

The Japan Gas Association 1-15-12 Toranomon Minato-ku, Tokyo 105-0001, JAPAN

October 20, 2023

Summary of Remarks by JGA Chair HONJO Takehiro

1. Trends and current status of e-methane

The three main institutional issues for social implementation of emethane are the development of CO2 counting rules, the establishment of price difference support measures based on cost differences, and the establishment of an environmental value transfer mechanism.

In the first half of FY2023, the position of e-methane as a carbonrecycling fuel was reiterated at the G7 and other international forums.

In addition, specific studies are underway for each system issue, including a review of the calculation method for the Greenhouse Gas Emissions Accounting • Reporting • Publication System and a study of a "Clean gas certificate" scheme.

We look forward to further progress in the discussion with reference to the European cases that are being studied ahead of us.

A wide range of projects are being considered in Japan.

In addition, the business feasibility of large-scale projects for e-methane production is being examined in suitable locations around the world. In particular, the Cameron LNG project and Midwest project in the U.S. plan to import more than 100,000 tons of e-methane annually.

These projects are generally expected to begin operation in FY2030.

2. Efforts to secure stable supply in emergency situations

A mock training was conducted on October 2, based on the guidelines

for responding to large-scale feedstock supply disruptions organized by the Japan Gas Association.

The purpose of the training is to confirm whether there are any problems with the effectiveness of the system, responses, procedures, etc., and to further ensure a stable supply in the event of an emergency by conducting a scenario-based training on how to respond in the situation of a feedstock supply disruption.

Gas utilities that procure LNG themselves and others participated in a response simulation of the respective roles of the JGA, supply support requestors, and supporters.

3. GAS PAVILION OBAKE WONDERLAND in Expo 2025 Osaka, Kansai, Japan

We are under the preparation of The Gas Pavilion for the opening of the Expo 2025 Osaka, Kansai, Japan in April.

On September 22, a groundbreaking ceremony was held for the construction of the Gas Pavilion on Yumeshima where the Expo will be held. Approximately 40 guests and concerned parties attended the ceremony and prayed for the safe and smooth progress and completion of the construction.

In addition, on October 4, a meeting was held for Private Pavilions exhibitors to present their concepts, and the Japan Gas Association gave a presentation on our plans for the pavilion.

At the same time, character and a special website have been released, and further specifics will be discussed in preparation for the opening of the event.