



July 10, 2023

Summary of Remarks by JGA Chair HONJO Takehiro

1. Introduction

Regarding the explosion that occurred in Shimbashi, Tokyo on July 3, we hear that the detailed cause of that is still under investigation at this time, but we extend our deepest sympathies to those affected by the incident.

2. Trends toward the promotion of carbon neutrality of city gas

The significance and effectiveness of the movement to promote the introduction of carbon-recycled fuels, including e-methane, was demonstrated at the G7 Hiroshima Summit in May and at the "Basic Policy on Economic and Fiscal Management and Reform 2023" approved by the Cabinet last month. We would like to express our gratitude to all those involved for their efforts in reviewing and compiling the report.

As for domestic trends, Gas Business System Study Working Group of a METI Council summarized the interim summary of issues and indicated the direction to be focused on in the future. The significance of promoting e-methane and biomethane for the carbon neutralization of city gas was presented, and the following points were raised: additional costs can be controlled, the contribution to energy self-sufficiency and energy security can be improved, and the contribution to the enhancement of industrial competitiveness can be made.

In addition, Methanation Promotion Public-Private Council of a METI Council reported on the status of the study of domestic systems for e-methane use, and presented the direction of future study based on the proposal to set the CO₂ emission count at zero on the e-methane user's side.

We look forward to the early progress of specific studies on future issues for the system and measures to promote its introduction.

As for trends of overseas, the International Energy Agency (IEA) released its "Gas Market Report" in May, which presented its views on e-methane.

It was indicated that Japan is ahead of the rest of the world in advancing concrete studies for the introduction of e-methane, including technology development, value chain development, and institutional studies, and that e-methane can be an effective means to realize a carbon-neutral society.

In addition, the Japan Gas Association and the French Gas Association (Francegaz) discussed cooperation in transitions toward gas carbon neutrality between the two associations and agreed to cooperate in the development of CO₂ counting rules and the exchange of information on energy transition technologies in the future.

We are very encouraged by the growing opportunities to collaborate with related organizations not only in Japan but also in other countries.

3. Efforts to strengthen stable supply and resilience

The year 2023 will mark the hundredth year of the Great Kanto Earthquake, and the city gas industry's disaster preparedness efforts have

evolved significantly.

Japan, where is prone to natural disasters, we are strengthening our countermeasures on three levels. In other words, we will continue to strive to supply city gas that is strong and resilient in the event of a disaster by strengthening facility measures to ensure adequate preparation in advance, emergency measures to ensure a quick response in the event of a disaster, and recovery measures including the development of a support system after a disaster.