



STORAGE

TERMINALS MAGAZINE

JERA and CF Industries execute joint development agreement for low carbon ammonia project

JERA Co., Inc. and CF Industries Holdings, Inc. have entered into a Joint Development Agreement to collaboratively explore the development of a low-carbon ammonia production project in the United States.

The proposed project aims for an annual capacity of approximately 1.4 million tonnes of low-carbon ammonia and is planned to be situated at CF Industries' Blue Point Complex in Louisiana, United States. As per the agreement, JERA contemplates acquiring a 48 percent ownership stake in the project and securing a commitment to procure over 500,000 tonnes of ammonia annually to satisfy the demand for low-carbon fuels in Japan. The partners aim to reach a final investment decision on the project within a year, with production scheduled to commence in 2028.

This agreement follows the January 2023 announcement of the initiation of a Memorandum of Understanding between JERA and CF Industries to explore joint project development and sales & purchase of clean ammonia. The MOU stemmed from a tender process conducted by JERA in February 2022 for the procurement of clean ammonia. It underscores JERA's progress towards substituting coal with ammonia at its Hekinan Thermal Power Station in Japan.

JERA is committed to expanding renewable energy and advancing zero-emission thermal power technologies as part of its efforts to facilitate the transition to a lower carbon future in the energy sector. The company established the JERA Zero CO₂ Emissions 2050 goal in 2020, aiming to achieve net zero CO₂ emissions from domestic and overseas operations by 2050.

With a focus on global decarbonisation and addressing energy challenges, JERA will continue to build and expand low carbon hydrogen and ammonia supply chains in collaboration with leading domestic and international firms.

Yukio Kani, global CEO & chair of JERA, expressed his satisfaction with advancing the partnership with CF Industries, highlighting the importance of commitment and collaboration in addressing global energy issues. Tony Will, president and CEO of CF Industries Holdings, Inc., also expressed pleasure in expanding the relationship

with JERA, emphasising the significance of low-carbon clean ammonia in meeting decarbonisation goals and contributing to hard-to-abate industries' efforts.

For more information visit www.jera.co.jp