The New Energy and Industrial Technology Development Organization (NEDO) has selected three companies, Mitsubishi Corporation, Mitsubishi Heavy Industries, Ltd. and Hitachi, Ltd. (one proposal), to participate in its Smart Community System Demonstration Project in Spain.

In preparation for the large-scale introduction of renewable energy as well as the dissemination of next-generation vehicles, this project is designed to demonstrate smart community-related technologies focusing on the transportation and power sectors, where a significant reduction in CO₂ emissions can be expected. The project, which is aligned with the Malaga Smartcity Project being carried out in Malaga, Spain, is NEDO’s third overseas smart community demonstration project after its projects in the State of New Mexico, United States and Lyon, France.

1. **Overview of the Smart Community System Demonstration Project in Spain**

   In preparation for the large-scale introduction and promotion of electric vehicles (EVs) in Spain, technologies to mitigate the impact of EV charging on power grid networks and to improve the level of convenience for EV users are needed. These include a system to control storage batteries for EV charging facilities and a service to guide EV users to EV charging facilities. To realize such technologies, NEDO will introduce a platform to collaborate with the Malaga Smartcity Project, which integrates information from energy management systems for renewable energy and the existing power infrastructure. In addition, a new infrastructure including EV management systems, EV charging facilities and information services will be established, thereby improving the efficiency of Malaga’s grid management system.

   The detailed contents of the demonstration project will be determined based on an assessment of feasibility study results.
The participants selected by NEDO for the project and the project’s duration and budget are as outlined below.

Participants: Mitsubishi Corporation, Mitsubishi Heavy Industries, Ltd., Hitachi, Ltd.
Duration: FY2010 to FY2015; a feasibility study will be completed by July 29, 2011.
Project budget (depending on available funding): Approximately 30 million yen (feasibility study) and 5 billion yen (demonstration project)

This demonstration project will be carried out under the Japan-Spain Innovation Programme (JSIP), which is managed by NEDO and the Centre for the Development of Industrial Technology (CDTI) of Spain.

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Glossary:
¹ A smart community is a next-generation social system that comprehensively manages all types of energies, not only electricity, but also heat and waste energy, by region. It also includes transportation systems. This is an advanced type of smart grid, which efficiently controls electricity supply and demand by means of ICT. As a key to building a sustainable
society that has a stable energy supply, tackles climate change and achieves economic growth, countries around the world have been actively undertaking various efforts in the smart community field.

To create a smart community, it is important to study how a social system functions, including not only energy supply and demand and the introduction of renewable energy but also various lifestyles. In this respect, the process of achieving a smart community goes beyond only technology development. Conducting various demonstration projects is expected to enable realization of a smart society.

² The Malaga Smartcity Project is designed to improve energy efficiency and reduce CO₂ emissions in Malaga by integrating a community energy management system (CEMS) and other technologies such as renewable energy, power storage and smart meters.

³ With regard to Japan-Spain collaborative technology development projects in which Japanese companies and Spanish companies participate, when Japanese companies apply for NEDO funding and successfully obtain it, and when Spanish companies participating in the same project apply for CDTI funding and successfully obtain it, NEDO and CDTI can support the project work of each side through parallel funding. NEDO and CDTI agreed to foster cooperative research, development and demonstration of smart grid-related technologies by concluding a letter of intent in September 2010.