

Osaka Gas Starts Joint Project for the Development of Small and Medium-sized
New Non-FIT Solar Power Plants with West HD and JR Kyushu

—Realization of a Comprehensive Scheme Ranging from Development to Use of
Renewable Power Sources Making Use of Idle Land along Railway Tracks—

July 29, 2022

Osaka Gas Co., Ltd.

Osaka Gas Co., Ltd. (President: Masataka Fujiwara, hereinafter referred to as "Osaka Gas"), West Holdings Corporation (hereinafter referred to as "West HD"), and Kyushu Railway Company (hereinafter referred to as "JR Kyushu") have agreed to start a joint project to develop new small and medium-sized non-FIT solar power plants by making use of idle land along railroad tracks owned by JR Kyushu.

As the land suitable for the development of large-scale solar power plants is decreasing, the development of small and medium-sized new non-FIT solar power plants, particularly, that using idle land, is drawing increasing attention. The Ministry of Land, Infrastructure, Transport and Tourism plans to launch a study group this summer to promote renewable power generation by using railway-related idle land, such as former railroad tracks and land along railroad tracks.

Since April of this year, when Osaka Gas and West HD concluded a capital and business alliance, both companies have been working together to develop solar power plants using idle land owned by the customers of the Daigas Group.*¹

Also, Osaka Gas, which has realized local production for local consumption of environmental value by supplying environmental value-added renewable electricity generated at a power plant owned by the Daigas Group to the station buildings of the JR Kyushu Chikuh Line,*² has repeatedly held discussions with JR Kyushu for further collaboration related to renewable energy.

This time, Osaka Gas, West HD, and JR Kyushu will jointly develop new non-FIT solar power plants using idle land along railroad tracks and in other places and aim to realize a comprehensive scheme ranging from "generating" to "using" renewable electricity (hereinafter referred to as "this scheme").

In this scheme, West HD will build solar power plants on idle land owned by JR Kyushu, such as that along railroad tracks. After the power plants will go into operation, Osaka Gas will take charge of supply and demand management and long-term procurement of generated electricity and environmental value by using its accumulated know-how in output prediction and other related matters and supply the electricity and environmental value to the station buildings and other facilities of JR Kyushu through the "D-Green" series,*³ a 100% renewable electricity service plan.

As the first joint development project of the three companies, the JR Kyushu Shimonoseki Solar Power

Plant (Shimonoseki City, Yamaguchi Prefecture) is scheduled to go into operation in or after this coming September, and the three companies will continue discussions to expand the scale of development.

The Daigas Group aims to contribute to the spread of the use of renewable electricity sources worth 5 GW*4 in and outside Japan, including in-house development and ownership as well as procurement from other companies, by FY2030. At present, the Daigas Group’s contribution to this mission is worth about 1.49 GW, including in-house development and ownership as well as procurement from other companies. Osaka Gas will continue to provide solutions for customer issues and strive to realize a carbon-neutral society as a social issue.

*1: Announced in April 2022

https://www.osakagas.co.jp/en/whatsnew/_icsFiles/afieldfile/2022/05/23/220426_5.pdf

*2: Announced in January 2022

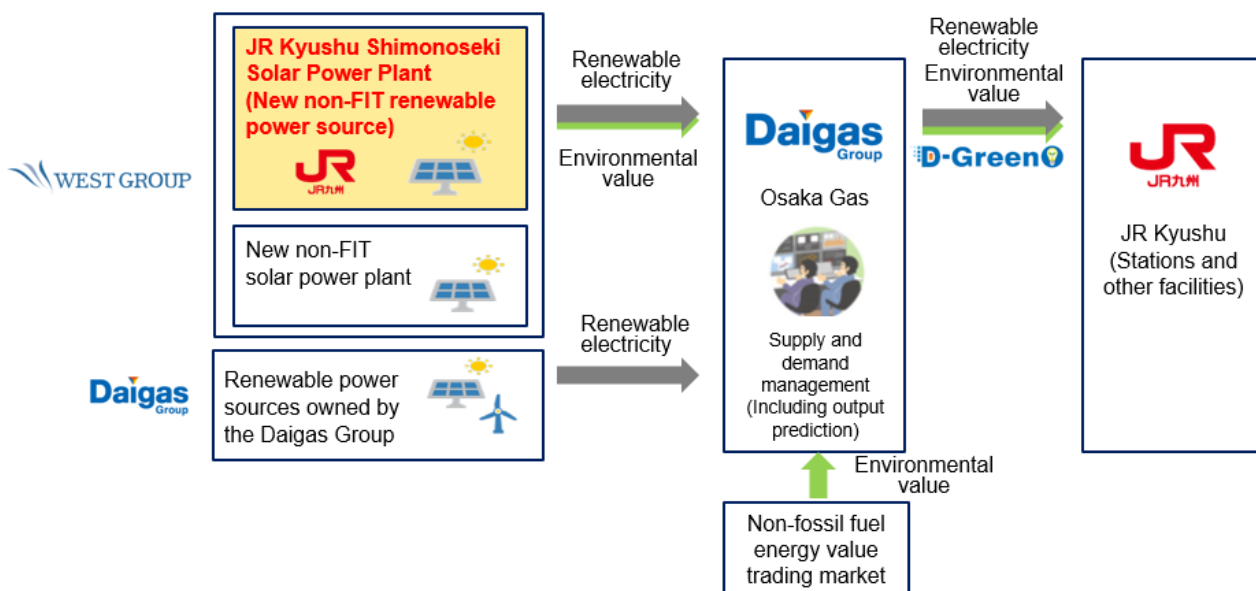
https://www.osakagas.co.jp/en/whatsnew/_icsFiles/afieldfile/2022/03/08/220111.pdf

*3: A renewable electricity service plan for corporate customers that are making efforts to achieve carbon neutrality

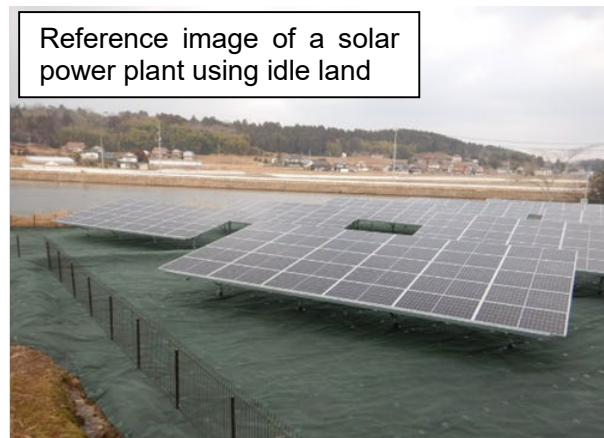
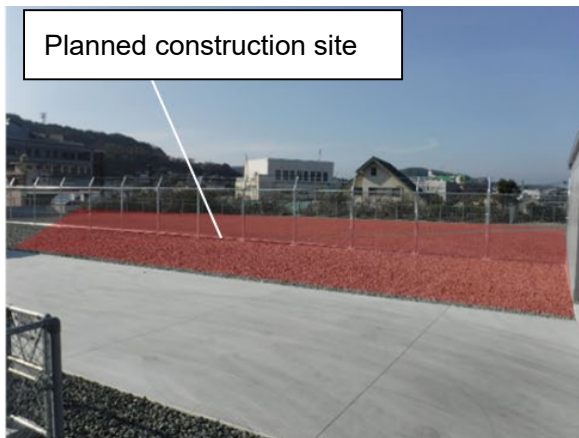
*4: The renewable electricity sources mentioned here include power sources to which the FIT program applies, such as solar, wind, and biomass power.

1. Project scheme (conceptual diagram)

The three companies will jointly develop new non-FIT renewable power sources using idle land owned by JR Kyushu.



2. JR Kyushu Shimonoseki Solar Power Plant



3. Company profiles

<Osaka Gas>

Company name	Osaka Gas Co., Ltd.
Head office	4-1-2 Hiranomachi, Chuo-ku, Osaka, Japan
Representative	Masataka Fujiwara, Representative Director and President
Capital	132.16666 billion yen
Establishment	April 10, 1897
Main business	Production and sale of gas; generation and sale of electricity, etc.

<West HD>

Company name	West Holdings Corporation
Head office	1-15-24 Kusunoki-cho, Nishi-ku, Hiroshima, Japan
Representative	Eiichiro Egashira, Representative Director and President
Capital	2,020.91 million yen
Establishment	March 1, 2006
Main business	Installation and sale of photovoltaic power generation systems (e.g. planning and development, construction, after-sales maintenance), creation of environmental value from the CO ₂ emissions reduction amount, etc.

<JR Kyushu>

Company name	Kyushu Railway Company
Head office	3-25-21 Hakata-ekimae, Hakata-ku, Fukuoka, Japan
Representative	Yoji Furumiya, President and Chief Executive Officer
Capital	16 billion yen
Establishment	April 1, 1987
Main business	Passenger railway services, ferry services, bus services, travel agency services, parking lot services, advertising services, etc.

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