

## Commencement of Commercial Operation of the Hirohata Biomass Power Plant

December 14, 2023

Osaka Gas Co., Ltd.

Daigas Gas and Power Solution Co., Ltd.

Green Power Fuel Corporation

The Hirohata Biomass Power Plant (hereinafter "Power Plant"), jointly invested in by Daigas Gas and Power Solution Co., Ltd. (President: Junji Doi, hereinafter "DGPS"), a wholly owned subsidiary of Osaka Gas Co., Ltd. (President: Masataka Fujiwara, hereinafter "Osaka Gas"), and Kyuden Mirai Energy Co., Inc. (President: Yutaka Mizumachi, hereinafter "KME"), commenced commercial operation today.

This marks the commencement of commercial operation of the fourth dedicated biomass-fired power plant for the Daigas Group, and it is the first power plant where the group has played a leading role since the initial stage of development.

This Japan's largest-class dedicated biomass-fired power plant with a generation capacity of about 75,000kW is located in Hirohata Ward, Himeji City, Hyogo Prefecture and realizes high-efficiency power generation.

In addition to imported wood chips and palm kernel shells (PKS), the plant uses domestically grown wood chips supplied by Green Power Fuel Corporation (hereinafter "GPF"), a subsidiary of Osaka Gas Co., Ltd. as fuel. The domestically produced wood chips procured by GPF are made from forest residue and underutilized thinnings, and the Power Plant can efficiently produce electricity with a limited supply of domestically produced biomass fuel.

The Daigas Group is making efforts for the sustainable utilization of domestic forest resources, including the expansion of procurement of domestically produced biomass fuel and the exploration of the utilization of "Fast Growing Trees"\*<sup>1</sup> as power generation fuel.

In addition, toward the achievement of carbon neutrality by 2050, the Daigas Group aims to contribute to increasing the use of renewable energy worth 5 GW\*<sup>2</sup> in Japan and overseas, including in-house development and ownership as well as procurement from other companies, by FY2030.

The group will continue to contribute to the realization of a low-carbon or decarbonized society through the development and supply of renewable energy.

\*1: A general term for trees that grow faster than the commonly planted tree species. Their shorter harvesting cycle compared to common tree species is expected to lead to increased procurement volume and cost

reduction.

(Reference) Agreement between GPF and Shiso City, Hyogo Prefecture, on the Utilization of Fast Growing Trees

[https://www.osakagas.co.jp/en/whatsnew/\\_icsFiles/afieldfile/2022/01/07/211217.pdf](https://www.osakagas.co.jp/en/whatsnew/_icsFiles/afieldfile/2022/01/07/211217.pdf)

\*2: Including projects under construction or for which decisions have already been made, and power sources to which the FIT system is applicable

[Overview of Hirohata Biomass Power Plant]



Hirohata Biomass Power Plant (Photo taken in November 2023)

|                             |  |
|-----------------------------|--|
| Operating company           | Hirohata Biomass Power Generation Co., Ltd.                                    |
| Investing companies         | DGPS 90%, KME 10%  |
| Location of the Power Plant | 1-79 Fujicho, Hirohata-ku, Himeji City, Hyogo Prefecture                       |
| Generation capacity         | Approx. 75 MW  |
| Fuel used                   | Domestically produced wood chips, imported wood chips, palm kernel shell (PKS) |
| Operation commencement      | December 14, 2023  |

Appendix: Overview of related companies

<Osaka Gas>

Company name Osaka Gas Co., Ltd.  
Headquarters 4-1-2 Hirano-machi, Chuo-ku, Osaka  
Representative Masataka Fujiwara, Representative Director and President  
Capital 132,166,660,000 yen  
Established April 10, 1897  
Main business Production and sale of gas; generation and sale of electricity, etc.

<DGPS>

Company name Daigas Gas and Power Solution Co., Ltd.  
Headquarters 3-5-11, Doshomachi, Chuo-ku, Osaka  
Representative Junji Doi, Representative Director and President  
Capital 100 million yen  
Established October 1, 2019  
Main business Operation and maintenance of gas plants and power plants; generation and supply of electric power; engineering

<KME>

Company name Kyuden Mirai Energy Co., Inc.  
Headquarters 8th floor, KMG Building, 3-2-23 Yakuin, Chuo-ku, Fukuoka City, Fukuoka Prefecture  
Representative Yutaka Mizumachi, Representative Director and President  
Capital 11,570,150,000 yen  
Established July 1, 2014  
Main business Renewable power generation (development to operation of solar, wind, biomass, geothermal, and hydraulic power generation), electricity retail, etc.

<GPF>

Company name Green Power Fuel Corporation  
Headquarters 3-5-11, Doshomachi, Chuo-ku, Osaka  
Representative Koichiro Age, Representative Director  
Capital 100 million yen  
Established March 7, 2019  
Shareholders Osaka Gas 55%, Seishin Shinrin Shigen 35%, Nippon Paper Lumber 10%  
Main business Procurement, transportation and sale of domestically produced fuel