



March 23, 2023

## **Summary of Remarks by JGA Chair HONJO Takehiro**

### **1. Japan Gas Association Business Plan for FY2023**

In light of the fluctuating business environment in the wake of conflict between Russia and Ukraine, etc., the Japan Gas Association has formulated a business plan to achieve a carbon-neutral society while continuing to meet the demands of society.

We will promote initiatives for the sustainable development of the city gas business by positioning the three pillars as our key priorities: constant efforts to ensure a stable supply and strengthen resilience of city gas, further promotion of the Carbon Neutral Challenge 2050 Action Plan, and contribution to local decarbonization and regional revitalization.

To ensure a stable supply and strengthen resilience of city gas, we will thoroughly prepare for a smooth response to LNG supply disruptions in the event of a contingency, as well as enhancing the effectiveness of the “Disaster Coordination Plan” and conduct wide-area earthquake simulation drills.

Regarding further promotion of the Carbon Neutral Challenge 2050 Action Plan, we will promote fuel conversion in the transition period and the introduction of gas systems that contribute to lower carbon and enhanced energy security, as well as promote the development of e-methane CO<sub>2</sub> counting rules and actively engage in institutional discussions related to environmental value transfer and promote issues for social implementation.

With regard to contributions to regional decarbonization and regional revitalization, activities will be strengthened by holding the “Regional Decarbonization Seminar” and other initiatives to encourage regional cooperation between gas companies and local governments, as well as horizontal deployment of good practices and study groups to examine new business opportunities.

## **2. Study to promote the introduction of e-methane**

Study to promote the introduction of e-methane are underway at the “Gas Business System Study Working Group” and the “Methanation Promotion Public-Private Council” by Ministry of Economy, Trade and Industry.

The Gas Working Group is discussing systems, regulations, economic incentives, and support to promote the carbon neutralization of city gas, and an interim report is expected to be formulated in June.

At the “Methanation Promotion Public-Private Council”, the discussion points and recent and future moves toward the introduction of e-methane were summarized, and regarding the mechanism for transferring environmental values, the Japan Gas Association explained its study on clean gas certificates.

In light of the situation where gas pipelines in Japan are not connected nationwide, etc., we will consider a clean gas certificates scheme that enables the transfer of environmental value as a means of expanding the use of clean gas such as e-methane and biogas.

Led by the Japan Gas Association, test operations will begin in FY2023, with the aim of actual operation in FY2024.

### **3. “Expo 2025 Osaka, Kansai, Japan”- Outline of the Gas Pavilion**

Last May, the Japan Gas Association decided to exhibit at the Gas Pavilion and has since been working on specifics.

We have now decided on the concept, 「化けろ、未来！（Bakero, mirai!）※」 to express the idea that society and the world can be transformed into a more hopeful picture by each of us changing our awareness and actions for the sake of our loved ones and the earth, toward the realization of a carbon neutral society in 2050.

The name and architectural design of the pavilion were also decided upon to embody this concept.

We would like to deepen our discussions and create a gas pavilion that everyone can enjoy.

*※English concept will be announced later.*