

Global-local alliance powers a new era in Japan's geothermal energy

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Combining a global investment portfolio with a community-rooted business model, this strategic partnership aims to scale clean, renewable energy respectfully, revitalizing local economies while honoring cultural heritage.

Furusato Netsuden brings deep local roots, trust, and operational expertise to the partnership, while Baseload Capital contributes international investment, global reach and the power of committed owners such as Google and Breakthrough Energy Ventures.

Japan's untapped geothermal power

Japan has the third largest geothermal potential globally, with an estimated 23 GW, yet its current installed capacity is only 576 MW. This represents a major untapped opportunity for a country whose Green Transformation (GX) Strategy aims for net-zero emissions by 2050. Geothermal energy is clean, always-on, and space-efficient. That makes it an ideal solution for a mountainous, densely populated nation with high reliance on energy imports and growing clean-energy demand from AI and data centers.

Japan's geothermal development has been slow, in part, because there's no common business model that enables communities to share in the benefits. However, Furusato Netsuden and its local partners have developed a system to ensure

communities benefit directly from geothermal energy.

The Waita model – a ground-breaking approach

In 2011, residents of the Waita area in Oguni Town, Kumamoto Prefecture, formed the limited liability company Waita-kai, which is owned by the community. In partnership with Furusato Netsuden, they set out to develop geothermal power together in a way that would revitalize the community. The name Furusato Netsuden combines the words for "hometown", "heat" and "electricity".

A respectful and collaborative business model

This model protects local land rights, ensures development is carried out on a scale appropriate for the area, and guarantees some of the revenues are re-invested in the community. Furusato Netsuden and Waita-kai regularly hold meetings with residents to share updates on operations, development, and environmental monitoring.

A growing geothermal portfolio

- In 2015, the 2 MW capacity Waita No. 1 geothermal power plant began commercial operation.
- Waita No. 2, currently under construction, is expected to deliver 5 MW and go online in March 2026.
- In addition to the 7MW currently operating or under construction in Waita, the overall portfolio includes a tangible pipeline of projects across Japan that are expected to deliver an additional 30+ MW over the next five to ten years.