fuel consumption by the domestic aviation industry with SAF, and the development and manufacturing of domestically produced SAF is being promoted.

Source: Ministry of Land, Infrastructure, Transport and Tourism (MLIT),

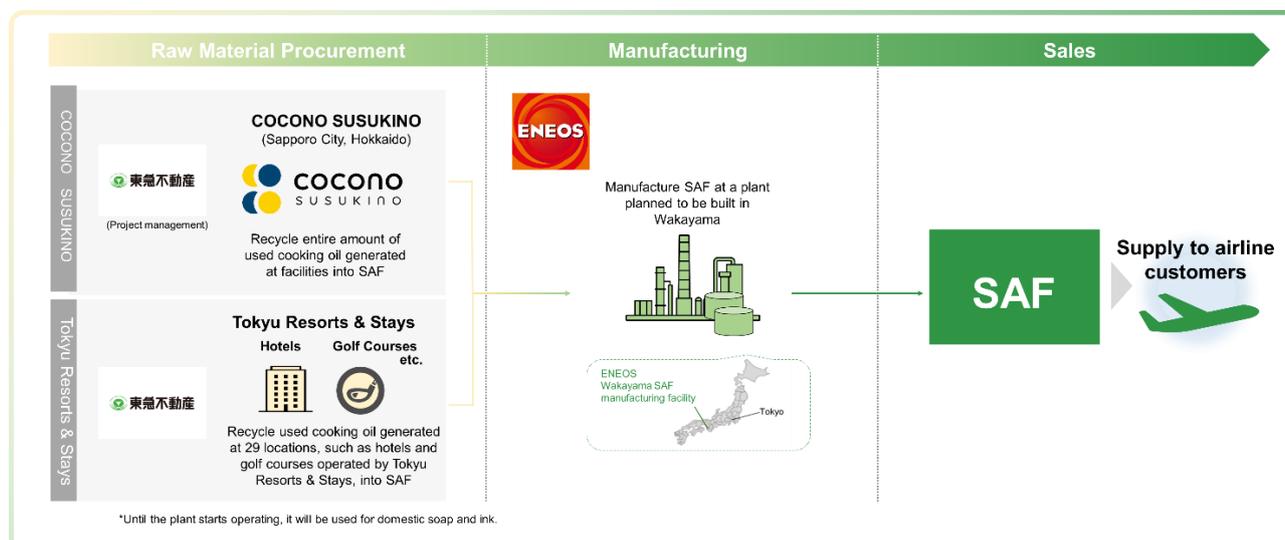
Ministry of Economy, Trade and Industry (METI), International Civil Aviation Organization (ICAO)

■ Flow of Used Cooking Oil Collection and SAF Production

Used cooking oil is the generic name for the cooking oil used for deep-frying and other cooking. In Japan, approximately 500,000 metric tons (in FY2021) are generated annually from food factories, restaurants, supermarkets, convenience stores, and households. In addition, of the used cooking oil from restaurants, factories, and other businesses, some is recycled for uses such as animal feed, while some is not utilized domestically and is exported or disposed of. Around the world, SAF is produced by utilizing such used cooking oil, and efforts to collect and utilize it are expanding in Japan as well.

Source: UCO JAPAN

[Flow of Utilization of Used Cooking Oil (Conceptual Diagram)]



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