

Note: The following is an English translation of the Japanese-language original

June 10, 2021
Japan Petroleum Exploration Co., Ltd.
YAMAGATA GAS Co., Ltd.

Signing of the Natural Gas Based ESP Contract with Boehringer Ingelheim Seiyaku

Japan Petroleum Exploration Co., Ltd. (JAPEX) and YAMAGATA GAS Co., Ltd. announced that we signed the contract regarding the natural-gas based ESP (Energy Service Provider) with Boehringer Ingelheim Seiyaku Co., Ltd. (hereinafter “BIS”) today. JAPEX and YAMAGATA GAS will provide comprehensive energies such as electricity, steam, and cryogenic energy to BIS Yamagata Plant (location: Higashine City, Yamagata Prefecture) through Kirsche Energy Service LLC. (hereinafter “KES”), a special purpose company established by JAPEX and YAMAGATA GAS.

Currently, BIS Yamagata Production Plant has been using multiple energies such as electricity, steam, and cryogenic energy, which are generated by their own using heavy oil. BIS has been proceeding a plan to construct a new facility for producing solid pharmaceutical preparations scheduled to be completed in 2023, and had considered switching the energy of their whole plant to more efficient and lower environmental impact. Since their demand matched with our energy service by ESP that utilize natural gas, BIS and KES made the contract in this time.

Based on this contract, JAPEX and Yamagata Gas will provide comprehensive energy service utilizing natural gas to BIS Yamagata Production Plant, through KES as the energy service provider. KES will install the owned equipment including a co-generation system fueled LNG (Liquefied Natural Gas) and boilers with high heat conversion efficiency in BIS plant site and provide electricity, cold water, and steam to the plant to them. Since procuring LNG for fuel and operation and maintenance of the equipment are all conducted by the KES, BIS will be able to use a comprehensive energy supply meeting their needs as a service, just paying energy service fee to KES.

KES will start to install the equipment at the planned construction site of the new production facility in July 2021, and will commence the energy service to the plant around fall 2022. In addition, this contract is the first adoption of ESP using natural gas based co-generation in Yamagata Prefecture*.

JAPEX and YAMAGATA GAS have cooperative relationship for many years by supplying natural gas through TOHOKU NATURAL GAS CO., INC., a JAPEX Group company, to Yamagata Gas. We will continue to meet the expectation of stable supply and various demands for natural gas and LNG as a fuel with lower environmental impact from regional customers.

Note)

*According to research by JAPEX and Yamagata Gas

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