

Osaka Gas inked a deal on a long-term Solar PPA with West Holdings
— 200 MW electricity and carbon credit procurement from thousands of small-
scale solar facilities to be developed in FY2021 —

January 29, 2021
Osaka Gas Co., Ltd.

Osaka Gas Co., Ltd. (President: Masataka Fujiwara, hereinafter, “Osaka Gas”) announced that it has agreed with West Holdings Corporation (President: Eiichiro Egashira, hereinafter, “West HD”) on a bilateral long-term solar PPA, and Osaka Gas will procure 200MW solar electricity and carbon credit generated at thousands of small-scale solar facilities to be developed by West HD in FY2021.

On March 30, 2020, Osaka Gas and West HD concluded a basic memorandum of understanding on a joint study of new businesses in the renewable energy field. As the first achievement of the study, starting from June, 2020, Osaka Gas launches a self-consumption-type photovoltaic power generation^{*1} service called D-Solar^{*2}. Starting from September, 2020, Osaka Gas and West HD starts solar electricity trading and after April, 2021, Osaka Gas and West HD agree to add 200MW capacity on the trading based on the contract dated January 29, 2021.

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 will contribute to spreading renewable energy power sources worth 5,000 MW^{*3} in and outside Japan, including in-house development and ownership and procurement from other companies, by FY2031.3. It will also aim to increase the percentage of renewable energy in Daigas Group’s power portfolio in Japan to about 50%.^{*3}

Meanwhile, the Daigas Group will actively promote sales of electricity derived from renewable energy to meet the needs of environmentally conscious business operators, including RE100 participants.

The Daigas Group expects that its contribution to CO₂ emissions reduction will cut down the social cost required for achieving a carbon neutral society using the innovative technologies that are currently being developed. The Group also plans to provide solutions to the issues related to climate change and energy security.

- *1: Self-consumption-type photovoltaic power generation refers to a photovoltaic power generation system in which generated electricity is consumed at the customer's facility.
- *2: D-Solar is offered by Daigas Energy Co., Ltd., a wholly owned subsidiary of Osaka Gas that proposes energy solutions and offers various services to commercial and industrial customers.
- *3: Including solar, wind, and biomass power projects, which are eligible for the feed-in tariff (FIT) scheme.

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

| | |
|---|---------------------------------------|
| Location | Across Japan, mainly in western Japan |
| Number of sites | Thousands of sites |
| Total installed capacity (panel output) | 200 MW |

(Installation image of power generation equipment)



2. Company profile

<Osaka Gas>

| | |
|-------------------------|---|
| Name | Osaka Gas Co., Ltd. |
| Location of head office | 4-1-2 Hirano-machi, Chuo-ku, Osaka |
| Representative | Masataka Fujiwara, Representative Director and President |
| 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 | Eiichiro Egashira, Representative Director and President |
| Capital | 2,020.910 million yen |
| Established | March 1, 2006 |
| Business description | Installation and sale of photovoltaic power generation systems ^{*4} (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, ^{*5} etc. |

*4: Total output: 1,690 MW or more

*5: West HD has been promoting SDGs by creating environmental value from the CO₂ 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 (in Japanese):

(For PC users) https://www.osakagas.co.jp/company/renewable_energy/index.html

(For smartphone users)

https://www.osakagas.co.jp/sp/company/renewable_energy/index.html