



21 July 2020

JGA Chair Michiaki Hirose Press conference on 21 July 2020
Summary of remarks

1. Impact of COVID-19 on city gas industry and correspondence

- According to JGA's interview for gas companies regarding impact of COVID-19 on June's gas sales volume , it figured out to be approximately 20% to 30% down for commercial use , 10% to 20% down for industrial use , and 10% down for the total. (all compared to those of June last year,) . Gas sales volume has been gradually recovering compared to the previous month (May), but impact on gas companies is significant and prolonged.
- In such a rough situation, from the viewpoint of supporting those who are in need of life, many gas companies have taken gas fee grace measures for several months from the February meter reading fee. Currently, each gas company consider and make decisions based on the actual conditions in each region and the business conditions.
- Japan's four major gas companies (Tokyo Gas, Osaka Gas, Toho Gas, and Saibu Gas) recently announced extension of the payment deadline for the fee in August meter reading fee.

2. Measures against combined disasters such as COVID-19 and natural disasters

- We must be prepared for a long-term struggle for COVID-19. In addition, as with the recent heavy rain (early July) that caused major damage in Kumamoto Prefecture, it is expected that natural disasters will frequently occur in the future.
- In the event of a large-scale supply disruption such as an earthquake or heavy rain, Japan's gas industry has traditionally promoted early recovery by gathering support from all over the country and putting it all at once in the disaster area. However, in the current COVID-19 pandemic situation, this method creates additional congestion that can lead to the spread of infection, additional measures are needed.
- Therefore, the gas industry first organized the concept of initial response

to earthquakes under the COVID-19 pandemic. This idea is the same in the event of storms and floods. Specifically, it is necessary to confirm the intentions of the national and local governments when dispatching support, and to thoroughly implement infection prevention measures when dispatching.

- On top of that, we have begun to sort out issues for smooth restoration support and work on areas that can be dealt with in advance. Examples of issues include securing hygiene products for infection prevention, and securing accommodation places/restoration bases that prevent 3C (crowded, close contact, closed) conditions. We will proceed to solve these issues, but since there are things that can be difficult to solve only with gas companies and JGA, we will cooperate with local governments etc. under leadership of the national government.

3. Smart safety initiatives

- Characteristic of Japan's gas business is that the city gas company is responsible not only for its own facilities but also for the safety of customers. Safety is very important. The gas industry has traditionally worked diligently to increase the level and efficiency of the safety. In addition to this, accelerating digitalization in safety is an important issue.
- In such a situation, the "Smart Safety Public-Private Council" started on June 29. This is a meeting in which, under the circumstances where technological innovation, digitization, COVID-19 response, etc. are required, the top of industry groups related to energy and industrial safety, including the Federation of Electric Power Companies, with the participation of the Minister of Economy, Trade and Industry Kajiyama.
- Regarding safety of gas, first of all, it is important to steadily promote measures such as accident prevention measures based on the "Gas Safety Advancement Plan", renewal of gas works, and renewal to highly safe gas equipment.
- While maintaining basics, in order to further improve the level, in parallel with this conference, it is possible to work on smarter safety using digital technology, such as non-contact type recovery opening and closing work using smart meters. This is an urgent task.
- In the future, aiming to formulate a smart safety action plan around this fall, with the agreement of member companies. Although there are some issues, including institutional and cost aspects, we intend to firmly promote this matter.

4. Schedule for the time being

- Originally, this summer was supposed to have been exciting at the Olympic and Paralympic Games, but unfortunately it was postponed, and various events and meetings were also canceled, postponed, and virtually held.
- On the other hand, it is expected that the government will launch various policies while striving to achieve both COVID-19 countermeasures and economic recovery.
- Regarding energy and environmental policies, various movements are expected to emerge.
- Japan's government has recently announced that it will consider specific measures such as the fade-out of inefficient coal-fired thermal power plants and a drastic review of the rules for using trunk electric transmission lines. Furthermore, in the future there will be movements for the next Strategic Energy Plan.
- From this summer to autumn, the gas industry and the JGA would like to make every effort to respond to those movements.

