Osaka Gas has concluded a Renewable Electricity Procurement Contract with West Holdings

— Long-term electricity procurement from new small-scale photovoltaic power facilities —

August 28, 2020
Osaka Gas Co., Ltd.

Osaka Gas Co., Ltd. (President: Takehiro Honjo, hereinafter, “Osaka Gas”) today announced that it has concluded a contract with West Holdings Corporation (President: Eiichiro Egashira, hereinafter, “West HD”) for long-term procurement of electricity to be generated by a new small-scale photovoltaic power generation facility based on a bilateral contract.

Osaka Gas is to procure electricity bundling with zero-carbon credits, from small-scale photovoltaic power facilities being developed by West HD. The procurement is based on a long-term contract and its aggregated capacity exceeds tens of thousands kW. The number of eco-conscious business operators, including RE100 participants, has been increasing. This agreement is to contribute to meet such customers’ trend.

Weather forecasting know-how[*1] accumulated by Osaka Gas will be utilized for improving accuracy of photovoltaic power generation, in order to mitigate imbalance payment[*2]. Osaka Gas continues making efforts to improve economy of renewable projects.

On March 30, 2020, Osaka Gas and West HD concluded a basic memorandum of understanding on the joint study of new businesses in the renewable energy field. In June 2020, Daigas Energy Co., Ltd.,[*3] a wholly owned subsidiary of Osaka Gas, started to offer D-Solar, a self-consumption type photovoltaic power generation[*4] service, and has received many inquiries. Osaka Gas and West HD will continue a joint study on new businesses to create new added value, including the joint development of a large-scale photovoltaic power generation facility.

The Daigas Group remains committed to helping achieve a low-carbon society through the development and operation of renewable power supply sources.

*1: The know-how will be used to conduct field tests for forecasting temperature and solar irradiance based on proprietary weather forecasting techniques, increase the forecast accuracy by using AI technologies (machine learning), and acquire licenses to start the weather forecast business.
*2: Imbalance refers to the difference between the planned and actual values of power generation. In this project, the business operator will work to reduce the imbalance.
*3: Daigas Energy Co., Ltd. proposes energy solutions and offers various services to commercial and industrial customers.
*4: Self-consumption type photovoltaic power generation refers to a photovoltaic power generation system in which generated electricity is consumed at the customer's facility.

1. Overview of the small-scale photovoltaic power generation facility to be developed by West HD

(Aerial view)

(Equipment seen from below)

2. Company profile

Osaka Gas

Name	Osaka Gas Co., Ltd.
Location of head office	4-1-2 Hirano-machi, Chuo-ku, Osaka
Representative	Representative Director and President Takehiro Honjo
Capital	132,166.660 million yen
Established	April 10, 1897

Business description	Manufacture, supply, and sale of gas; generation, supply and sale of electricity, etc.

West HD

Name	West Holdings Corporation
Location of head office	1-15-24 Kusunoki-cho, Nishi-ku, Hiroshima
Representative	Representative Director and President Eiichiro Egashira
Capital	2,020.910 million yen
Established	March 1, 2006
Business description	Installation and sale of photovoltaic power generation systems [*5] (e.g., planning and development, construction, after-sales maintenance), transaction and brokerage of electricity, creation of environmental value from the CO_2 emissions reduction amount,[*6] etc.

*5: Total output: 1,360 MW or more

*6: West HD has been promoting SDGs by creating environmental value from the CO_2 emissions reduction amount through the introduction of energy conservation equipment in cooperation with local financial institutions. The company thereby helps local governments promote environmental conservation and child care support.

The Daigas Group’s commitment to renewable energy is introduced on the webpages below.
(For PC users) https://www.osakagas.co.jp/company/renewable_energy/index.html (in Japanese)
(For smartphone users)
https://www.osakagas.co.jp/sp/company/renewable_energy/index.html (in Japanese)