

*For Immediate Release*

April 24, 2023  
Internet Initiative Japan Inc.

## **IIJ to Begin Direct Procurement of Non-Fossil Certificates Toward Supply of Green Electricity to Data Center Users**

*Recently conducted a verification trial of a power supply and demand matching platform on the way to commercial provision in 2024, to support decarbonization by data center users in line with revision of the Act on Rationalizing Energy Use, etc.*

TOKYO—April 24, 2023—Internet Initiative Japan Inc. (TSE Prime: 3774), one of Japan's leading Internet access and comprehensive network solutions providers, today announced plans to begin supplying electricity this summer that is effectively from renewable energy, making use of Non-Fossil Certificates (NFCs), to customers at its Shiroi Data Center Campus (Shiroi, Chiba Prefecture; “Shiroi DCC”) requesting this service, and to start direct procurement of NFCs, thereby helping data center users with decarbonization. This initiative is in response to the requirement in the newly effected Act on Rationalizing Energy Use and Shifting to Non-fossil Energy (the “Revised Act on Rationalizing Energy Use”) that enterprises with large energy consumption issue reports on electric power usage and on their plans for shifting to non-fossil energy.

Furthermore, IIJ in March 2023 conducted a verification trial of a power supply and demand matching platform for providing Shiroi DCC users with electricity having certified environmental value, using an Electric power and environmental value P2P tracking system,<sup>(\*1)</sup> and will proceed with detailed development toward commercial provision in fiscal 2024.

(\*1) A system being developed by The Kansai Electric Power Company, Inc. for managing, recording and preserving information on electric power and environmental value.

### **Direct procurement of NFCs toward supply of electricity with certified environmental value**

IIJ data centers provide customers with colocation/housing services for their servers, network equipment and other IT facilities. The Act on Rationalizing Energy Use was revised also in fiscal 2022,<sup>(\*2)</sup> mandating regular reporting of energy consumption by data center users. Then with the fiscal 2023 revision of the same Act,<sup>(\*3)</sup> medium-term plans and regular reporting came to be required also regarding the shift to non-fossil energy, including renewable energy. These requirements are expected to heighten demand by data center users for electricity with certified environmental value.

In view of such demands from society, IIJ in April registered as an NFC trading member of the Japan Electric Power Exchange (JEPX), enabling enhanced support of data center users in their decarbonization efforts. Whereas previously only retail electric power suppliers could purchase NFCs, from November 2021 it became possible for users to purchase and broker them as well. By registering as a JEPX member, IIJ is now able to procure FIT NFCs directly. A service will be created making use of NFCs to supply customers with electric power essentially from renewable energy, with the aim of starting commercial service this summer.

(\*2) Ministry of Economy, Trade and Industry (METI), “Overview of a Benchmark System for the Data Center Industry,” April 2022 [Japanese] [https://www.enecho.meti.go.jp/category/saving\\_and\\_new/saving/enterprise/factory/support-tools/data/2022\\_01benchmark.pdf](https://www.enecho.meti.go.jp/category/saving_and_new/saving/enterprise/factory/support-tools/data/2022_01benchmark.pdf)

(\*3) METI, March 31, 2023

[Japanese] <https://www.meti.go.jp/press/2022/03/20230331014/20230331014.html>

### **Verification trial of power supply and demand matching platform**

Following the provision of electricity with certified environmental value, IIJ is planning commercial introduction of a power supply and demand matching platform that will automatically manage power supply

allocation and certification. To that end, a verification trial was conducted of an “Electric power and environmental value P2P tracking system,” applying actual power data from IIJ data centers to test the operation and processes of the functionality for allocating electricity having certified environmental value.

- Overview of verification trial
  - a) Making use of the Electric power and environmental value P2P tracking system, the trial confirmed the allocation of electricity and environmental value between the data center operator and users. Secure usage certification is planned, making use of blockchain technology to manage certificates in a state that prevents their falsification.
  - b) Initiatives for carbon neutrality are being carried out aggressively at the Shiroi DCC, including not only renewable energy use but also operation of solar power generation on the data center grounds, and use of large storage batteries for peak cut/peak shift of electric power for cooling. The trial verified the effectiveness of the platform’s functions, such as for designating the shares of each power source based on real data for data centers, which procure electricity from diverse sources.

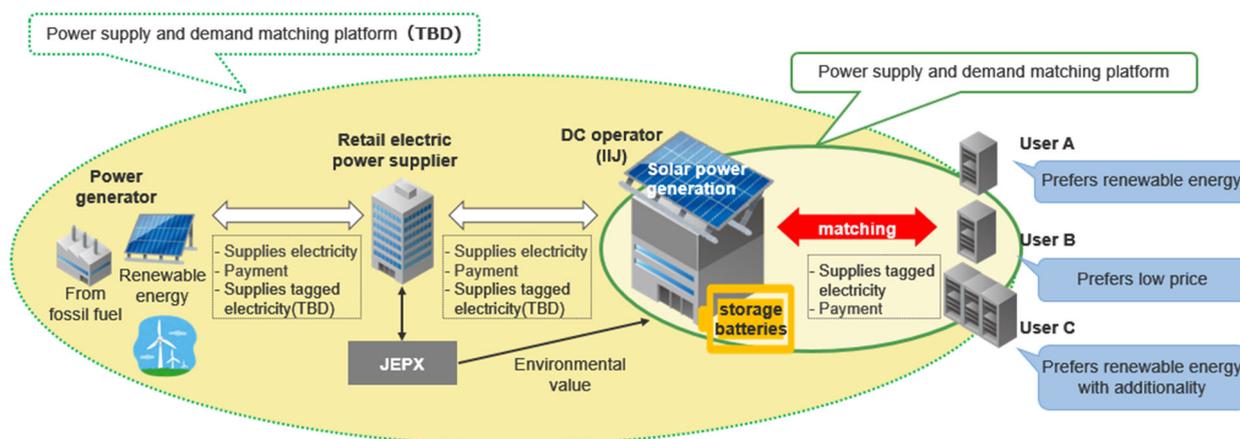
- Benefits expected from introducing power supply and demand matching platform

This platform manages the amounts of electric power supplied by the data center operator to users and the amounts consumed by users. By matching to user needs electric power use information such as the power producer, place, and generation by renewable energy, along with environmental value, it can certify customer use of renewable energy. Advantages can be expected also for data center operators, including optimization of electric power and environmental value procurement, and automatic allocation of environmental value, for flexibly meeting customers’ needs and reducing administrative costs.

- Schedule on the way to commercial provision

March 2023	Verification trial conducted
Fiscal 2023	Studies of third-party authentication schemes, etc. and additional verification toward commercial use
Fiscal 2024	Start of commercial service use (planned)

Illustration of commercial service provision



※ Tagged electricity = Electricity which has ID of power generator, location, renewable energy, etc.

Looking ahead, IIJ is considering plans for a scheme enabling data center users to trade surplus environmental value among themselves, and for payment by the digital currency DCJPY (tentative name) of DeCurret DCP Inc., tied to environmental value trading, in such ways helping to promote carbon neutrality not only at its own data centers but in society as a whole.

## **About IIJ**

Founded in 1992, IIJ is one of Japan's leading Internet-access and comprehensive network solutions providers. IIJ and its group companies provide total network solutions that mainly cater to high-end corporate customers. IIJ's services include high-quality Internet connectivity services, systems integration, cloud computing services, security services and mobile services. Moreover, IIJ has built one of the largest Internet backbone networks in Japan that is connected to the United States, the United Kingdom and Asia. IIJ was listed on the Prime Market of the Tokyo Stock Exchange in 2022. For more information about IIJ, visit the official website: <https://www.ij.ad.jp/en/>.

*The statements within this release include forward-looking statements about our future plans that involve risk and uncertainty. These statements may differ materially from actual future events or results.*

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