Osaka Gas Starts Commercial Operation of Unit 1 of Fukushima Natural Gas Power Plant

May 7, 2020 Osaka Gas Co., Ltd.

Osaka Gas Co., Ltd. (President: Takehiro Honjo, hereinafter, "Osaka Gas") today announced that it has started commercial operation of the Unit 1 power generation equipment (hereinafter, "Unit 1") of the Fukushima Natural Gas Power Plant (hereinafter, "the power plant") on April 30, 2020. Unit 1 had been constructed by Fukushima Gas Power Co., Ltd. (President and CEO: Yoshitaka Ishii, hereinafter, "FGP"), in which Osaka Gas has a 20% stake.

The power plant is a natural gas-fired thermal power plant with an output of 1,180 MWh (590 MWh \times two units). It was constructed on No. 4 wharf of Soma Port, Fukushima Prefecture (Shinchi-machi, Soma-gun, Fukushima Prefecture). The power generation equipment uses a gas turbine combined-cycle system with a high power generation efficiency.*1 The generated electricity is received by companies that have invested in FGP, depending on the amount of fuel (LNG) delivered to FGP (tolling agreement).

The Daigas Group remains committed to building a diverse power source portfolio, including environmentally friendly natural gas and renewable energy, and expanding the electric power business in and outside Japan in order to achieve the goal of "9,000 MW of power in Japan and overseas by FY2031.3" as set out in the Long-term Vision.

(*1) The power generation equipment achieved a gross thermal efficiency (lower heating value) of about 61%, which is presently among the highest in the world.

1. Overview of the Fukushima Natural Gas Power Plant

Name Fukushima Natural Gas Power Plant

Location 161-3 Imagami, Komagamine, Shinchi-machi,

Soma-gun, Fukushima Prefecture (Wharf No. 4,

Soma Port)

Site area About 10 ha

Power generation system Gas turbine combined-cycle system Gross thermal output 1,180 MWh (590 MWh × two units)

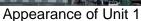
Fuel Natural gas (LNG)

Thermal efficiency Gross thermal efficiency: about 61% (lower heating

value)

(Photo of the site: as of April 2020)







Overall view of the power plant

(Schedule)		
2016	October	Decision made to commercialize the natural gas thermal power generation business at Soma Port.
2017	August October	Preparation work started (including ground improvement). Construction of the power plant equipment commenced.
2019	November	Trial operation of Unit 1 commenced.
	December	Power generation from Unit 1 commenced (first parallel in: commencement of power generation and transmission of generated electricity to the grid).
2020	April	Commercial operation of Unit 1 commenced.
		Trial operation of Unit 2 commenced.
	Summer	Commercial operation of Unit 2 to commence (planned).

2. Overview of Fukushima Gas Power Co., Ltd.

Company name Fukushima Gas Power Co., Ltd. ("FGP")

Location of head Sapia Tower 1-7-12 Marunouchi, Chiyoda-ku, Tokyo

office

Founded April 23, 2015

Capital 1,074 million yen (capital: 537 million yen, capital reserves:

537 million yen)

Investment ratio Japan Petroleum Exploration Co., Ltd. 33%

Mitsui & Co., Ltd. 29% Osaka Gas Co., Ltd. 20%

Mitsubishi Gas Chemical Company, Inc. 9%

Hokkaido Electric Power Co., Inc. 9%

Business Promotion of the natural gas-fired thermal power generation

description business

Business site, etc. Fukushima Natural Gas Power Plant (Shinchi-machi,

Soma-gun, Fukushima Prefecture)

Website http://www.f-gp.co.jp/ (in Japanese)