

Investment and participation in a grid storage battery project in Takeo City, Saga Prefecture.  
—Grid storage battery initiatives in the Kyushu area, where there is a high need for grid stabilization—

July 11, 2024  
Osaka Gas Co., Ltd.

Osaka Gas Co., Ltd. (President: Masataka Fujiwara; head office: Chuo-ku, Osaka; hereinafter referred to as "Osaka Gas") will be carrying out a grid storage battery business together with three companies: Mizuho Leasing Co., Ltd. (President and CEO: Akira Nakamura; head office: Minato-ku, Tokyo; hereinafter referred to as "Mizuho Leasing"), JFE Engineering Corporation (President and CEO: Kazuyoshi Fukuda; head office: Chiyoda-ku, Tokyo), and Kyushu Steel Corporation (President and CEO: Kunio Kiyomoto; head office: Kasuya-gun, Fukuoka Prefecture).

The four companies will invest in Takeo Grid Storage Joint Venture, with the aim of starting operation of the grid storage plant ('Takeo Grid Storage') by the end of 2025. This will be the second investment and participation by Osaka Gas in the grid storage battery business, following the Senri Grid Storage\*<sup>1</sup>.

In recent years, as the introduction of renewable energies ('renewable energies') has expanded, storage batteries that can complement fluctuations in the output of renewable energies have been attracting attention. Particularly in the Kyushu area, where there are many renewable energy sources such as solar power, the balance of supply and demand for electricity fluctuates greatly depending on the weather, and storage batteries that can contribute to stabilizing the power system are becoming increasingly important.

The new project will utilize Osaka Gas' accumulated knowledge of power trading and contribute to the stabilization of the power system by charging and discharging the Takeo Grid Storage through trading in the three power markets (wholesale power market, supply-demand adjustment market and capacity market).

The Daigas Group aims to achieve carbon neutrality by 2050, based on the 「Energy Transition 2030」 announced in March 2023. The Group sees storage batteries as a power source that contributes to accelerating the introduction of renewable energy and stabilizing the power grid, and will continue to promote the expansion of the storage battery business and work towards realizing a decarbonized society, which is a social issue.

\* 1 : Implementation of grid storage battery business with ITOCHU and Century Tokyo - Our company's first full-scale entry into the grid storage battery business using subsidies - (announced in June 2023).

[https://www.osakagas.co.jp/en/whatsnew/\\_icsFiles/afieldfile/2023/06/15/230607.pdf](https://www.osakagas.co.jp/en/whatsnew/_icsFiles/afieldfile/2023/06/15/230607.pdf)

## 1. Business Overview

Business Operator	Takeo Grid Storage LLC
Name of the storage station	Takeo Grid Storage Plant
Planned storage battery installations	Takeo City, Saga Prefecture Kyushu Steel Corporation Saga Factory
Rated output	2,000kW
Rated Capacity	8,000 kWh
Battery Type	Lithium-ion battery (LFP)
Site Area	About 600m <sup>2</sup>
Start of operation	Fiscal year 2025 (planned)
Main role of each company.	<p>Osaka Gas Co., Ltd. : Operation of storage batteries, trading on electricity markets</p> <p>ML Power Co., Ltd.*<sup>2</sup> : Business feasibility assessments, support for operating companies</p> <p>JFE Engineering Corporation : Owner's Engineering Services</p> <p>Kyushu Steel Corporation : Coordination with landowners*<sup>3</sup></p>

\* 2 : ML Power Co., Ltd. is a wholly owned subsidiary of Mizuho Leasing

\* 3 : The landowners are Kiyomoto Iron&Machinery Works Co., Ltd. (the parent company of Kyushu Steel) and Kiyomoto Transport Corporation (a subsidiary of Kiyomoto Iron&Machinery Works Co., Ltd.).

## 2. Company Profile

Company Name	Takeo Power Plant LLC
Location	AOJ Tax Accountants Corporation, 2-10 Hatchobori 4-chome, Chuo-ku, Tokyo
Representative	ML Power Co., Ltd.
establishment	December 27, 2023
Investor	Osaka Gas Co., Ltd., ML Power Co., Ltd., JFE Engineering Corporation, Kyushu Steel Corporation

< Osaka Gas >

Company Name	Osaka Gas Co., Ltd.
Location	4-1-2 Hiranomachi, Chuo-ku, Osaka
Representative	Masataka Fujiwara, President and Representative Director
Capital	132,167 million yen
establishment	April 10, 1897
Business Overview	Production and sale of gas; generation and sale of electricity, etc.

< Mizuho Leasing >

Company Name	Mizuho Leasing Co., Ltd.
Location	1-2-6 Toranomom, Minato-ku, Tokyo
Representative	Akira Nakamura, President and CEO
Capital	26,088 million yen
establishment	December 1, 1969
Business Overview	Leasing and installment sales transactions and various financial transactions

< ML Power Co., Ltd. >

Company Name	ML Power Co., Ltd.
Location	1-2-6 Toranomom, Minato-ku, Tokyo
Representative	Arai Michio, President and CEO
Capital	10 million yen
establishment	March 09, 2020
Business Overview	Investment in power generation and energy-related businesses and other related businesses

< JFE Engineering Corporation >

Company Name	JFE Engineering Corporation
Location	2-2-3 Uchisaiwaicho, Chiyoda-ku, Tokyo
Representative	Kazuyosh Fukuda, President and CEO

Capital	10,000 million yen
establishment	April 01, 2003
Business Overview	EPC (engineering, procurement, construction) of plants and steel structures, manufacturing, operation business, power business, etc.

< Kyushu Steel Corporation >

Company Name	Kyushu Steel Corporation
Location	2920 Hara, Hisahara, Kasuya-gun, Fukuoka Prefecture
Representative	Kunio Kiyomoto, President and CEO
Capital	480 million yen
establishment	August 01, 1987
Business Overview	Production of steel billets, molten steel for casting and steel bars for reinforced concrete.

The End