

Conclusion of the Capacity Guarantee Agreement as a Result of the Capacity Market Main Auction for FY2026  
Based on the Aggregation of New Small and Medium-sized Solar Power Plants  
- New Initiatives to Help Improve the Earnings of Renewable Energy Developers -

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Osaka Gas Co., Ltd.

Osaka Gas Co., Ltd. (Representative Director and President: Masataka Fujiwara, hereinafter “Osaka Gas”) submitted a bid to the main auction of the Capacity Market for the supply and demand in FY2026, and was successful. In this regard, Osaka Gas plans to aggregate the power generated by new small and medium-sized non-FIT/non-FIP solar power plants for which Osaka Gas and other companies hold capacity values<sup>\*1</sup> (hereinafter, “non-FIT/non-FIP solar plants”). Along with this, we are pleased to announce that we have concluded today a capacity guarantee agreement with the Organization for Cross-regional Coordination of Transmission Operators (hereinafter, “OCCTO”).

The capacity market, which was established in FY2020, is a mechanism to secure a stable supply of power by soliciting in advance the necessary future supply capacity calculated by OCCTO. The solicited power sources include variable power sources such as renewable energy sources, in addition to stable power sources such as thermal power. It is also possible to submit a bid by aggregating some small and medium-sized renewable power sources. However, the bid requires that the expected capacity,<sup>\*2</sup> which is obtained by multiplying an adjustment factor according to the area and type of power source to the facility capacity, exceed the minimum bid capacity (1,000 kW).

Since 2020, Osaka Gas has been promoting the procurement from non-FIT/non-FIP solar plants, and in-house development/ownership to expand the scale of power sources it handles. This bid has satisfied the bidding requirements in multiple areas by aggregating such power sources. The bid capacity includes the power plants for which renewable energy developers such as West Holdings Corporation, which has a capital and business alliance with Osaka Gas, hold capacity values (hereinafter, “capacity of other companies”).

Recently, newly developed renewable energy plants have become smaller due to the decrease in suitable land for development. As a result, it may be difficult for these business operators to participate in the capacity market on their own. Osaka Gas, which has know-how in renewable energy power source development and the procurement of renewable energy power, will aggregate the capacity of multiple power plants including the capacity of other companies, to improve the investment predictability of new renewable energy power sources and enhance the earnings of renewable energy developers and thereby to help further accelerate renewable energy development.

The Daigas Group aims to contribute to the spread of renewable energy power sources amounting to 5,000 MW<sup>\*3</sup> both within Japan and abroad, including in-house development/ownership and procurement from other companies, by FY2030. The Group’s contribution to the development of renewable energy power sources,

including in-house development/ownership and procurement from other companies, amounts to about 1,950 MW so far. We will continuously work on developing renewable energy power sources and increasing the procured capacity of renewable energy.

\*1: Power generation capacity required for future power demand

\*2: The maximum value within the facility capacity, which can be expected as supply capacity for the actual delivery year

\*3: The renewable energy mentioned here includes energy from power sources to which the FIT program applies, such as solar, wind, and biomass power.

### 1. Capacity market mechanism

