March 27, 2023 Kirsche Energy Service LLC. Japan Petroleum Exploration Co., Ltd. YAMAGATA GAS Co., Ltd.

Start of Natural Gas Based Energy Service on April 1, 2023 to Boehringer Ingelheim Seiyaku Yamagata Plant under ESP Contract

Kirsche Energy Service LLC. (KES), a special purpose company invested by Japan Petroleum Exploration Co., Ltd. (JAPEX) and YAMAGATA GAS Co., Ltd., will start the natural gas based energy service to Boehringer Ingelheim Seiyaku Co., Ltd. (BIS) Yamagata Plant (Higashine City, Yamagata) on April 1, 2023, under the ESP (Energy Service Provider)*1 contract.

KES signed an ESP contract with BIS, which had considered using more efficient and lower environmental impact energies for the plant in June 2021 to provide comprehensive energy service, as the first adoption*2 of ESP service by the co-generation system using natural gas as fuel in Yamagata. After that, KES proceeded to construct an energy center consisting from LNG (Liquefied Natural Gas) fueled co-generation system, boilers with high heat conversion efficiency and other related facilities. By the completion of the energy center at this time, the energy service will start on April 1, 2023.

This energy service provides various energies to BIS Yamagata Plant, such as electricity, cold water, and steam as their requirement. These energies are generate by the facilities in the energy center of KES, using LNG as fuel. Also, procurement of fuel LNG and all operations of the facility including maintenance are in charge of KES. By only paying the "energy service fee" contracted with KES, BIS will receive the service of comprehensive energy supply to meet their needs.

In addition, the completion ceremony of the facility for this service was held at the site today, attending local officials such as the mayor of Higashine City and relevant parties of the service, including BIS and KES.

KES, JAPEX, and YAMAGATA GAS will continue to provide service such as supply of natural gas and LNG which has lower environmental impact, and energy service by ESP, to meet various demands of clients.

Note)

- *1 A service provided by the "Energy Service Provider (ESP)," that manages all works for the services from procurement of fuel, installation of facility for generation of required energies from fuel, and operation and maintenance of the facility.
- *2 According to research by JAPEX and Yamagata Gas.



Representatives at Completion Ceremony



Aerial view of the Energy Center