

## Conclusion of Basic Agreement on Digestion Gas Power Generation Project at Ako Sewage Management Center

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Osaka Gas Co., Ltd.  
Daigas Energy Co., Ltd.

Daigas Energy Co., Ltd. (President: Masayuki Inoue, Head Office: Chuo-ku, Osaka, hereinafter, “Daigas Energy”), a wholly owned subsidiary of Osaka Gas Co., Ltd. (President: Masataka Fujiwara, Head Office: Chuo-ku, Osaka), has signed a basic agreement with the Ako City Water Supply and Sewerage System (hereinafter, “Ako City”) on the Digestion Gas Power Generation Project at Ako Sewage Management Center (hereinafter, “this project”). After obtaining business plan approval under the renewable energy feed-in tariff system (hereinafter, “FIT system”), we will conclude a power generation business contract with Ako City by the end of March 2023 and start the power generation business from April 2024.

This project is a digestion gas<sup>\*1</sup> power generation project at a sewage treatment plant under the private finance initiative system, utilizing private funds and know-how, and involves the construction of a power generation facility on the site of a sewage management center leased by Daigas Energy from Ako City. Biomass power generation will be carried out using surplus digestion gas from the digestion gas generated at the center, and the power generation business will be operated for 20 years using the FIT system.

In conjunction with this project, we will also consider a demonstration experiment of technology to increase digestion gas that utilizes steam generated from biogas, aiming to increase power generation and further reduce the amount of sludge disposal by increasing the amount of digestion gas generated.

Daigas Energy provides low-carbon and decarbonized solutions that leverage the strengths of an energy company, centering on the D-Lineup.<sup>\*2</sup> Among them, the “D-Bio” series contributes to the reduction of CO2 emissions and waste through effective use of biomass such as digestion gas.

While creating “future value” that contributes to solving social issues in cooperation with various stakeholders, the Daigas Group works to evolve into “an innovative energy and service company that continues to be the first choice of customers,” and to contribute to the realization of a sustainable society.

\*1: Digestion gas generated in the sewage sludge treatment process is a combustible gas whose main component is methane and is a biogas with about half the calories of city gas. Among renewable energies, it is a stable urban resource derived from sewage, and its effective use is expected to be a countermeasure against global warming.

\*2: In response to various business challenges for companies, D-Lineup provides safe, dependable energy and offers solutions that meet a wide range of needs by utilizing the Daigas Group's experience and knowledge acquired through its wide range of businesses. For further details of D-Lineup (only in Japanese), please access the URL below.

<https://ene.osakagas.co.jp/product/dlineup.html>

**<Outline of Digestion Gas Power Generation Project at Ako Sewage Management Center>**

Project name	Digestion Gas Power Generation Project at Ako Sewage Management Center
Operation method	Private finance initiative
Project location	1862 Nakahiro, Ako City, Hyogo Prefecture (inside the Ako Sewage Management Center)
Power generation equipment	Digestion gas engine 24.5 kW x 2 units, generation capacity 49 kW
Annual power generation (estimated)	Approximately 340,000 kWh/year (equivalent to approximately 80 general households)
Power generation project period	20 years from April 1, 2024 to March 31, 2044 (The start date of the power generation business is in the planning stage and is subject to change.)