

Media Release

September 27th, 2005

Osaka Gas Co., Ltd.

Acquisition of a US IPP Holding Company

Gas and Power Investment Co., Ltd. (GPI), a wholly-owned subsidiary of Osaka Gas, and ArcLight Energy Partners Fund I, LP (ArcLight) entered into an agreement today for GPI's acquisition of Fort Point Power LLC, an IPP holding company owned by ArcLight.

Fort Point Power LLC has held a portfolio of nine IPP assets with its net equity ownership of 482MW. All the plants are currently in operation and the generated electricity is sold to local utilities on the basis of the long-term power purchase agreements.

GPI will acquire the whole ownership of the holding company held by ArcLight subject to condition precedents including the approvals of the bond holders and the FERC. The investment for this transaction will be made through Osaka Gas Energy America Corporation, an investment vehicle of GPI, incorporated in the United States. Upon completion of the transfer of the ownership, the name of the holding company will be changed to Osaka Gas Power America LLC.

In the multi-energy business strategy of Osaka Gas, IPP business both at home and abroad has been positioned as a high priority area for investments for growth of the group. Through IPP investments overseas, the company expects to gain operational expertise in power business together with favorable economic returns.

Projects included in the transaction

Project	State	Fuel	Plant Capacity (MW)	% owned
Whitewater	WI	Natural gas	245	26
Cottage Grove	MN	Natural gas	246	27
Selkirk	NY	Natural gas	345	24
Lakewood	NJ	Natural gas	239	20
Crockett	CA	Natural gas	240	8
Saranac	NY	Natural gas	239	12
Lockport	NY	Natural gas	211	24
Marianas	Guam	Fuel oil	87	50
MCV	MI	Natural gas	1,500	5

Lesser interest

Asset locations

