

# Gas Business Act

(Act No. 51 of March 31, 1954)

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## **Chapter I General Provisions**

### (Purpose)

Article 1 The purpose of this Act is to protect the interests of gas users and achieve the sound development of the gas business by coordinating their operation, and to ensure public safety and prevent pollution by regulating the construction, maintenance and operation of gas facilities as well as the manufacture and sale of gas equipment.

### (Definitions)

Article 2 (1) The term "retail service" as used in this Act means supplying gas via pipelines to meet general demand (in the case of generating gas at a simplified gas generating facility specified by Cabinet Order (hereinafter referred to as a "specified gas generating facility") and supplying the gas via pipelines, limited to the case of supplying gas at not less than 70 gas service points within one housing complex).

(2) The term "gas retail business" as used in this Act means the business of providing a Retail Service (excluding the part that constitutes general gas pipeline service business, specified gas pipeline service business or gas manufacturing business).

(3) The term "gas retailer" as used in this Act means the person who have been

registered pursuant to the following Article.

- (4) The term "transportation service" as used in this Act means the following services:
- (i) the service by which a person receives, via pipelines, gas from another person engaged in the gas supply business, and simultaneously supplies, in proportion to fluctuations in the quantity of gas used for the gas supply business conducted by the other person within the range specified by Order of the Ministry of Economy, Trade and Industry, the other person with gas via pipelines at a point other than where the former-mentioned person received gas; and
  - (ii) the service by which a person receives, via pipelines, gas specified in sub-item (a) or (b) below from another person who falls under sub-item (a) or (b) below, and simultaneously supplies, in proportion to fluctuations in the quantity of gas demand of the other person within the range specified by Order of the Ministry of Economy, Trade and Industry, the other person with gas via pipelines at a point other than where the former-mentioned person received gas:
    - (a) a person who maintains and operates a liquefied gas storage facility (which means a storage facility of liquefied gas; the same applies hereinafter) and a gas generating facility (hereinafter referred to as a "liquefied gas storage facility, etc."): Gas manufactured using the liquefied gas storage facility, etc.; or
    - (b) a person that receives the gas manufacturing service provided by the person set forth in sub-item (a): Gas supplied through the service thus provided.
- (5) The term "general gas pipeline service business" as used in this Act means the business of providing a transportation service in the service provider's service area via pipelines that it maintains and operates, and includes the business of providing a retail service for ensuring the supply of gas via the pipelines to meet general demand in its service area (excluding the demand covered by the retail service provided by a gas retailer) (the retail service is hereinafter referred to as "supplier of last resort") (excluding the part that constitutes the gas manufacturing business).
- (6) The term "general gas pipeline service provider" as used in this Act means the persons who have obtained a license under Article 35.
- (7) The term "specified gas pipeline service business" as used in this Act means the business of providing a transportation service at a specified service point via pipelines that the service provider maintains and operates (excluding the part that constitutes the gas manufacturing business and the business of providing the service via pipelines that satisfy the requirements specified by Order of the Ministry of Economy, Trade and Industry).

- (8) The term "specified gas pipeline service provider" as used in this Act means the persons that have given notification under Article 72, paragraph (1).
- (9) The term "gas manufacturing business" as used in this Act means the business of manufacturing gas using a liquefied gas storage facility, etc. that the manufacturer maintains and operates, which satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry.
- (10) The term "gas manufacturer" as used in this Act means the persons that have given notification under Article 86, paragraph (1).
- (11) The term "gas business" as used in this Act means gas retail business, general gas pipeline service business, specified gas pipeline service business, and gas manufacturing business.
- (12) The term "gas supplier" as used in this Act means gas retailer, general gas pipeline service provider, specified gas pipeline service provider, and gas manufacturer.
- (13) The term "gas facilities" as used in this Act means gas generating facilities, gas holders, gas purification plants, exhausters, feeding compressors, governors, pipelines, electric power receiving facilities and other facilities installed for the purpose of supplying gas as well as auxiliary facilities thereof, which are used for gas business.

## **Chapter II Gas Retail Business**

### **Section 1 Registration of Business**

(Registration of Business)

Article 3 A person who intends to conduct gas retail business must be registered by the Minister of Economy, Trade and Industry.

(Application for Registration)

Article 4 (1) A person who intends to be registered under the preceding Article must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, submit a written application to the Minister of Economy, Trade and Industry, giving the following particulars:

- (i) the name and address of the applicant, as well as the name of the representative if the applicant is a corporation;
- (ii) the name and location of the principal business office and any other business office; and
- (iii) the following particulars concerning gas facilities to be used for the gas retail business:
  - (a) regarding gas generating facilities and gas holders, the site where they are to be installed, the type, and number of them by capacity; and
  - (b) regarding pipelines specified by Order of the Ministry of Economy, Trade

- and Industry, the site where they are to be installed, the inside diameter and the gas pressure within the pipelines;
- (iv) if the applicant receives from another person a supply of the gas to be used for the gas retail business, the particulars concerning the quantity of the gas;
  - (v) the particulars concerning the demand of the recipients of a retail service for the gas to be supplied in the retail service;
  - (vi) the scheduled date of commencement of the business; and
  - (vii) other particulars specified by Order of the Ministry of Economy, Trade and Industry.

(2) The written application set forth in the preceding paragraph must be accompanied by a document pledging that the applicant does not fall under any of the items of Article 6, paragraph (1) (excluding item (iv)), documents stating the particulars concerning the development of a system for performing the gas retail business properly and reliably, and other documents specified by Order of the Ministry of Economy, Trade and Industry.

#### (Implementation of Registration)

Article 5 (1) When an application for registration under Article 3 has been filed, the Minister of Economy, Trade and Industry must register the following particulars in a registry of gas retailers, except when refusing to register pursuant to paragraph (1) of the following Article:

- (i) the particulars listed in the items of paragraph (1) of the preceding Article (excluding item (vii)); and
- (ii) the date of registration and registration number.

(2) The Minister of Economy, Trade and Industry must, when having completed registration under the preceding paragraph, notify the applicant to that effect without delay.

#### (Refusal of Registration)

Article 6 (1) If a person that has submitted a written application set forth in Article 4, paragraph (1) falls under any of the following items, or if the written application or any of the documents accompanying it contains a false statement of an important matter or lacks a statement of an important fact, the Minister of Economy, Trade and Industry must refuse to register the applicant:

- (i) a person who was sentenced to a fine or severer punishment for violation of this Act or any order issued under this Act or any disposition made thereunder, when a two-year period has not yet elapsed since the person completed the sentence or ceased to be subject to the sentence;
- (ii) a person whose registration was revoked pursuant to Article 10, paragraph (1), when a two-year period has not elapsed since the date of rescission;
- (iii) a corporation, any of whose officers falls under either of the preceding two

items; and

- (iv) a person who is found to unlikely be able to secure the necessary supply capacity to meet the demand of the recipients of a retail service for the gas to be supplied in the retail Service, or any other person who is found to be unsuitable for the protection of the interests of gas users.
- (2) The Minister of Economy, Trade and Industry, when having refused to register pursuant to the preceding paragraph, must send a document stating the reasons for the refusal to the person who filed the written application.

(Registration of Change)

- Article 7 (1) If a gas retailer intends to change any of the particulars listed in Article 4, paragraph (1), items (iii) through (v), it must obtain registration of change from the Minister of Economy, Trade and Industry; provided, however, that this does not apply to minor changes specified by Order of the Ministry of Economy, Trade and Industry.
- (2) A gas retailer who intends to obtain registration of change set forth in the preceding paragraph must submit a written application stating the particulars subject to change to the Minister of Economy, Trade and Industry, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.
  - (3) The provisions of Article 4, paragraph (2) and the preceding two Articles apply mutatis mutandis to the registration of change set forth in paragraph (1). In this case, the phrase "the following particulars" in Article 5, paragraph (1) is deemed to be replaced with "particulars subject to change," the phrase "person who has submitted a written application set forth in Article 4, paragraph (1) falls under any of the following items" in paragraph (1) of the preceding Article is deemed to be replaced with "person who has submitted a written application for registration of change falls under any of the following items (excluding item (ii))".
  - (4) When there has been a change to the particulars listed in the items of Article 4, paragraph (1) (excluding items (iii) through (v)) or when a gas retailer has made a minor change specified by Order of the Ministry of Economy, Trade and Industry as set forth in the proviso to paragraph (1), the gas retailer must notify the Minister of Economy, Trade and Industry to that effect without delay.
  - (5) The Minister of Economy, Trade and Industry, when having received the notification under the preceding paragraph, must register the particulars set forth in Article 5, paragraph (1), item (i), among those contained in the notification, in a registry of gas retailers.

(Succession)

- Article 8 (1) In the event of a transfer of the whole of a gas retail business, or the inheritance, merger or split of a gas retailer (limited, however, to those

resulting in the taking over of the whole of the gas retail business), the transferee of the whole of the gas retail business, the heir, the corporation surviving after the merger or the corporation newly established upon the merger, or the corporation that has taken over the whole of the gas retail business upon a split succeeds to the status of the gas retailer; provided, however, that this does not apply if the transferee of the whole of the gas retail business, the heir, the corporation surviving after the merger or the corporation newly established upon the merger, or the corporation that has taken over the whole of the gas retail business falls under any of the items of Article 6, paragraph (1) (excluding item (iv)).

- (2) A person who has succeeded to the status of a gas retailer pursuant to the preceding paragraph must notify the Minister of Economy, Trade and Industry to that effect without delay.
- (3) The provisions of paragraph (5) of the preceding Article apply *mutatis mutandis* to the notification under the preceding paragraph.

(Suspension and Discontinuation of Business, and Dissolution of Corporations)

Article 9 (1) When a gas retailer has suspended or discontinued its business, it must notify the Minister of Economy, Trade and Industry to that effect without delay.

- (2) When a corporation acting as a gas retailer is dissolved for reasons other than a merger, its liquidator (or its bankruptcy trustee if the dissolution is based on an order of commencement of bankruptcy proceedings) must notify the Minister of Economy, Trade and Industry to that effect without delay.
- (3) If a gas retailer intends to suspend or discontinue its business, it must make this public among the recipients of its Retail Service in advance pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Revocation of Registration)

Article 10 (1) If a gas retailer falls under any of the following items, the Minister of Economy, Trade and Industry may revoke its registration under Article 3:

- (i) when the gas retailer has violated this Act or any order issued under this Act or any disposition made thereunder, and the Minister finds the violation harmful to the public interest;
  - (ii) when the gas retailer has obtained registration under Article 3 or registration of change under Article 7, paragraph (1) by wrongful means; or
  - (iii) when the gas retailer now falls under Article 6, paragraph (1), item (i) or item (ii).
- (2) The provisions of Article 6, paragraph (2) apply *mutatis mutandis* in the case referred to in the preceding paragraph.

(Cancellation of Registration)

Article 11 The Minister of Economy, Trade and Industry must cancel the registration of the relevant gas retailer when notification of discontinuation of gas retail business or notification of dissolution under Article 9, paragraph (1) or paragraph (2) has been given, or when the minister has revoke the registration pursuant to paragraph (1) of the preceding Article.

(Delegation to Order of the Ministry of Economy, Trade and Industry)

Article 12 Beyond what is provided for in Article 3 through the preceding Article, any necessary particulars concerning the registration of a gas retailer are specified by Order of the Ministry of Economy, Trade and Industry.

## **Section 2 Services**

(Securing Supply Capacity)

Article 13 (1) A gas retailer must secure the necessary supply capacity to meet the demand of the recipients of its retail service for the gas to be supplied in the retail service, except when there are justifiable grounds not to do so.

(2) If the Minister of Economy, Trade and Industry finds that because a gas retailer fails to secure the necessary supply capacity to meet the demand of the recipients of its retail service for the gas to be supplied in the retail service, the interests of gas users are being harmed or there is a risk of harm, the minister may order the gas retailer to secure the necessary supply capacity to meet the demand for the gas to be supplied in the retail service and take other necessary measures.

(Explanation of Supply Conditions)

Article 14 (1) If a gas retailer and a person who engages in the intermediary, brokerage or agency service in the course of trade for the conclusion of an agreement on a retail service provided by a gas retailer (hereinafter referred to as a "retail service agreement") (a gas retailer and the person are hereinafter referred to as "gas retailer, etc.") intend to conclude a retail service agreement with a person who intends to receive a retail service (excluding a person who is a gas supplier; hereinafter the same applies in this Article) or provide an intermediary, brokerage or agency service therefor, the gas retailer, etc. must explain the rates and other supply conditions for the retail service to the prospective recipient, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(2) A gas retailer, etc. must, when giving an explanation under the preceding paragraph, deliver to the person who intends to receive a retail service a document stating the rates and other supply conditions for the retail service as



specified by Order of the Ministry of Economy, Trade and Industry, except in any cases specified by Order of the Ministry of Economy, Trade and Industry.

(3) In lieu of delivering a document under the preceding paragraph, a gas retailer, etc. may, with the consent of a person who intends to receive a retail service, provide the information of the particulars that are required to be contained in the document by a method of using an electronic data processing system or any other method of using information communications technology specified by Order of the Ministry of Economy, Trade and Industry, pursuant to the provisions of Cabinet Order. In this case, the gas retailer, etc. is deemed to have delivered the relevant document.

#### (Delivery of Document)

Article 15 (1) When a gas retailer, etc. has concluded a retail service agreement with a person who intends to receive a retail service (in the case of a person engaged in the intermediary service for the conclusion of a retail service agreement in the course of trade, when a retail service agreement has been formed through the person's intermediation), it must deliver a document stating the following particulars to the prospective recipient without delay, except in any cases specified by Order of the Ministry of Economy, Trade and Industry:

(i) the name and address of the gas retailer, etc.;

(ii) the date of agreement; and

(iii) the rates and other supply conditions for the retail service as specified by Order of the Ministry of Economy, Trade and Industry.

(2) In lieu of delivering a document under the preceding paragraph, a gas retailer, etc., with the consent of a person who intends to receive a retail service, may provide the information of the particulars that are required to be contained in the document by a method of using an electronic data processing system or any other method of using information communications technology specified by Order of the Ministry of Economy, Trade and Industry, pursuant to the provisions of Cabinet Order. In this case, the gas retailer, etc. is deemed to have delivered the relevant document.

#### (Handling of Complaints)

Article 16 A gas retailer must appropriately and promptly handle complaints and inquiries from the recipients of its retail service (including a person who intends to receive a retail service from the gas retailer, and excluding a person who is a gas supplier) with regard to the gas retailer's operational procedure for providing the retail service or the rates and other supply conditions for the retail service provided by the gas retailer.

(Prohibition of Use of Name)

Article 17 (1) A gas retailer must not allow another person to use its name to conduct gas retail business.

(2) A gas retailer must not allow another person to run a gas retail business in its name, regardless of whether by lending business or any other method whatsoever.

(Obligation to Measure Calorific Value)

Article 18 A gas retailer must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, measure the calorific value, pressure and combustibility of the gas supplied by the gas retailer, record the values measured, and preserve the records.

(Supply Plan)

Article 19 (1) A gas retailer must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, prepare in each business year a plan on the supply of gas and the installation and operation of gas facilities (hereinafter referred to as a "supply plan") for a period from each business year as specified by Order of the Ministry of Economy, Trade and Industry, and notify the Minister of Economy, Trade and Industry of the plan prior to the start of the business year (or without delay after becoming a gas retailer with regard to the business year that contains the date on which it became a gas retailer).

(2) A gas retailer, when having revised the supply plan, must notify the Minister of Economy, Trade and Industry of the revised particulars without delay.

(3) If the Minister of Economy, Trade and Industry finds it particularly necessary to revise the supply plan in order to promote public interest, the minister may recommend that the gas retailer should revise the supply plan.

(4) If the Minister of Economy, Trade and Industry finds that the failure of a gas retailer to implement its supply plan hinders the promotion of public interest, the minister may recommend that the gas retailer should implement the supply plan without fail.

(Order for Business Improvement)

Article 20 (1) If the Minister of Economy, Trade and Industry finds that the inappropriate management of gas retail business hinders or is likely to hinder the protection of the interests of gas users or the sound development of gas business, the minister may order the gas retailer to take necessary measures to improve the management of its gas retail business to the extent necessary to secure the interests of gas users or the public interest.

(2) When a gas retailer, etc. has violated Article 14, paragraph (1) or paragraph

- (2), the Minister of Economy, Trade and Industry may order the gas retailer, etc. to take necessary measures to improve its operational procedure.
- (3) When a gas retailer, etc. has violated Article 16, the Minister of Economy, Trade and Industry may order the gas retailer, etc. to take necessary measures to improve its operational procedure.

### **Section 3 Gas Facilities**

#### **Subsection 1 Conformity to Technical Standards**

##### **(Maintenance of Gas Facilities)**

Article 21 (1) A gas retailer must maintain gas facilities to be used for gas retail business to ensure that they conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry.

- (2) If the Minister of Economy, Trade and Industry finds that gas facilities to be used for gas retail business do not conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under the preceding paragraph, the minister may order the gas retailer to repair, alter or relocate the gas facilities to ensure conformity to the technical standards, or order the gas retailer to suspend the use of them, or restrict the gas retailer from using them.
- (3) If the Minister of Economy, Trade and Industry finds it urgently necessary in order to maintain public safety or prevent the occurrence of a disaster, the minister may order a gas retailer to relocate its gas facilities or suspend the use of them, restrict the gas retailer from using them, or order the gas retailer to dispose of the gas contained in the gas facilities.

##### **(Responsibilities of Owners or Possessors of Gas Facilities)**

Article 22 (1) If a gas retailer intends to take necessary measures for maintenance pursuant to paragraph (1) of the preceding Article with regard to gas facilities to be used for gas retail business which are owned or possessed by a person other than the gas retailer, the owner or possessor of the relevant gas facilities must endeavor to cooperate in the implementation of the relevant measures.

- (2) When a gas retailer has been given an order or disposition under paragraph (2) of the preceding Article with regard to its gas facilities, the owner or possessor of the gas facilities set forth in the preceding paragraph must cooperate in the measures implemented by the gas retailer in response to the order or disposition.
- (3) When the gas facilities set forth in paragraph (1) are those specified by Order of the Ministry of Economy, Trade and Industry as being particularly important for ensuring public safety, and the Minister of Economy, Trade and

Industry has made an order or disposition to a gas retailer with regard to the gas facilities pursuant to paragraph (2) of the preceding Article, and if the owner or possessor of the gas facilities does not cooperate in the measures implemented by the gas retailer in response to the order or disposition and the minister finds that the attitude of the owner or possessor seriously hinders the implementation of the measures, the minister may recommend that the owner or possessor of the gas facilities should cooperate in the implementation of the measures.

- (4) The provisions of the preceding two paragraphs apply mutatis mutandis when a gas retailer has been given an order or disposition under paragraph (3) of the preceding Article with regard to the gas facilities set forth in paragraph (1) or the gas contained in the gas facilities set forth in that paragraph.

(Obligation to Inspect Gas Components)

Article 23 A gas retailer must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, inspect whether or not the quantity of any component of the gas that the gas retailer supplies, which is likely to cause bodily harm or inflict damage to objects, surpasses the level specified by Order of the Ministry of Economy, Trade and Industry, record the quantity and preserve the records.

## **Subsection 2 Independent Safety Measures**

(Safety Regulations)

Article 24 (1) A gas retailer must, in order to ensure safety of the construction, maintenance and operation of the gas facilities to be used for gas retail business, establish safety regulations pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, and notify the Minister of Economy, Trade and Industry of the regulations before the commencement of the business (in the case of facilities requiring self-inspection set forth in Article 33, paragraph (1), before the commencement of the construction of the facilities).

- (2) A gas retailer must, when having revised the safety regulations, notify the Minister of Economy, Trade and Industry of the revised particulars without delay.
- (3) If the Minister of Economy, Trade and Industry finds it necessary in order to ensure safety of the construction, maintenance, and operation of gas facilities to be used for gas retail business, the minister may order the gas retailer to revise safety regulations.
- (4) A gas retailer and employees thereof must observe the safety regulations.

(Chief Gas Engineer)

Article 25 (1) A gas retailer must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, appoint one or more chief gas engineers from among persons who have a chief gas engineer's license and have work experience specified by Order of the Ministry of Economy, Trade and Industry, in order to have them supervise the safety of the construction, maintenance, and operation of the gas facilities to be used for gas retail business.

(2) A gas retailer must, when having appointed a chief gas engineer pursuant to the preceding paragraph, notify the Minister of Economy, Trade and Industry to that effect without delay. The same applies when a gas retailer has dismissed the chief gas engineer.

(Chief Gas Engineer's Licenses)

Article 26 (1) The types of chief gas engineer's licenses are class-A chief gas engineer's licenses, class-B chief gas engineer's licenses and class-C chief gas engineer's licenses.

(2) The scope of the construction, maintenance and operation of the gas facilities for which a person who has a chief gas engineer's license is qualified to supervise safety are specified by Order of the Ministry of Economy, Trade and Industry by type of chief gas engineer's license prescribed in the preceding paragraph.

(3) No person other than those who fall under either of the following items may obtain a chief gas engineer's license:

(i) a person who has passed an examination for a chief gas engineer's license;

or

(ii) a person who has been recognized by the Minister of Economy, Trade and Industry as having knowledge and skills equal to or greater than the person set forth in the preceding item.

(4) The Minister of Economy, Trade and Industry may choose not to grant a chief gas engineer's license to persons who fall under either of the following items:

(i) a person who was ordered to return a chief gas engineer's license pursuant to the following Article, when a one-year period has not elapsed since the person was thus ordered; or

(ii) a person who was sentenced to a fine or severer punishment for violation of this Act or any order issued under this Act or any disposition made thereunder, when a two-year period has not yet elapsed since the person completed the sentence or ceased to be subject to the sentence.

(5) The procedural particulars concerning the granting of a chief gas engineer's license are specified by Order of the Ministry of Economy, Trade and Industry.

Article 27 When a person who has a chief gas engineer's license has violated this Act or any order issued under this Act or any disposition made thereunder, the Minister of Economy, Trade and Industry may order that person to return the chief gas engineer's license.

(Entrustment of Licensing Affairs)

Article 28 (1) The Minister of Economy, Trade and Industry, pursuant to the provisions of Cabinet Order, may entrust the whole of or a part of the affairs concerning chief gas engineer's licenses (excluding, however, affairs concerning the return of a chief gas engineer's license or other affairs specified by Cabinet Order; hereinafter referred to as "licensing affairs") to a person designated by the Minister of Economy, Trade and Industry under paragraph (3) of the following Article.

(2) Current or former officers or employees of a person entrusted with the Licensing Affairs under the preceding paragraph must not disclose any confidential information that they have become aware of in the course of administering the entrusted licensing affairs.

(Examinations for Chief Gas Engineer's Licenses)

Article 29 (1) An examination for a chief gas engineer's license is conducted with respect to the knowledge and skills required for ensuring safety in the construction, maintenance and operation of gas facilities.

(2) An examination for a chief gas engineer's license is conducted by the Minister of Economy, Trade and Industry once a year for each type of chief gas engineer's license.

(3) The Minister of Economy, Trade and Industry may designate a person and have the person administer the affairs concerning an examination for a chief gas engineer's license.

(4) The subjects of an examination for a chief gas engineer's license, procedures for participating in the examination and other details concerning the examination for a chief gas engineer's license are specified by Order of the Ministry of Economy, Trade and Industry.

(Duties of Chief Gas Engineers)

Article 30 (1) Chief gas engineers must perform their duties in good faith.

(2) People who are engaged in the construction, maintenance or operation of gas facilities used for gas retail business must follow the instructions given by the chief gas engineer to ensure safety.

(Order to Dismiss Chief Gas Engineers)

Article 31 When a chief gas engineer has violated this Act or any order issued

under this Act or any disposition made thereunder or when the Minister of Economy, Trade and Industry finds that it would adversely affect the safety of the construction, maintenance and operation of gas facilities used for gas retail business to have the chief gas engineer perform their duties, the minister may order the gas retailer to dismiss the chief gas engineer.

### **Subsection 3 Construction Plans and Inspections**

(Construction Plans)

- Article 32 (1) If a gas retailer intends to implement a construction project to install or modify gas facilities to be used for gas retail business and the construction project has been specified by Order of the Ministry of Economy, Trade and Industry, it must notify the Minister of Economy, Trade and Industry of a plan for the construction project; provided, however, that this does not apply to any unavoidable temporary work to be implemented in the event of loss of or damage to gas facilities or in the event of a disaster or other emergency.
- (2) If a gas retailer intends to revise the construction plan for which notification was given pursuant to the preceding paragraph, it must notify the Minister of Economy, Trade and Industry to that effect; provided, however, that this does not apply to any minor revision specified by Order of the Ministry of Economy, Trade and Industry.
- (3) A gas retailer that has given notification pursuant to either of the preceding two paragraphs must not commence the construction project to which the notification pertained until 30 days have elapsed from the day when the notification was received.
- (4) If the Minister of Economy, Trade and Industry finds that the construction plan for which notification was given pursuant to paragraphs (1) or paragraph (2) conforms to the following items, the minister may shorten the period prescribed in the preceding paragraph:
- (i) the gas facilities conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 21, paragraph (1); and
  - (ii) the gas facilities are technically adequate for assuring the smooth supply of gas.
- (5) If the Minister of Economy, Trade and Industry finds that the construction plan for which notification was given pursuant to paragraph (1) or paragraph (2) fails to conform to the items of the preceding paragraph, the minister may, within 30 days from the day when the notification was received, order the gas retailer to revise or discontinue the construction plan.
- (6) If, with respect to a construction plan for which notification was given

pursuant to paragraph (1) or paragraph (2), it seems impossible to determine whether or not the gas facilities pertaining to the construction plan conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 21, paragraph (1) without inspecting the construction process and it is necessary in order to determine conformity to the technical standards, the Minister of Economy, Trade and Industry may order that the construction process should be inspected by a person registered by the Minister of Economy, Trade and Industry under paragraph (1) of the following Article. In this case, the Minister of Economy, Trade and Industry must, within the period prescribed in the preceding paragraph, notify the gas retailer that has given notification pursuant to paragraph (1) or paragraph (2) to that effect with the reasons therefor.

- (7) In the case referred to in the proviso to paragraph (1), the gas retailer, after having commenced the construction project, must notify the Minister of Economy, Trade and Industry to that effect without delay.
- (8) In the case referred to in the proviso to paragraph (2), the gas retailer, after having revised the construction plan, must notify the Minister of Economy, Trade and Industry of the revised construction plan without delay; provided, however, that this does not apply to any cases specified by Order of the Ministry of Economy, Trade and Industry.

(Pre-use Inspection)

Article 33 (1) A gas retailer must not use gas facilities to be installed or modified by giving notification pursuant to paragraph (1) or paragraph (2) of the preceding Article (when an order has been issued with respect to the construction plan for gas facilities pursuant to paragraph (5) of that Article, but notification has not yet been given pursuant to paragraph (1) or paragraph (2) of the Article, the relevant facilities are excluded), which are specified by Order of the Ministry of Economy, Trade and Industry, unless and until the gas retailer conducts a self-inspection of the facilities and then undergoes and passes an inspection conducted by a person registered by the Minister of Economy, Trade and Industry pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry to confirm that the results of the self-inspection conform to the items of the following paragraph (including an inspection of the construction process as ordered under paragraph (6) of the Article); provided, however, that this does not apply to any cases specified by Order of the Ministry of Economy, Trade and Industry.

- (2) A person registered by the Minister of Economy, Trade and Industry conducts the inspection provided for in the preceding paragraph and awards a passing grade to gas facilities that conform to all of the following items:
  - (i) the construction project for the facilities has been implemented according to



- the construction plan for which notification was given pursuant to paragraph (1) or paragraph (2) of the preceding Article (including the plan following any minor revision specified by Order of the Ministry of Economy, Trade and Industry under the proviso to paragraph (2)); and
- (ii) the facilities conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 21, paragraph (1).
- (3) A gas retailer must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, prepare records of a self-inspection conducted under paragraph (1), and preserve these records.

(Periodic Self-Inspection)

Article 34 A gas retailer must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, conduct a self-inspection periodically with respect to the gas facilities to be used for gas retail business, which are specified by Order of the Ministry of Economy, Trade and Industry, prepare records of the inspection, and preserve these records.

### **Chapter III Gas Pipeline Service Business**

#### **Section 1 General Gas Pipeline Service Business**

##### **Subsection 1 Business License**

(Business Licenses)

Article 35 A person who intends to conduct general gas pipeline service business must obtain a license from the Minister of Economy, Trade and Industry.

(Application for Licenses)

Article 36 (1) A person who intends to obtain a license under the preceding Article must submit a written application to the Minister of Economy, Trade and Industry, stating:

(i) the name and address of the applicant, as well as the names of the representative and officers if the applicant is a corporation;

(ii) the name and location of the principal business office and any other business office; and

(iii) the service area;

(iv) the following particulars concerning gas facilities to be used for general gas pipeline service business:

(a) regarding pipelines specified by Order of the Ministry of Economy, Trade and Industry, the site where they are to be installed, the inside diameter and the gas pressure within the pipelines; and

(b) regarding gas generating facilities and gas holders, the site where they are to be installed, the type, and number of them by capacity.

(2) The written application set forth in the preceding paragraph must be accompanied by drawings of the service area and other documents specified by Order of the Ministry of Economy, Trade and Industry.

(Standards for Licenses)

Article 37 The Minister of Economy, Trade and Industry must not grant a license under Article 35 unless the minister finds that the application for the license under that Article conforms to the following items:

- (i) the commencement of the general gas pipeline service business corresponds to the demand in the service area;
- (ii) the gas facilities for the general gas pipeline service business are capable of meeting the demand in the service area;
- (iii) the commencement of the general gas pipeline service business will not result in the existence of an excessive number of gas facilities within the whole or part of the service area;
- (iv) the applicant has sufficient financial basis and technical capability to perform the general gas pipeline service business properly;
- (v) the general gas pipeline service business's plan can be reliably implemented; and
- (vi) the commencement of the general gas pipeline service business is necessary and appropriate in light of public interest.

(License Certificates)

Article 38 (1) When the Minister of Economy, Trade and Industry has granted a license under Article 35, the minister must issue a license certificate.

(2) The license certificate must state:

- (i) the date of grant of the license and the license number;
- (ii) the name and address of the licensee, as well as the names of the representative and officers if the licensee is a corporation;
- (iii) the name and location of the principal business office and any other business office;
- (iv) the service area; and
- (v) the following particulars concerning gas facilities to be used for general gas pipeline service business:
  - (a) regarding pipelines specified by Order of the Ministry of Economy, Trade and Industry under Article 36, paragraph (1), item (iv), sub-item (a), the site where they are to be installed, the inside diameter and the gas pressure within the pipelines; and
  - (b) regarding gas generating facilities and gas holders, the site where they are to be installed, the type, and number of them by capacity.

(Obligation to Commence Business)

- Article 39 (1) A general gas pipeline service provider must commence its business within the period designated by the Minister of Economy, Trade and Industry, which must not exceed three years (or if it is determined that a particularly long period of time will be required to commence the business as a result of the implementation of a new housing and urban development project under the New Housing and Urban Development Act (Act No. 134 of 1963), within the period designated by the Minister of Economy, Trade and Industry).
- (2) If the Minister of Economy, Trade and Industry finds it particularly necessary, the minister may designate the period set forth in the preceding paragraph by category of service area.
- (3) When an application has been filed by a general gas pipeline service provider, and the Minister of Economy, Trade and Industry finds justifiable grounds, the minister may extend the period designated under paragraph (1).
- (4) A general gas pipeline service provider must, when having commenced its business, notify the Minister of Economy, Trade and Industry to that effect without delay.

(Change of Service Area)

- Article 40 (1) If a general gas pipeline service provider intends to change the particulars listed in Article 38, paragraph (2), item (iv), it must obtain permission from the Minister of Economy, Trade and Industry.
- (2) The provisions of Article 37 and the preceding Article apply mutatis mutandis to the permission set forth in the preceding paragraph (excluding the permission under the preceding Article in relation to the reduction of the service area).

(Changes of Gas Facilities)

- Article 41 (1) If a general gas pipeline service provider intends to make a material change specified by Order of the Ministry of Economy, Trade and Industry with respect to the particulars listed in Article 38, paragraph (2), item (v), it must notify the Minister of Economy, Trade and Industry of the change.
- (2) When there has been a change to the particulars listed in Article 38, paragraph (2), item (ii) or item (iii), or when a general gas pipeline service provider has changed the particulars listed in item (v) of that paragraph (excluding, however, those prescribed in the preceding paragraph), the general gas pipeline service provider must notify the Minister of Economy, Trade and Industry to that effect without delay.
- (3) A general gas pipeline service provider that has given notification pursuant to paragraph (1) must not make the change to which the notification pertained

until 20 days have elapsed from the day when the notification was received.

- (4) If the Minister of Economy, Trade and Industry finds that the content of the notification given under paragraph (1) is unlikely to hinder the proper performance of the general gas pipeline service business by the general gas pipeline service provider that has given the notification, the minister may shorten the period prescribed in the preceding paragraph.
- (5) If the Minister of Economy, Trade and Industry finds that the content of the notification given under paragraph (1) is likely to hinder the proper performance of general gas pipeline service business by the general gas pipeline service provider that has given the notification, the minister, within 20 days from the day when the notification was received, may order the general gas pipeline service provider to change the content of the notification or suspend making the change to which the notification pertained.

(Transfer and Acceptance of Business, and Corporation Mergers and Splits)

Article 42 (1) A transfer and acceptance of the whole of or a part of a general gas pipeline service business is not effective unless authorized by the Minister of Economy, Trade and Industry.

- (2) A merger and split of a corporation acting as a general gas pipeline service provider (limited, however, to those resulting in the taking over of the whole of or a part of a general gas pipeline service business) is not effective unless authorized by the Minister of Economy, Trade and Industry.
- (3) The provisions of Article 37 apply mutatis mutandis to the authorization set forth in the preceding two paragraphs.

(Succession)

Article 43 (1) In the event of a transfer of the whole of a general gas pipeline service business, or the inheritance, merger or split of a general gas pipeline service provider (limited, however, to those resulting in the taking over of the whole of the general gas pipeline service business), the transferee of the whole of the general gas pipeline service business, the heir, the corporation surviving after the merger or the corporation newly established upon the merger, or the corporation who has taken over the whole of the general gas pipeline service business upon a split succeeds to the status of the general gas pipeline service provider.

- (2) The heir who has succeeded to the status of a general gas pipeline service provider pursuant to the preceding paragraph must notify the Minister of Economy, Trade and Industry to that effect without delay.

(Suspension and Discontinuation of Business, and Dissolution of Corporations)

Article 44 (1) A general gas pipeline service provider must not suspend or

discontinue the whole or a part of the general gas pipeline service business without obtaining permission from the Minister of Economy, Trade and Industry.

- (2) A resolution for the dissolution of a corporation acting as a general gas pipeline service provider or a consent thereto by all its members is not effective unless authorized by the Minister of Economy, Trade and Industry.
- (3) The Minister of Economy, Trade and Industry must not grant permission under paragraph (1) or authorization under the preceding paragraph unless the minister finds that there is no risk of harm to the public interest as a result of the suspension or discontinuation of the general gas pipeline service business nor dissolution of the corporation.

(Rescission of Business Licenses)

Article 45 (1) If a general gas pipeline service provider does not commence its business within the period designated under Article 39, paragraph (1) (or, if the period has been extended under paragraph (3) of that Article, the extended period; the same applies in paragraph (1) of the following Article), the Minister of Economy, Trade and Industry may revoke the license granted under Article 35.

- (2) Beyond the case prescribed in the preceding paragraph, when a general gas pipeline service provider has violated this Act or any order issued under this Act or any disposition made thereunder, and the Minister of Economy, Trade and Industry finds the violation harmful to the public interest, the minister may revoke the license granted under Article 35.
- (3) The Minister of Economy, Trade and Industry, when having revoked the license pursuant to any of the preceding two paragraphs, must provide a written explanation of the reasons for the revocation to the general gas pipeline service provider.

Article 46 (1) If a general gas pipeline service provider that has obtained permission under Article 40, paragraph (1) for a change to the particulars listed in Article 38, paragraph (2), item (iv) does not commence its business within the period designated under Article 39, paragraph (1) as applied mutatis mutandis pursuant to Article 40, paragraph (2), in the new service area, the Minister of Economy, Trade and Industry may revoke the permission.

- (2) If a general gas pipeline service provider does not conduct the general gas pipeline service business in part of its service area, and the Minister of Economy, Trade and Industry finds it harmful to the public interest, the minister may remove that part from the service area.
- (3) The provisions of paragraph (3) of the preceding Article apply mutatis mutandis to the preceding two paragraphs.

## Subsection 2 Services

### (Obligation to Provide Transportation Service)

- Article 47 (1) A general gas pipeline service provider must not refuse to provide transportation service in its service area (if a general gas pipeline service provider conducts specified gas pipeline service business by giving notification under Article 55, paragraph (1), including the service point covered by the notification; the same applies in paragraph (1) of the following Article and Article 49, paragraph (1)) without justifiable grounds.
- (2) A general gas pipeline service provider must not refuse a last resort supply without justifiable grounds.
- (3) A general gas pipeline service provider must appropriately and promptly handle complaints and inquiries from the recipients of a last resort supply (including a person who intends to receive a last resort supply from the general gas pipeline service provider, and excluding a person who is a gas supplier) with regard to the general gas pipeline service provider's operational procedure for providing the last resort supply or the rates and other supply conditions for the last resort supply provided by the general gas pipeline service provider.

### (General Provisions for Transportation Service)

- Article 48 (1) A general gas pipeline service provider must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, formulate general provisions for transportation service to set rates and other supply conditions for the transportation service in its service area, and obtain authorization for the provisions from the Minister of Economy, Trade and Industry; provided, however, that this does not apply if the Minister of Economy, Trade and Industry has granted approval based on the recognition that it is not necessary to formulate general provisions for transportation service in light of the possibility of the general gas pipeline service provider receiving any application for a transportation service or other circumstances.
- (2) The provisions of the main clause of the preceding paragraph apply *mutatis mutandis* when a general gas pipeline service provider intends to revise the general provisions for transportation service for which authorization was granted pursuant to the main clause of that paragraph.
- (3) A general gas pipeline service provider (excluding, however, those that have obtained approval under the proviso to paragraph (1); hereinafter the same applies in this Article) must not provide a transportation service under supply conditions other than those set out in the general provisions for transportation service that have been authorized pursuant to the main clause of paragraph (1) (including cases of application *mutatis mutandis* pursuant to the preceding

paragraph) (or those set out in the revised general provisions if notification of revision has been given pursuant to paragraph (6) or paragraph (9) or revision has been made pursuant to Article 50, paragraph (2)); provided, however, that this does not apply when there are special circumstances that make it difficult for the general gas pipeline service provider to provide the transportation service under the general provisions for transportation service, and the general gas pipeline service provider provides transportation service at rates and other supply conditions authorized by the Minister of Economy, Trade and Industry (or if revision has been made pursuant to Article 50, paragraph (2), the revised conditions).

- (4) If the Minister of Economy, Trade and Industry finds that the application for the authorization under the main clause of paragraph (1) (including cases of application *mutatis mutandis* pursuant to paragraph (2); hereinafter the same applies in this Article) conforms to all of the following items, the minister may grant authorization under the main clause of paragraph (1):
- (i) the rates consist of fair costs incurred as a result of efficient management and fair profits;
  - (ii) it is unlikely that the recipients of gas supply under the general provisions for transportation service to which the application for authorization under the main clause of paragraph (1) pertained would experience any serious difficulty in receiving the transportation service;
  - (iii) the rates are clearly set as fixed rates or fixed amounts;
  - (iv) the responsibilities of the general gas pipeline service provider and recipients of gas supply under the general provisions for transportation service to which the application for authorization under the main clause of paragraph (1) pertained, as well as the method of sharing expenses between them for pipelines, gas meters and other facilities, are provided for appropriately and clearly;
  - (v) no specific persons are treated in an unfair and discriminatory manner; and
  - (vi) beyond what is listed in the preceding items, the promotion of public interest would not be hindered.
- (5) Notwithstanding the provisions of paragraph (2), in the cases specified by Order of the Ministry of Economy, Trade and Industry in which the rates will be lowered or there will be no risk of harm to the interests of gas users, a general gas pipeline service provider may revise the rates or other supply conditions set under the general provisions for transportation service that have been authorized under the main clause of paragraph (1) (or, if notification of revision has been given pursuant to the following paragraph or paragraph (9), the revised provisions; the same applies in paragraph (8)), pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.
- (6) A general gas pipeline service provider, when having revised the rates or

other supply conditions pursuant to the preceding paragraph, must notify the Minister of Economy, Trade and Industry of the revised general provisions for transportation service pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

- (7) If the Minister of Economy, Trade and Industry finds that the general provisions for transportation service to which the notification of revision given under the preceding paragraph pertained fail to fall under any of the following items, the minister may order the general gas pipeline service provider to revise the general provisions for transportation service, within a reasonable time limit set by the minister:
- (i) it is unlikely that the recipients of gas supply under the general provisions for transportation service to which the notification under the preceding paragraph pertained would experience any serious difficulty in receiving the transportation service;
  - (ii) the rates are clearly set as fixed rates or fixed amounts;
  - (iii) the responsibilities of the general gas pipeline service provider and recipients of gas supply under the general provisions for transportation service to which the notification under the preceding paragraph pertained, as well as the method of sharing expenses between them for pipelines, gas meters and other facilities, are provided for appropriately and clearly;
  - (iv) no specific persons are treated in an unfair and discriminatory manner; and
  - (v) beyond what is listed in the preceding items, the promotion of public interest would not be hindered.
- (8) Notwithstanding the provisions of paragraph (2), in the cases specified by Order of the Ministry of Economy, Trade and Industry in which measures should be taken to respond to an increase in the amount of expenses payable under the provisions of other laws (limited, however, to cases in which it is extremely difficult to curtail the expenses in the course of conducting general gas pipeline service business (if a general gas pipeline service provider conducts general gas pipeline service business by giving notification under Article 55, paragraph (1), including this business; hereinafter the same applies in this Section, excluding that paragraph)), a general gas pipeline service provider, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, may revise the rates and/or other supply conditions set under the general provisions for transportation service that have been authorized under the main clause of paragraph (1).
- (9) If a general gas pipeline service provider intends to revise the rates or other supply conditions pursuant to the preceding paragraph, it must notify the Minister of Economy, Trade and Industry to that effect and of the revised general provisions for transportation service pursuant to the provisions of



Order of the Ministry of Economy, Trade and Industry.

- (10) The general provisions for transportation service to which the notification given under the preceding paragraph pertained are not effective until 30 days have elapsed from the day when the notification was received.
- (11) If the Minister of Economy, Trade and Industry finds that the general provisions for transportation service to which the notification given under paragraph (9) pertained conforms to all of the following items, the minister may shorten the period prescribed in the preceding paragraph:
- (i) the content of the revision of the rates is necessary and sufficient in light of the purpose of the revision;
  - (ii) it is unlikely that the recipients of gas supply under the general provisions for transportation service to which the notification under paragraph (9) pertained would experience any serious difficulty in receiving the transportation service;
  - (iii) the rates are clearly set as fixed rates or fixed amounts by type of supply;
  - (iv) the responsibilities of the general gas pipeline service provider and recipients of gas supply under the general provisions for transportation service to which the notification under paragraph (9) pertained, as well as the method of sharing expenses between them for pipelines, gas meters and other facilities, are provided for appropriately and clearly;
  - (v) no specific persons are treated in an unfair and discriminatory manner; and
  - (vi) beyond what is listed in the preceding items, the promotion of public interest would not be hindered.
- (12) If the Minister of Economy, Trade and Industry finds that the general provisions for transportation service to which the notification given under paragraph (9) pertained fail to conform to any of the items of the preceding paragraph, the minister may, within 30 days from the day when the notification was received, order the general gas pipeline service provider to revise the general provisions for transportation service.
- (13) When a general gas pipeline service provider has obtained authorization for the general provisions for transportation service under the main clause of paragraph (1), given notification of revision to the general provisions for transportation service under paragraph (6) or paragraph (9), or revised the general provisions for transportation service under Article 50, paragraph (2), it must make the authorized or revised general provisions for transportation services public, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Rates and Other Supply Conditions for Transportation Service Provided by Approved General Gas Pipeline Service Providers)

Article 49 (1) If a person who has obtained approval under the proviso to

- paragraph (1) of the preceding Article (hereinafter referred to as "approved general gas pipeline service provider" in this Article) intends to provide a transportation service in its service area, it must notify the Minister of Economy, Trade and Industry of the rates and other supply conditions for the transportation service pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry. The same applies when an approved general gas pipeline service provider intends to revise the rates or other conditions.
- (2) An approved general gas pipeline service provider must not provide a transportation service at rates and other supply conditions other than those for which notification was given pursuant to the preceding paragraph.
- (3) If the Minister of Economy, Trade and Industry finds that the rates or other supply conditions to which the notification given under paragraph (1) pertained fail to fall under any of the following items, the minister may order the approved general gas pipeline service provider that has given the notification to revise the rates or supply conditions, within a reasonable time limit set by the Minister of Economy, Trade and Industry:
- (i) it is unlikely that the recipients of gas supply under the rates and other supply conditions to which the notification given under paragraph (1) pertained would experience any serious difficulty in receiving the transportation service;
  - (ii) the rates are clearly set as fixed rates or fixed amounts;
  - (iii) the responsibilities of the approved general gas pipeline service provider and recipients of gas supply under the rates and other supply conditions to which the notification under paragraph (1) pertained, as well as the method of sharing expenses between them for pipelines, gas meters and other facilities, are provided for appropriately and clearly;
  - (iv) no specific persons are treated in an unfair and discriminatory manner;  
and
  - (v) beyond what is listed in the preceding items, the promotion of public interest would not be hindered.
- (4) If, with respect to a transportation service, the approved general gas pipeline service provider and the person who is to receive the transportation service from the approved general gas pipeline service provider have failed to consult with each other or reach an agreement through consultation, and the Minister of Economy, Trade and Industry finds that there is a risk of harm to the interests of gas users pertaining to the transportation service, the minister may order the approved general gas pipeline service provider and the person who is to receive the transportation service from the approved general gas pipeline service provider to conclude an agreement for transportation service with each other, giving instructions on rates and other supply conditions.
- (5) When an order has been issued pursuant to the preceding paragraph, the

approved general gas pipeline service provider that has received the order is deemed to have given notification under paragraph (1) of the rates and other supply conditions as instructed under that paragraph.

(Order and Disposition on General Provisions for Transportation Service)

Article 50 (1) If the Minister of Economy, Trade and Industry finds that the rates or other supply conditions have become particularly unsuitable as a result of changes in social and economic circumstances to the extent that they hinder the promotion of public interest, the minister may order the general gas pipeline service provider to apply for authorization to revise the general provisions for transportation service authorized under the main clause of Article 48, paragraph (1) (or, if authorization for revision has been granted pursuant to paragraph (2) of that Article or notification of revision has been given pursuant to paragraph (6) or paragraph (9) of the Article, the revised general provisions) or the rates and other supply conditions authorized under the proviso to paragraph (3) of the Article (if revision has been made pursuant to the following paragraph, the revised general provisions for transportation service or the revised rates and other supply conditions), within a reasonable time limit set by the Minister of Economy, Trade and Industry.

(2) When the Minister of Economy, Trade and Industry has issued an order pursuant to the preceding paragraph, and no application for authorization has been filed within the time limit set forth in that paragraph, the minister may revise the general provisions for transportation service or the rates and other supply conditions.

(General Provisions for a Last Resort Supply)

Article 51 (1) A general gas pipeline service provider must formulate general provisions to set rates and other supply conditions for a last resort supply, and notify the Minister of Economy, Trade and Industry of the general provisions pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry. The same applies when a general gas pipeline service provider intends to revise the general provisions.

(2) A general gas pipeline service provider must not be a last resort supply under supply conditions other than those set out in the general provisions for which notification was given pursuant to the preceding paragraph (hereinafter referred to as "general provisions for a last resort supply" in this Article); provided, however, that this does not apply when there are special circumstances that make it difficult for the general gas pipeline service provider to provide the last resort supply under the general provisions for a last resort supply, and the general gas pipeline service provider provides a last resort supply at rates and other supply conditions approved by the Minister of

Economy, Trade and Industry.

- (3) If the Minister of Economy, Trade and Industry finds that the general provisions for a last resort supply fail to fall under any of the following items, the minister may order the general gas pipeline service provider to revise the general provisions for a last resort supply, within a reasonable time limit set by the minister:
- (i) the rates are clearly set as fixed rates or fixed amounts;
  - (ii) the responsibilities of the general gas pipeline service provider and gas users, as well as the method of sharing expenses between them for pipelines, gas meters and other facilities, are provided for appropriately and clearly;
  - (iii) no specific persons are treated in an unfair and discriminatory manner; and
  - (iv) the general provisions for a last resort supply are not particularly inappropriate in light of social and economic circumstances, nor are they likely to seriously harm the interests of recipients of gas supply under the general provisions for a last resort supply.
- (4) The provisions of Article 48, paragraph (13) apply mutatis mutandis when a general gas pipeline service provider has given notification of general provisions for a last resort supply pursuant to paragraph (1).

(Obligation to Measure Calorific Value)

Article 52 A general gas pipeline service provider must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, measure the calorific value, pressure and combustibility of the gas that the general gas pipeline service provider supplies, record the values measured, and preserve these records.

(Accounting Concerning Services of General Gas Pipeline Service Providers)

- Article 53 (1) A general gas pipeline service provider, when conducting a business other than general gas pipeline service business, must keep accounts concerning the services of general gas pipeline service business and other related services, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.
- (2) In the case referred to in the preceding paragraph, a general gas pipeline service provider, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must make the results of the accounting public set forth in that paragraph.

(Prohibited Acts)

Article 54 (1) A general gas pipeline service provider must not conduct any of the following acts:

- (i) use by itself or provide another person with information concerning other persons who supply gas (hereinafter referred to as "gas supply service provider") and gas users, which the general gas pipeline service provider has become aware of in the course of providing a transportation service, for purposes other than using the information for that service;
  - (ii) in the course of providing a transportation service and carrying out services related to the pipelines maintained and operated by the general gas pipeline service provider, apply unreasonably preferential treatment or give benefit or apply unreasonably disadvantageous treatment or cause disadvantage to any particular gas supply service provider; and
  - (iii) beyond what is set forth in the preceding two items, conducting an act specified by Order of the Ministry of Economy, Trade and Industry as an act that impairs the proper competitive relationship among gas supply service providers.
- (2) If the Minister of Economy, Trade and Industry finds that a general gas pipeline service provider has committed an act in violation of the preceding paragraph, the minister may order that General Gas Pipeline Service Provider to discontinue or correct that act.

(Restriction on Concurrent Business)

Article 54-2 A general gas pipeline service provider (limited to a service provider whose pipelines used for the general gas pipeline service business have an overall supply capacity equal to or larger than the level specified by Cabinet Order and who satisfies other requirements specified by Cabinet Order; hereinafter referred to as a "special general gas pipeline service provider") must not engage in a gas retail business or gas manufacturing business (limited to a business to manufacture gas to be used for a gas retail business; the same applies in Article 80-2 and Article 196, item (iv)).

(Organs of Special General Gas Pipeline Service Provider)

Article 54-3 A special general gas pipeline service provider must be a stock company which has the following organs:

- (i) the board of directors; and
- (ii) auditors, an audit and supervisory committee, or a nominating committee, etc. (meaning the nominating committee, etc. prescribed in Article 2, item (xii) of the Companies Act (Act No. 86 of 2005); the same applies in Article 80-3, item (ii)).

(Restriction on Concurrent Holding of Positions by Directors or Executive Officers of a Special General Gas Pipeline Service Provider)

Article 54-4 (1) A director or executive officer of a special general gas pipeline

service provider must not concurrently hold a position of a director, executive officer or any other officer in charge of operating business (hereinafter referred to as a "director, etc." in this paragraph and Article 80-4, paragraph (1)) or an employee of its specified related service provider (meaning a gas retailer or gas manufacturer that is a subsidiary company (meaning the subsidiary company prescribed in Article 2, item (iii) of the Companies Act; the same applies in Article 80-4, paragraph (1)) or parent company (meaning the parent company prescribed in Article 2, item (iv) of the same Act; hereinafter the same applies in this paragraph and Article 80-4, paragraph (1)) of a special general gas pipeline service provider or a subsidiary company, etc. (meaning the subsidiary company, etc. prescribed in Article 2, item (iii)-2 of the same Act; the same applies hereinafter) of the parent company other than the special general gas pipeline service provider, or a service provider that satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one that is found to have effective control over the management of the gas retailer or gas manufacturer; hereinafter the same applies in this Section), and an employee of a special general gas pipeline service provider must not concurrently hold a position of director, etc. of its specified related service provider; provided, however, that this does not apply if the concurrent holding of positions poses no risk of impairing the proper competitive relationship among gas supply service providers, as specified by Order of the Ministry of Economy, Trade and Industry.

- (2) A special general gas pipeline service provider must not assign an employee of its specified related service provider specified in the following items for each of the specified related service providers set forth in the respective items to engage in, among the service of the general gas pipeline service business conducted by, and other services related to the pipelines maintained and operated by, the special general gas pipeline service provider, the services specified by Order of the Ministry of Economy, Trade and Industry as those for which it is particularly necessary to ensure operational neutrality in order to ensure the proper competitive relationship among gas supply service providers (referred to as the "special general gas pipeline service " in Article 54-6, paragraph (1)); provided, however, that this does not apply if the assignment of the employee poses no risk of impairing the proper competitive relationship among gas supply service providers, as specified by Order of the Ministry of Economy, Trade and Industry:
- (i) gas retailer: an employee who satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one who plays an important role in the operations of the gas retail business;
  - (ii) gas manufacturer: an employee who satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one who plays an

important role in the operations of the gas manufacturing business; and  
(iii) a service provider that satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as referred to in the main clause of the preceding paragraph; an employee who satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one who plays an important role in the business management operations of the gas retailer or gas manufacturer whose management is found to be under effective control of the service provider.

- (3) The Minister of Economy, Trade and Industry may order a special general gas pipeline service provider or its specified related service provider, if a director, executive officer or employee of the special general gas pipeline service provider violates paragraph (1), and a special general gas pipeline service provider, if the the special general gas pipeline service provider violates the preceeding paragraph, to take the necessary measures to rectify the violation.

(Prohibited Conduct for a Special General Gas Pipeline Service Provider)

Article 54-5 (1) A special general gas pipeline service provider must not conduct a transaction with its specified related service provider or any other service provider that has a special relationship specified by Order of the Ministry of Economy, Trade and Industry with the special general gas pipeline service provider (referred to as a "specified related service provider, etc. of a special general gas pipeline service provider" in Article 171, paragraph (3)), under terms and conditions that are different from ordinary terms and conditions and that are likely to impair the proper competitive relationship among gas supply service providers; provided, however, that this does not apply if the special general gas pipeline service provider has an unavoidable reason for conducting the transaction and obtains approval from the Minister of Economy, Trade and Industry in advance.

- (2) A special general gas pipeline service provider must not entrust its services related to the pipelines maintained and operated thereby, including the transportation service, to its specified related service provider or a subsidiary company, etc. of the specified related service provider (excluding one that is a specified related service provider); provided, however, that this does not apply if the entrustment of services poses no risk of impairing the proper competitive relationship among gas supply service providers, as specified by Order of the Ministry of Economy, Trade and Industry.
- (3) A special general gas pipeline service provider must not entrust its last resort supply to a gas retailer or gas manufacturer that is its specified related service provider, without publicly soliciting applicants for undertaking the service pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry; provided, however, that this does not apply if the entrustment of

services poses no risk of impairing the proper competitive relationship among gas supply service providers, as specified by Order of the Ministry of Economy, Trade and Industry.

- (4) A special general gas pipeline service provider must not undertake operations of the gas retail business or gas manufacturing business from a gas retailer or gas manufacturer that is its specified related service provider; provided, however, that this does not apply if the undertaking of service poses no risk of impairing the proper competitive relationship among gas supply service providers, as specified by Order of the Ministry of Economy, Trade and Industry.
- (5) If the Minister of Economy, Trade and Industry finds that a special general gas pipeline service provider has committed an act in violation of any of the preceding paragraphs, the minister may order the special general gas pipeline service provider to discontinue or correct that act.

(Restriction on Assignment of an Employee of a Special General Gas Pipeline Service Provider to Engage in Work as an Employee of a Specified Related Service Provider of the Special General Gas Pipeline Service Provider by the Specified Related Service Provider)

Article 54-6 (1) A specified related service provider of a special general gas pipeline service provider set forth in each of the following items must not assign an employee who engages in the special general gas pipeline service conducted by the special general gas pipeline service provider to engage in work as an employee specified in the respective items; provided, however, that this does not apply if the assignment of the employee poses no risk of impairing the proper competitive relationship among gas supply service providers, as specified by Order of the Ministry of Economy, Trade and Industry:

- (i) gas retailer: an employee who satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one who plays an important role in the operations of the gas retail business;
- (ii) gas manufacturer: an employee who satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one who plays an important role in the operations of the gas manufacturing business; and
- (iii) a service provider that satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as referred to in the main clause of Article 54-4, paragraph (1); an employee who satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one who plays an important role in the business management operations of the gas retailer or gas manufacturer whose management is found to be under effective control of the service provider.
- (2) If a specified related service provider of a special general gas pipeline service



provider violates the preceding paragraph, the Minister of Economy, Trade and Industry may order the specified related service provider of the special general gas pipeline service provider to take necessary measures to rectify the violation.

(Prohibited Act for a Specified Related Service Provider of a Special General Gas Pipeline Service Provider)

Article 54-7 (1) A specified related service provider of a special general gas pipeline service provider must not conduct any of the following acts:

- (i) demanding that the special general gas pipeline service provider conduct any of the acts set forth in the items of Article 54, paragraph (1) or the main clause of paragraph (1), the main clause of paragraph (2), the main clause of paragraph (3), or the main clause of paragraph (4) of Article 54-5, or requesting the service provider to conduct any of these acts; and
- (ii) beyond what is set forth in the preceding item, conducting an act specified by Order of the Ministry of Economy, Trade and Industry as an act that impairs the proper competitive relationship among gas supply service providers.

- (2) If the Minister of Economy, Trade and Industry finds that a specified related service provider of a special general gas pipeline service provider has committed an act in violation of the preceding paragraph, the minister may order the specified related service provider of the special general gas pipeline service provider to discontinue or correct that act.

(Development of Systems for Ensuring Proper Competitive Relationship Among Gas Supply Service Providers)

Article 54-8 (1) A general gas pipeline service provider must develop systems for the proper management of information that it has become aware of in connection with a transportation service and any other information concerning the service of its general gas pipeline service business and for the appropriate monitoring of the implementation status of the transportation service, and take other necessary measures to ensure the proper competitive relationship among gas supply service providers, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

- (2) A general gas pipeline service provider, every year, must report the measures it has taken pursuant to the preceding paragraph, to the Minister of Economy, Trade and Industry, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Notification of Specified Gas Pipeline Service Business Conducted Using Pipelines Connected to Those Used for General Gas Pipeline Service Business)

- Article 55 (1) If a general gas pipeline service provider intends to conduct specified gas pipeline service business (limited to specified gas pipeline service business conducted by connecting the pipelines used therefor to the pipelines used for its general gas pipeline service business; hereinafter the same applies in this Article) in an area other than its service area, it must notify the Minister of Economy, Trade and Industry of the following particulars pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry:
- (i) the service point;
  - (ii) the following particulars concerning gas facilities to be used for the specified gas pipeline service business:
    - (a) regarding pipelines specified by Order of the Ministry of Economy, Trade and Industry, the site where they are to be installed, the inside diameter and the gas pressure within the pipelines; and
    - (b) regarding gas generating facilities and gas holders, the site where they are to be installed, the type, and number of them by capacity;
  - (iii) the scheduled date of commencement of the business; and
  - (iv) other particulars specified by Order of the Ministry of Economy, Trade and Industry.
- (2) The notification given under the preceding paragraph must be accompanied by documents specified by Order of the Ministry of Economy, Trade and Industry.
- (3) A general gas pipeline service provider that has given notification under paragraph (1) must not use the pipelines to which the notification pertained for the specified gas pipeline service business until 30 days have elapsed from the day when the notification was received, if the service point to which the notification pertained is included in the service area of another general gas pipeline service provider.
- (4) If the Minister of Economy, Trade and Industry finds, in the case referred to in the preceding paragraph, that the use of the pipelines to which the notification given under paragraph (1) pertained for the specified gas pipeline service business is unlikely to harm the interests of gas users in the service area of the other general gas pipeline service provider prescribed in the preceding paragraph, the minister may shorten the period prescribed in that paragraph.
- (5) If the Minister of Economy, Trade and Industry, in the case referred to in paragraph (3), finds that the use of the pipelines to which the notification given under paragraph (1) pertained for the specified gas pipeline service business is likely to harm the interests of gas users in the service area of the other general gas pipeline service provider prescribed in paragraph (3), the minister may, within 30 days from the day when notification was received (or, if the period prescribed in paragraph (3) has been extended pursuant to the

following paragraph, the extended period), order the general gas pipeline service provider that has given notification to change the content of the notification or suspend its performance of the specified gas pipeline service business to which the notification pertained.

- (6) When the Minister of Economy, Trade and Industry has, in the case referred to in paragraph (3), reasonable grounds for believing that it will take a considerable period of time to examine whether or not the use of the pipelines to which the notification given under paragraph (1) pertained for the specified gas pipeline service business is likely to harm the interests of gas users in the service area of the other general gas pipeline service provider prescribed in paragraph (3) and that the examination will not be completed within the period prescribed in the paragraph, the minister may extend the period set forth in the paragraph by up to 30 days. In this case, the Minister of Economy, Trade and Industry must notify the general gas pipeline service provider that has given notification of the extended period and the reason for extension without delay.
- (7) If a general gas pipeline service provider intends to change the particulars listed in paragraph (1), item (i) or item (ii), it must notify the Minister of Economy, Trade and Industry to that effect in advance pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.
- (8) The provisions of paragraphs (2) through (6) apply mutatis mutandis to the notification set forth in the preceding paragraph. In this case, the phrase "must not use the pipelines to which the notification pertained for the specified gas pipeline service business" in paragraph (3) is deemed to be replaced with "must not make the change; provided, however, that this does not apply to any minor change specified by Order of the Ministry of Economy, Trade and Industry," and the phrase "the use of the pipelines to which the notification given under paragraph (1) pertained for specified gas pipeline service business" in paragraphs (4) through (6) is deemed to be replaced with "the change to which the notification given under paragraph (1) pertained."
- (9) When there has been a change to the particulars listed in paragraph (1), item (iii) or item (iv), a general gas pipeline service provider must notify the Minister of Economy, Trade and Industry to that effect without delay pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.
- (10) If a general gas pipeline service provider intends to suspend or discontinue its specified gas pipeline service business, it must notify the Minister of Economy, Trade and Industry to that effect in advance pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Supply Plan)

Article 56 (1) A general gas pipeline service provider must, pursuant to the

provisions of Order of the Ministry of Economy, Trade and Industry, prepare in each business year a supply plan for a period from the business year as specified by Order of the Ministry of Economy, Trade and Industry, and notify the Minister of Economy, Trade and Industry of the plan prior to the start of the business year (or without delay after becoming a general gas pipeline service provider with regard to the business year that contains the date on which it became a general gas pipeline service provider).

- (2) A general gas pipeline service provider, when having revised the supply plan, must notify the Minister of Economy, Trade and Industry of the revised particulars without delay.
- (3) A general gas pipeline service provider, when having given notification pursuant to paragraph (1), must make the particulars in the supply plan public which are specified by Order of the Ministry of Economy, Trade and Industry, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry. The same applies when a general gas pipeline service provider has given notification pursuant to the preceding paragraph.
- (4) If the Minister of Economy, Trade and Industry finds it particularly necessary to revise the supply plan in order to promote public interest, the minister may recommend that the general gas pipeline service provider should revise the supply plan.
- (5) If the Minister of Economy, Trade and Industry finds that the failure of a general gas pipeline service provider to implement its supply plan hinders the promotion of public interest, the minister may recommend that the general gas pipeline service provider should implement the supply plan without fail.

(Order for Business Improvement)

- Article 57 (1) If a general gas pipeline service provider fails to make the necessary repairs or take other measures immediately to eliminate any stoppage to the gas supply due to an accident, and the Minister of Economy, Trade and Industry finds that the inappropriate management of general gas pipeline service business hinders or is likely to hinder the protection of interests of gas users or the sound development of gas business, the minister may order the general gas pipeline service provider to take necessary measures to improve the management of its general gas pipeline service business to the extent necessary to secure the interests of gas users or the public interest.
- (2) When a general gas pipeline service provider has violated Article 47, paragraph (3), the Minister of Economy, Trade and Industry may order the general gas pipeline service provider to take necessary measures to improve its operational procedure.

(Recommendation on Adjustment of Service Areas)

Article 58 If the Minister of Economy, Trade and Industry finds it necessary and appropriate for two or more general gas pipeline service providers to adjust their service areas or manage their businesses in an integrated manner in order to promote public interest, the minister may make a recommendation to the general gas pipeline service providers to that effect.

### **Subsection 3 Accounting**

(Keeping of Accounts)

Article 59 (1) A general gas pipeline service provider, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must keep accounts by establishing its business year and classification of items of accounts, as well as forms of balance sheets, profit and loss statements and other statements on finance and accounting.

(2) A general gas pipeline service provider, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must submit statements on finance and accounting prescribed in the preceding paragraph to the Minister of Economy, Trade and Industry after the end of each business year.

(Depreciation)

Article 60 If the Minister of Economy, Trade and Industry finds it particularly necessary in order to ensure the proper performance of general gas pipeline service business, the minister may order the general gas pipeline service provider to record a reasonable amount of depreciation of fixed assets used for general gas pipeline service business by specifying the method for doing so or the amount, or set aside reserves or allowances by specifying the method for doing so or the amount.

### **Subsection 4 Gas Facilities**

#### **Division 1 Conformity to Technical Standards**

(Maintenance of Gas Facilities)

Article 61 (1) A general gas pipeline service provider must maintain gas facilities to be used for general gas pipeline service business to ensure that they conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry.

(2) If the Minister of Economy, Trade and Industry finds that gas facilities to be used for general gas pipeline service business do not conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under the preceding paragraph, the minister may order the general gas pipeline service provider to repair, alter or relocate the gas facilities to

ensure conformity to technical standards, or order the general gas pipeline service provider to suspend the use of them, or restrict the general gas pipeline service provider from using them.

- (3) If the Minister of Economy, Trade and Industry finds it urgently necessary in order to maintain public safety or prevent the occurrence of a disaster, the minister may order a general gas pipeline service provider to relocate its gas facilities or suspend the use of them, restrict the general gas pipeline service provider from using them, or order the general gas pipeline service provider to dispose of the gas contained in the gas facilities.

(Responsibilities of Owners or Possessors of Gas Facilities)

Article 62 (1) If a general gas pipeline service provider intends to take necessary measures for maintenance pursuant to paragraph (1) of the preceding Article with regard to gas facilities to be used for general gas pipeline service business which are owned or possessed by a person other than the general gas pipeline service provider, the owner or possessor of the relevant gas facilities must endeavor to cooperate in the implementation of the relevant measures.

- (2) When a general gas pipeline service provider has been given an order or disposition under paragraph (2) of the preceding Article with regard to its gas facilities, the owner or possessor of the gas facilities set forth in the preceding paragraph must cooperate in the measures implemented by the general gas pipeline service provider in response to the order or disposition.

- (3) If the gas facilities set forth in paragraph (1) are those specified by Order of the Ministry of Economy, Trade and Industry as being particularly important for ensuring public safety, and the Minister of Economy, Trade and Industry has made an order or disposition to a general gas pipeline service provider with regard to the gas facilities pursuant to paragraph (2) of the preceding Article, and if the owner or possessor of the gas facilities does not cooperate in the measures implemented by the general gas pipeline service provider in response to the order or disposition and the minister finds that the attitude of the owner or possessor seriously hinders the implementation of the measures, the minister may recommend that the owner or possessor of the gas facilities should cooperate in the implementation of the measures.

- (4) The provisions of the preceding two paragraphs apply mutatis mutandis when a general gas pipeline service provider has been given an order or disposition under paragraph (3) of the preceding Article with regard to the gas facilities set forth in paragraph (1) or the gas contained in the gas facilities set forth in the paragraph.

(Obligation to Inspect Gas Components)

Article 63 A general gas pipeline service provider, pursuant to the provisions of

Order of the Ministry of Economy, Trade and Industry, must inspect whether or not the quantity of any component of the gas that the general gas pipeline service provider supplies a last resort supply, which is likely to cause bodily harm or inflict damage to objects, surpasses the level specified by Order of the Ministry of Economy, Trade and Industry, record the quantity and preserve these records.

## **Division 2 Independent Safety Measures**

(Safety Regulations)

- Article 64 (1) A general gas pipeline service provider, in order to ensure safety of the construction, maintenance and operation of the gas facilities to be used for general gas pipeline service business, must establish safety regulations pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, and notify the Minister of Economy, Trade and Industry of the regulations before the commencement of the business (in the case of facilities requiring self-inspection set forth in Article 69, paragraph (1), before the commencement of the construction of the facilities).
- (2) A general gas pipeline service provider, when having revised the safety regulations, must notify the Minister of Economy, Trade and Industry of the revised particulars without delay.
- (3) If the Minister of Economy, Trade and Industry finds it necessary in order to ensure safety of the construction, maintenance, and operation of gas facilities to be used for general gas pipeline service business, the minister may order the general gas pipeline service provider to revise safety regulations.
- (4) A general gas pipeline service provider and employees thereof must observe the safety regulations.

(Chief Gas Engineer)

- Article 65 (1) A general gas pipeline service provider, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must appoint one or more chief gas engineers from among persons who have a chief gas engineer's license and have work experience specified by Order of the Ministry of Economy, Trade and Industry, in order to have them supervise the safety of the construction, maintenance, and operation of the gas facilities to be used for general gas pipeline service business.
- (2) A general gas pipeline service provider, when having appointed a chief gas engineer pursuant to the preceding paragraph, must notify the Minister of Economy, Trade and Industry to that effect without delay. The same applies when a general gas pipeline service provider has dismissed the chief gas engineer.

(Duties of Chief Gas Engineers)

Article 66 (1) Chief gas engineers must perform their duties in good faith.

(2) People who are engaged in the construction, maintenance or operation of gas facilities used for general gas pipeline service business must follow the instructions given by the chief gas engineer to ensure safety.

(Order of Dismissal of Chief Gas Engineers)

Article 67 When a chief gas engineer has violated this Act or any order issued under this Act or any disposition made thereunder or if the Minister of Economy, Trade and Industry finds that it would adversely affect the safety of the construction, maintenance and operation of gas facilities used for general gas pipeline service business to have the chief gas engineer perform their duties, the minister may order the general gas pipeline service provider to dismiss the chief gas engineer.

### **Division 3 Construction Plans and Inspections**

(Construction Plans)

Article 68 (1) If a general gas pipeline service provider intends to implement a construction project to install or modify gas facilities to be used for general gas pipeline service business and the construction project has been specified by Order of the Ministry of Economy, Trade and Industry, it must notify the Minister of Economy, Trade and Industry of a plan for the construction project; provided, however, that this does not apply to any unavoidable temporary work to be implemented in the event of loss of or damage to gas facilities or in the event of a disaster or other emergency.

(2) If a general gas pipeline service provider intends to revise the construction plan for which notification was given pursuant to the preceding paragraph, it must notify the Minister of Economy, Trade and Industry to that effect; provided, however, that this does not apply to any minor revision specified by Order of the Ministry of Economy, Trade and Industry.

(3) A general gas pipeline service provider that has given notification pursuant to either of the preceding two paragraphs must not commence the construction project to which the notification pertained until 30 days have elapsed from the day when the notification was received.

(4) If the Minister of Economy, Trade and Industry finds that the construction plan for which notification was given pursuant to paragraph (1) or paragraph (2) conforms to the following items, the minister may shorten the period prescribed in the preceding paragraph:

(i) the gas facilities conform to the technical standards established by Order of



the Ministry of Economy, Trade and Industry under Article 61, paragraph (1);

- (ii) the gas facilities are technically adequate for assuring the smooth supply of gas.
- (5) If the Minister of Economy, Trade and Industry finds that the construction plan for which notification was given pursuant to paragraph (1) or paragraph (2) fails to conform to the items of the preceding paragraph, the minister may, within 30 days from the day when the notification is received, order the general gas pipeline service provider to revise or discontinue the construction plan.
- (6) With respect to a construction plan for which notification was given pursuant to paragraph (1) or paragraph (2), if it seems impossible to determine whether or not the gas facilities pertaining to the construction plan conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 61, paragraph (1) without inspecting the construction process, the Minister of Economy, Trade and Industry may, and it is necessary in order to determine conformity to the technical standards, order that the construction process should be inspected by a person registered by the minister under paragraph (1) of the following Article. In this case, the minister must, within the period prescribed in the preceding paragraph, notify the general gas pipeline service provider that has given notification pursuant to paragraph (1) or paragraph (2) to that effect with the reasons therefor.
- (7) In the case referred to in the proviso to paragraph (1), the general gas pipeline service provider must, after having commenced the construction project, notify the Minister of Economy, Trade and Industry to that effect without delay.
- (8) In the case referred to in the proviso to paragraph (2), the general gas pipeline service provider must, after having revised the construction plan, notify the Minister of Economy, Trade and Industry of the revised construction plan without delay; provided, however, that this does not apply to any cases specified by Order of the Ministry of Economy, Trade and Industry.

(Pre-use Inspection)

Article 69 (1) A general gas pipeline service provider must not use gas facilities to be installed or modified by giving notification pursuant to paragraph (1) or paragraph (2) of the preceding Article (when an order has been issued with respect to the construction plan for gas facilities pursuant to paragraph (5) of that Article, but notification has not yet been given pursuant to paragraph (1) or paragraph (2) of the Article, these facilities are excluded), which are specified by Order of the Ministry of Economy, Trade and Industry, unless and until the general gas pipeline service provider conducts a self-inspection of the

facilities and then undergoes and passes an inspection conducted by a person registered by the minister pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry to confirm that the results of the self-inspection conform to the items of the following paragraph (including an inspection of the construction process as ordered under paragraph (6) of the Article); provided, however, that this does not apply to any cases specified by Order of the Ministry of Economy, Trade and Industry.

- (2) A person registered by the Minister of Economy, Trade and Industry conducts the inspection provided for in the preceding paragraph and awards a passing grade to gas facilities that conform to all of the following items:
  - (i) the construction project for the facilities has been implemented according to the construction plan for which notification was given pursuant to paragraph (1) or paragraph (2) of the preceding Article (including the plan following any minor revision specified by Order of the Ministry of Economy, Trade and Industry under the proviso to the paragraph); and
  - (ii) the facilities conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 61, paragraph (1).
- (3) A general gas pipeline service provider must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, prepare records of a self-inspection conducted under paragraph (1), and preserve these records.

Article 70 (1) When a person registered by the Minister of Economy, Trade and Industry as set forth in paragraph (1) of the preceding Article has conducted the inspection under the paragraph with respect to the gas facilities prescribed in the paragraph and finds it unavoidable, that person may regard the gas facilities as having provisionally passed the inspection, designating the period and method of use thereof. In this case, the person registered by the Minister of Economy, Trade and Industry as set forth in the paragraph must obtain approval from the Minister of Economy, Trade and Industry in advance.

- (2) Notwithstanding the provisions of paragraph (1) of the preceding Article, gas facilities regarded as having provisionally passed the inspection pursuant to the preceding paragraph may be used within the period designated under the preceding paragraph by the method designated under the paragraph.

(Periodic Self-Inspection)

Article 71 A general gas pipeline service provider must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, conduct a self-inspection periodically with respect to the gas facilities to be used for general gas pipeline service business, which are specified by Order of the Ministry of Economy, Trade and Industry, prepare records of the inspection, and preserve these records.

**Section 2 Specified Gas Pipeline Service Business**  
**Subsection 1 Notification of Business**

(Notification of Business)

Article 72 (1) A person who intends to conduct a specified gas pipeline service business (excluding specified gas pipeline service business conducted by a general gas pipeline service provider by connecting the pipelines used therefor to the pipelines used for its general gas pipeline service business; hereinafter the same applies in this Section) must notify the Minister of Economy, Trade and Industry of the following particulars pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry:

- (i) the name and address of the person, as well as the names of the representative and officers if the person is a corporation;
  - (ii) the name and location of the principal business office and any other business office;
  - (iii) the service point;
  - (iv) the following particulars concerning gas facilities to be used for the specified gas pipeline service business:
    - (a) regarding pipelines specified by Order of the Ministry of Economy, Trade and Industry, the site where they are to be installed, the inside diameter and the gas pressure within the pipelines; and
    - (b) regarding gas generating facilities and gas holders, the site where they are to be installed, the type, and number of them by capacity;
  - (v) the scheduled date of commencement of the business; and
  - (vi) other particulars specified by Order of the Ministry of Economy, Trade and Industry.
- (2) The notification set forth in the preceding paragraph must be accompanied by documents specified by Order of the Ministry of Economy, Trade and Industry.
- (3) A person who has given notification under paragraph (1) must not use the pipelines to which the notification pertained for the specified gas pipeline service business until 30 days have elapsed from the day when the notification was received, if the service point to which the notification pertained is included in the service area of a general gas pipeline service provider.
- (4) If the Minister of Economy, Trade and Industry, in the case referred to in the preceding paragraph, finds that the use of the pipelines to which the notification given under paragraph (1) pertained for the specified gas pipeline service business is unlikely to harm the interests of gas users in the service area of the general gas pipeline service provider prescribed in the preceding paragraph, the minister may shorten the period prescribed in the paragraph.
- (5) If the Minister of Economy, Trade and Industry finds, in the case referred to

in paragraph (3), that the use of the pipelines to which the notification given under paragraph (1) pertained for the specified gas pipeline service business is likely to harm the interests of gas users in the service area of the general gas pipeline service provider prescribed in paragraph (3), the minister may, within 30 days from the day when the notification was received (or, if the period prescribed in paragraph (3) has been extended pursuant to the following paragraph, the extended period), order the person who has given the notification to change the content of the notification or suspend its performance of the specified gas pipeline service business to which the notification pertained.

- (6) When the Minister of Economy, Trade and Industry has, in the case referred in paragraph (3), reasonable grounds for believing that it will take a considerable period of time to examine whether or not the use of the pipelines to which the notification given under paragraph (1) pertained for the specified gas pipeline service business is likely to harm the interests of gas users in the service area of the general gas pipeline service provider prescribed in paragraph (3) and that the examination will not be completed within the period prescribed in the paragraph, the minister may extend the period set forth in the paragraph by up to 30 days. In this case, the Minister of Economy, Trade and Industry must notify the person who has given the notification of the extended period and the reason for extension without delay.
- (7) If a specified gas pipeline service provider intends to change the particulars listed in paragraph (1), item (iii) or item (iv), it must notify the Minister of Economy, Trade and Industry to that effect.
- (8) The provisions of paragraphs (2) through (6) apply mutatis mutandis to the notification set forth in the preceding paragraph. In this case, the phrase "must not use the pipelines to which the notification pertained for the specified gas pipeline service business" in paragraph (3) is deemed to be replaced with "must not make the change; provided, however, that this does not apply to any minor change specified by Order of the Ministry of Economy, Trade and Industry," and the phrase "the use of the pipelines to which the notification given under paragraph (1) pertained for the specified gas pipeline service business" in paragraphs (4) through (6) is deemed to be replaced with "the change to which the notification given under paragraph (1) pertained."
- (9) When there has been a change to the particulars listed in paragraph (1), item (i), item (ii), item (v) or item (vi), a specified general gas pipeline service provider must notify the Minister of Economy, Trade and Industry to that effect without delay pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Succession)

Article 73 (1) In the event of a transfer of the whole of a specified gas pipeline service business, or the inheritance, merger or split of a specified gas pipeline service provider (limited, however, to those resulting in the taking over of the whole of the specified gas pipeline service business), the transferee of the whole of the specified gas pipeline service business, the heir, the corporation surviving after the merger or the corporation newly established upon the merger, or the corporation who has taken over the whole of the specified gas pipeline service business upon a split succeeds to the status of the specified gas pipeline service provider.

(2) A person who has succeeded to the status of a specified gas pipeline service provider pursuant to the preceding paragraph must notify the Minister of Economy, Trade and Industry to that effect without delay.

(Suspension and Discontinuation of Business, and Dissolution of Corporations)

Article 74 (1) If a specified gas pipeline service provider intends to suspend or discontinue its business, it must notify the Minister of Economy, Trade and Industry to that effect in advance pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(2) When a corporation acting as a specified gas pipeline service provider is dissolved for reasons other than a merger, its liquidator (or its bankruptcy trustee if the dissolution is based on an order of commencement of bankruptcy proceedings) must notify the Minister of Economy, Trade and Industry to that effect without delay.

## **Subsection 2 Services**

(Obligation to Provide Transportation Service)

Article 75 A specified gas pipeline service provider must not refuse to provide transportation service at its service point without justifiable grounds.

(Transportation Service Provisions)

Article 76 (1) A specified gas pipeline service provider, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must formulate general provisions for transportation service to set rates and other supply conditions for the transportation service at its service point, and notify the Minister of Economy, Trade and Industry of the general provisions; provided, however, that this does not apply if the Minister of Economy, Trade and Industry has granted approval based on the recognition that it is not necessary to formulate general provisions for transportation service in light of the possibility of the specified gas pipeline service provider receiving any application for a transportation service or other circumstances.

- (2) The provisions of the main clause of the preceding paragraph apply mutatis mutandis when a specified gas pipeline service provider intends to revise the general provisions for transportation service for which notification was given pursuant to the main clause of the paragraph.
- (3) A specified gas pipeline service provider (excluding, however, those that have obtained approval under the proviso to paragraph (1); hereinafter the same applies in this Article) must not provide a transportation service under supply conditions other than those set out in the general provisions for transportation service for which notification was given pursuant to the main clause of the paragraph (including cases of application mutatis mutandis pursuant to the preceding paragraph); provided, however, that this does not apply if there are special circumstances that make it difficult for the specified gas pipeline service provider to provide the transportation service under the general provisions for transportation service, and the specified gas pipeline service provider provides transportation service at rates and other supply conditions approved by the Minister of Economy, Trade and Industry.
- (4) If the Minister of Economy, Trade and Industry finds that the general provisions for transportation service to which the notification given under the main clause of paragraph (1) pertained (including cases of application mutatis mutandis pursuant to paragraph (2); hereinafter the same applies in this Article) fail to fall under any of the following items, the minister may order the specified gas pipeline service provider to revise the general provisions for transportation service, within a reasonable time limit set by the Minister of Economy, Trade and Industry:
- (i) it is unlikely that the recipients of gas supply under the general provisions for transportation service to which the notification under the main clause of paragraph (1) pertained would experience any serious difficulty in receiving the transportation service;
  - (ii) the rates are clearly set as fixed rates or fixed amounts;
  - (iii) the responsibilities of the specified gas pipeline service provider and recipients of gas supply under the general provisions for transportation service to which the notification under the main clause of paragraph (1) pertained, as well as the method of sharing expenses between them for pipelines, gas meters and other facilities, are provided for appropriately and clearly;
  - (iv) no specific persons are treated in an unfair and discriminatory manner;  
and
  - (v) beyond what is listed in the preceding items, the promotion of public interest would not be hindered.
- (5) A specified gas pipeline service provider, when having given notification pursuant to the main clause of paragraph (1), must make the general

provisions for transportation service public, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Rates and Other Supply Conditions for Transportation Service Provided by Approved Specified Gas Pipeline Service Providers)

- Article 77 (1) If a person who has obtained approval under the proviso to paragraph (1) of the preceding Article (hereinafter referred to as "approved specified gas pipeline service provider" in this Article) intends to provide a transportation service at its service point, it must notify the Minister of Economy, Trade and Industry of the rates and other supply conditions for the Transportation Service pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry. The same applies if an approved specified gas pipeline service provider intends to revise the rates or other conditions.
- (2) An approved specified gas pipeline service provider must not provide a transportation service at rates and other supply conditions other than those for which notification was given pursuant to the preceding paragraph.
- (3) If the Minister of Economy, Trade and Industry finds that the rates or other supply conditions to which the notification given under paragraph (1) pertained fail to fall under any of the following items, the minister may order the approved specified gas pipeline service provider that has given the notification to revise the rates or supply conditions, within a reasonable time limit set by the Minister of Economy, Trade and Industry:
- (i) it is unlikely that the recipients of gas supply under the rates and other supply conditions to which the notification given under paragraph (1) pertained would experience any serious difficulty in receiving the transportation service;
  - (ii) the rates are clearly set as fixed rates or fixed amounts;
  - (iii) the responsibilities of the approved specified gas pipeline service provider and recipients of gas supply under the rates and other supply conditions to which the notification under paragraph (1) pertained, as well as the method of sharing expenses between them for pipelines, gas meters and other facilities, are provided for appropriately and clearly;
  - (iv) no specific persons are treated in an unfair and discriminatory manner; and
  - (v) beyond what is listed in the preceding items, the promotion of public interest would not be hindered.
- (4) With respect to a transportation service, if the approved specified gas pipeline service provider and the person who is to receive the transportation service from the approved specified gas pipeline service provider have failed to consult with each other or reach an agreement through consultation, and the Minister of Economy, Trade and Industry finds that there is a risk of harm to the

interests of gas users pertaining to the transportation service, the minister may order the approved specified gas pipeline service provider and the person who is to receive the transportation service from the approved specified gas pipeline service provider to conclude an agreement for transportation service with each other, giving instructions on rates and other supply conditions.

- (5) When an order has been issued pursuant to the preceding paragraph, the approved specified gas pipeline service provider that has received the order is deemed to have given notification under paragraph (1) of the rates and other supply conditions as instructed under the paragraph.

(Obligation to Measure Calorific Value)

Article 78 A specified gas pipeline service provider, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must measure the calorific value, pressure and combustibility of the gas that the specified gas pipeline service provider supplies, record the values measured, and preserve these records.

(Accounting Concerning Transportation Service)

Article 79 (1) A specified gas pipeline service provider must, when conducting a business other than specified gas pipeline service business, keep accounts concerning the services of specified gas pipeline service business and other related services, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

- (2) In the case referred to in the preceding paragraph, a specified gas pipeline service provider must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, make public the results of the accounting set forth in the paragraph.

(Prohibited Acts)

Article 80 (1) A specified gas pipeline service provider must not conduct any of the following acts:

- (i) use by itself or provide another person with information concerning other gas supply service providers and gas users, which the specified gas pipeline service provider has become aware of in the course of providing a transportation service, for purposes other than using the information for that service;
- (ii) in the course of providing a transportation service and carrying out services related to the pipelines maintained and operated by the specified gas pipeline service provider, apply unreasonably preferential treatment or give benefit or apply unreasonably disadvantageous treatment or cause disadvantage to any particular gas supply service provider; and



(iii) beyond what is set forth in the preceding two items, conducting an act specified by Order of the Ministry of Economy, Trade and Industry as an act that impairs the proper competitive relationship among gas supply service providers.

(2) If the Minister of Economy, Trade and Industry finds that a specified gas pipeline service provider has committed an act in violation of the preceding paragraph, the minister may order that specified gas pipeline service provider to discontinue or correct that act.

(Restriction on Concurrent Business)

Article 80-2 A specified gas pipeline service provider (limited to a service provider whose pipelines used for the specified gas pipeline service business have an overall supply capacity equal to or larger than the level specified by Cabinet Order and who satisfies other requirements specified by Cabinet Order; hereinafter referred to as a "special specified gas pipeline service provider") must not engage in gas retail business or gas manufacturing business.

(Organs of Special Specified Gas Pipeline Service Provider)

Article 80-3 A special specified gas pipeline service provider must be a stock company which has the following organs:

- (i) the board of directors; and
- (ii) auditors, an audit and supervisory committee, or a nominating committee, etc.

(Restriction on Concurrent Holding of Positions by Directors or Executive Officers of a Special Specified Gas Pipeline Service Provider)

Article 80-4 (1) A director or executive officer of a special specified gas pipeline service provider must not concurrently hold a position of director, etc. or employee of its specified related service provider (meaning a gas retailer or gas manufacturer that is a subsidiary company or parent company of a special specified gas pipeline service provider or a subsidiary company, etc. of the parent company other than the special specified gas pipeline service provider, or a service provider that satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one that is found to have effective control over the management of the gas retailer or gas manufacturer; hereinafter the same applies in this Section), and an employee of a special specified gas pipeline service provider must not concurrently hold a position of director, etc. of its specified related service provider; provided, however, that this does not apply if the concurrent holding of positions poses no risk of impairing the proper competitive relationship among gas supply service

providers, as specified by Order of the Ministry of Economy, Trade and Industry.

- (2) A special specified gas pipeline service provider must not assign an employee of its specified related service provider specified in the following items for each of the specified related service providers set forth in the respective items to engage in, among the service of the specified gas pipeline service business conducted by, and other services related to the pipelines maintained and operated by, the special specified gas pipeline service provider, the services specified by Order of the Ministry of Economy, Trade and Industry as those for which it is particularly necessary to ensure operational neutrality in order to ensure the proper competitive relationship among gas supply service providers (referred to as the "special specified gas pipeline service" in Article 80-6, paragraph (1)); provided, however, that this does not apply if the assignment of the employee poses no risk of impairing the proper competitive relationship among gas supply service providers, as specified by Order of the Ministry of Economy, Trade and Industry:
- (i) gas retailer: an employee who satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one who plays an important role in the operations of the gas retail business;
  - (ii) gas manufacturer: an employee who satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one who plays an important role in the operations of the gas manufacturing business; and
  - (iii) a service provider that satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as referred to in the main clause of the preceding paragraph; an employee who satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one who plays an important role in the business management operations of the gas retailer or gas manufacturer whose management is found to be under effective control of the service provider.
- (3) The Minister of Economy, Trade and Industry may order a special specified gas pipeline service provider or its specified related service provider, if a director, executive officer or employee of the special specified gas pipeline service provider violates paragraph (1), and a special specified gas pipeline service provider, if the special specified gas pipeline service provider violates the preceding paragraph, to take necessary measures to rectify the violation.

(Prohibited Conduct for a Special Specified Gas Pipeline Service Provider)

Article 80-5 (1) A special specified gas pipeline service provider must not conduct a transaction with its specified related service provider or any other service provider that has a special relationship specified by Order of the Ministry of Economy, Trade and Industry with the special specified gas

pipeline service provider (referred to as a "specified related service provider, etc. of a special specified gas pipeline service provider" in Article 171, paragraph (3)), under terms and conditions that are different from ordinary terms and conditions and that are likely to impair the proper competitive relationship among gas supply service providers; provided, however, that this does not apply if the special specified gas pipeline service provider has an unavoidable reason for conducting the transaction and obtains approval from the Minister of Economy, Trade and Industry in advance.

- (2) A special specified gas pipeline service provider must not entrust its services related to the pipelines maintained and operated thereby, including the transportation service, to its specified related service provider or a subsidiary company, etc. of the specified related service provider (excluding one that is a specified related service provider); provided, however, that this does not apply if the entrustment of services poses no risk of impairing the proper competitive relationship among gas supply service providers, as specified by Order of the Ministry of Economy, Trade and Industry.
- (3) A special specified gas pipeline service provider must not undertake the operations of the gas retail business or gas manufacturing business from a gas retailer or gas manufacturer that is its specified related service provider; provided, however, that this does not apply if the undertaking of service poses no risk of impairing the proper competitive relationship among gas supply service providers, as specified by Order of the Ministry of Economy, Trade and Industry.
- (4) If the Minister of Economy, Trade and Industry finds that a special specified gas pipeline service provider has committed an act in violation of any of the preceding three paragraphs, the minister may order the special specified gas pipeline service provider to discontinue or correct that act.

(Restriction on Assignment of an Employee of a Special Specified Gas Pipeline Service Provider to Engage in Work as an Employee of the Specified Related Service Provider of the Special Specified Gas Pipeline Service Provider by the Specified Related Service Provider)

Article 80-6 (1) A specified related service provider of a special specified gas pipeline service provider set forth in each of the following items must not assign an employee who engages in the special specified gas pipeline service conducted by the special specified gas pipeline service provider to engage in work as an employee specified in the respective items; provided, however, that this does not apply if the assignment of the employee poses no risk of impairing the proper competitive relationship among gas supply service providers, as specified by Order of the Ministry of Economy, Trade and Industry:

- (i) gas retailer: an employee who satisfies the requirements specified by Order

- of the Ministry of Economy, Trade and Industry as one who plays an important role in the operations of the gas retail business;
- (ii) gas manufacturer: an employee who satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one who plays an important role in the operations of the gas manufacturing business; and
  - (iii) a service provider that satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as referred to in the main clause of Article 80-4, paragraph (1); an employee who satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as one who plays an important role in the business management operations of the gas retailer or gas manufacturer whose management is found to be under effective control of the service provider.
- (2) If a specified related service provider of a special specified gas pipeline service provider violates the preceding paragraph, the Minister of Economy, Trade and Industry may order the specified related service provider of the special specified gas pipeline service provider to take necessary measures to rectify the violation.

(Prohibited Acts for a Specified Related Service Provider of a Special Specified Gas Pipeline Service Provider)

Article 80-7 (1) A specified related service provider of a Special Specified Gas Pipeline Service Provider must not conduct any of the following acts:

- (i) demanding that the special specified gas pipeline service provider conduct any of the acts set forth in the items of Article 80, paragraph (1) or the main clause of paragraph (1), the main clause of paragraph (2), or the main clause of paragraph (3) of Article 80-5, or requesting the service provider to conduct any of these acts; and
  - (ii) beyond what is set forth in the preceding item, conducting an act specified by Order of the Ministry of Economy, Trade and Industry as an act that impairs the proper competitive relationship among gas supply service providers.
- (2) If the Minister of Economy, Trade and Industry finds that a specified related service provider of a special specified gas pipeline service provider has committed an act in violation of the preceding paragraph, the minister may order the specified related service provider of the special specified gas pipeline service provider to discontinue or correct that act.

(Development of Systems for Ensuring Proper Competitive Relationship Among Gas Supply Service Providers)

Article 80-8 (1) A specified gas pipeline service provider must develop systems for the proper management of information that it has become aware of in

connection with a transportation service and any other information concerning the service of its specified gas pipeline service business and for the appropriate monitoring of the implementation status of the transportation service, and take other necessary measures to ensure the proper competitive relationship among gas supply service providers, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

- (2) A specified gas pipeline service provider, every year, must report the measures it has taken pursuant to the preceding paragraph, to the Minister of Economy, Trade and Industry, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Supply Plan)

Article 81 (1) A specified gas pipeline service provider, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, in each business year, must prepare a supply plan for a period from the business year as specified by Order of the Ministry of Economy, Trade and Industry, and notify the Minister of Economy, Trade and Industry of the plan prior to the start of the business year (or without delay after becoming a specified gas pipeline service provider with regard to the business year that contains the date on which it became a specified gas pipeline service provider).

- (2) A specified gas pipeline service provider, when having revised the supply plan, must notify the Minister of Economy, Trade and Industry of the revised particulars without delay.

- (3) A specified gas pipeline service provider, when having given notification pursuant to paragraph (1), must make the particulars in the supply plan public which are specified by Order of the Ministry of Economy, Trade and Industry. The same applies when a specified gas pipeline service provider has given notification pursuant to the preceding paragraph.

- (4) If the Minister of Economy, Trade and Industry finds it particularly necessary to revise the supply plan in order to promote public interest, the minister may recommend that the specified gas pipeline service provider should revise the supply plan.

- (5) If the Minister of Economy, Trade and Industry finds that the failure of a specified gas pipeline service provider to implement its supply plan hinders the promotion of public interest, the minister may recommend that the specified gas pipeline service provider to implement the supply plan without fail.

(Business Improvement Orders)

Article 82 If a specified gas pipeline service provider fails to make the necessary repairs or take other measures immediately to eliminate any stoppage to the gas supply due to an accident, or if the Minister of Economy, Trade and

Industry finds that the inappropriate management of specified gas pipeline service business hinders or is likely to hinder the protection of interests of gas users or the sound development of gas business, the minister may order the specified gas pipeline service provider to take necessary measures to improve the management of its specified gas pipeline service business to the extent necessary to secure the interests of gas users or the public interest.

### **Subsection 3 Accounting**

Article 83 (1) A specified gas pipeline service provider, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must keep accounts by establishing its business year and classification of items of accounts, as well as forms of balance sheets, profit and loss statements and other statements on finance and accounting.

(2) A specified gas pipeline service provider, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must submit statements on finance and accounting prescribed in the preceding paragraph to the Minister of Economy, Trade and Industry after the end of each business year.

### **Subsection 4 Application Mutatis Mutandis of Provisions Concerning Gas Facilities**

Article 84 (1) The provisions of Article 61, Articles 64 through 69, and Article 71 apply mutatis mutandis to a specified gas pipeline service provider.

(2) The provisions of Article 62 apply mutatis mutandis to the owner or possessor of the gas facilities to be used for specified gas pipeline service business, other than those owned or possessed by a specified gas pipeline service provider.

### **Section 3 Duty to Make an Effort for Connecting Pipelines**

Article 85 (1) A general gas pipeline service provider and a specified gas pipeline service provider (hereinafter referred to as "gas pipeline service provider" in this Article) must make an effort to cooperate with other gas pipeline service providers in connecting the pipelines maintained and operated thereby to the pipelines maintained and operated by the other gas pipeline service provider and taking any other measures specified by Order of the Ministry of Economy, Trade and Industry for promoting the interests of gas users and the sound development of gas business.

(2) If a gas pipeline service provider seeks a consultation with another gas pipeline service provider on the connection of pipelines, the other gas pipeline service provider must agree to hold a consultation except when the connection

of pipelines is likely to seriously hinder the functions of the pipelines maintained and operated by the other gas pipeline service provider or when there are other justifiable grounds not to do so.

- (3) If, between gas pipeline service providers, one of them seeks a consultation on the connection of pipelines but the other refuses to hold a consultation or they fail to reach an agreement through consultation, the Minister of Economy, Trade and Industry, upon petition of the consultation-seeking gas pipeline service provider, may order the other gas pipeline service provider to commence or resume the consultation except when the connection of pipelines is likely to seriously hinder the functions of the pipelines maintained and operated by the other gas pipeline service provider or when it is found that there are other justifiable grounds not to do so.
- (4) When an order has been issued pursuant to the preceding paragraph, but the gas pipeline service providers fail to reach an agreement through consultation on the amount payable or receivable by the respective parties and other conditions for the connection of pipelines between them, each party may apply for a ruling by the Minister of Economy, Trade and Industry; provided, however, that this does not apply after either party has applied for arbitration under Article 107, paragraph (3).
- (5) The Minister of Economy, Trade and Industry, when having received an application for ruling filed under the preceding paragraph, must notify the other party to that effect and provide that party with the opportunity to submit a written answer within a designated period.
- (6) The Minister of Economy, Trade and Industry, when having issued a ruling pursuant to paragraph (4), must notify the parties concerned to that effect without delay.
- (7) Either party that is dissatisfied with the amount payable or receivable by that party or the other party as determined by a ruling issued under paragraph (4), within six months from the day when the party is notified of the ruling, may file a suit to request an increase or decrease of the amount.
- (8) The suit set forth in the preceding paragraph is filed against the other party.
- (9) A request for review of a ruling issued under paragraph (4) may not be filed by reason of dissatisfaction with the amount payable or receivable by either party.

## **Chapter IV Gas Manufacturing Business**

### **Section 1 Notification of Business**

(Notification of Business)

Article 86 (1) A person who intends to conduct gas manufacturing business must notify the Minister of Economy, Trade and Industry of the following particulars

pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry:

- (i) the name and address of the person, as well as the name of the representative if the person is a corporation;
  - (ii) the name and location of the principal business office and any other business office;
  - (iii) the following particulars concerning gas facilities to be used for the gas manufacturing business:
    - (a) regarding liquefied gas storage facilities, the site where they are to be installed, and the type and capacity of them; and
    - (b) regarding gas generating facilities and gas holders, the site where they are to be installed, the type, and number of them by capacity;
  - (iv) the scheduled date of commencement of the business; and
  - (v) other particulars specified by Order of the Ministry of Economy, Trade and Industry.
- (2) The notification given under the preceding paragraph must be accompanied by documents specified by Order of the Ministry of Economy, Trade and Industry.
- (3) When there has been a change to the particulars to which the notification given pursuant to paragraph (1) pertained, a gas manufacturer must notify the Minister of Economy, Trade and Industry to that effect without delay pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Succession)

Article 87 (1) In the event of a transfer of the whole of a gas manufacturing business, or the inheritance, merger or split of a gas manufacturer (limited, however, to those resulting in the taking over of the whole of the gas manufacturing business), the transferee of the whole of the gas manufacturing business, the heir, the corporation surviving after the merger or the corporation newly established upon the merger, or the corporation who has taken over the whole of the gas manufacturing business upon a split succeeds to the status of the gas manufacturer.

- (2) A person who has succeeded to the status of a gas manufacturer pursuant to the preceding paragraph must notify the Minister of Economy, Trade and Industry to that effect without delay.

(Suspension and Discontinuation of Business, and Dissolution of Corporations)

Article 88 (1) If a gas manufacturer intends to suspend or discontinue its business, it must notify the Minister of Economy, Trade and Industry to that effect in advance pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.



- (2) When a corporation acting as a gas manufacturer is dissolved for reasons other than a merger, its liquidator (or its bankruptcy trustee if the dissolution is based on an order of commencement of bankruptcy proceedings) must notify the Minister of Economy, Trade and Industry to that effect without delay.

## **Section 2 Services**

(General Provisions for Contract Gas Manufacturing)

Article 89 (1) A gas manufacturer, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must formulate general provisions for gas manufacturing to set rates and other supply conditions for contract gas manufacturing (which means manufacturing of gas for another person, which is conducted upon commission from the other person and using the liquefied gas storage facilities, etc. maintained and operated by the gas manufacturer and the liquefied gas supplied by the other person as raw materials; the same applies hereinafter), and notify the Minister of Economy, Trade and Industry of the general provisions pursuant to the provisions of Order of Ministry of Economy, Trade and Industry. The same applies when the gas manufacturer intends to revise the general provisions.

- (2) A gas manufacturer must not conduct contract gas manufacturing under conditions other than those set out in the general provisions for contract gas manufacturing for which notification was given pursuant to the preceding paragraph; provided, however, that this does not apply when there are special circumstances that make it difficult for the gas manufacturer to conduct contract gas manufacturing under the general provisions for contract gas manufacturing, and the gas manufacturer conducts contract gas manufacturing at rates and other supply conditions approved by the Minister of Economy, Trade and Industry.
- (3) If the Minister of Economy, Trade and Industry finds that the general provisions for contract gas manufacturing fail to fall under any of the following items, the minister may order the gas manufacture to revise the general provisions for contract gas manufacturing, within a reasonable time limit set by the minister:
- (i) it is unlikely that the recipients of the contract gas manufacturing service under the general provisions for contract gas manufacturing to which the notification given under paragraph (1) pertained would experience any serious difficulty in receiving the service;
  - (ii) the method of calculation of rates is specified properly and clearly; and
  - (iii) no specific persons are treated in an unfair and discriminatory manner.
- (4) A gas manufacturer, when having given notification pursuant to paragraph (1), must make public the general provisions for contract gas manufacturing

pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

- (5) When a gas manufacturer has refused to conduct contract gas manufacturing without justifiable grounds, the Minister of Economy, Trade and Industry may order the gas manufacturer to conduct contract gas manufacturing.

(Obligation to Make the Capacity of Liquefied Gas Storage Facilities Public)

Article 90 (1) A gas manufacturer, pursuant to the provisions of Order of Ministry of Economy, Trade and Industry, must make public the capacity of the liquefied gas storage facilities maintained and operated by the gas manufacturer, the estimated quantity of the gas manufacturer's liquefied gas stored by the gas manufacturer, the type and capability of gas generating facilities, and other particulars specified by Order of the Ministry of Economy, Trade and Industry.

- (2) A gas manufacturer, when having changed the particulars published under the preceding paragraph, must make the change to the particulars public; provided, however, that this does not apply to any minor change specified by Order of the Ministry of Economy, Trade and Industry.

(Obligation to Measure Calorific Value)

Article 91 A gas manufacturer, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must measure the calorific value, pressure and combustibility of the gas that the gas manufacturer manufactures, record the values measured, and preserve these records.

(Prohibited Acts)

Article 92 (1) A gas manufacturer must not conduct any of the following acts:

- (i) use by itself or provide another person with information concerning other persons who receive the contract gas manufacturing service (including other persons who intend to receive the contract gas manufacturing service) and gas users, which the gas manufacturer has become aware of in the course of providing contract gas manufacturing service, for purposes other than using the information for that service; and
  - (ii) in the course of providing contract gas manufacturing service, apply unreasonably preferential treatment or give benefit or apply unreasonably disadvantageous treatment or create a disadvantage to any particular person.
- (2) If the Minister of Economy, Trade and Industry finds that a gas manufacturer has committed an act in violation of the preceding paragraph, the minister may order that gas manufacturer to discontinue or correct that act.

(Manufacturing Plan)

Article 93 (1) A gas manufacturer must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, prepare in each business year a plan on the manufacturing of gas and the installation and operation of gas facilities (hereinafter referred to as a "manufacturing plan" in this Article) for a period from the business year as specified by Order of the Ministry of Economy, Trade and Industry, and notify the Minister of Economy, Trade and Industry of the plan prior to the start of the business year (or without delay after becoming a gas manufacturer with regard to the business year that contains the date on which it became a gas manufacturer).

(2) A gas manufacturer, when having revised the manufacturing plan, must notify the Minister of Economy, Trade and Industry of the revised particulars without delay.

(3) If the Minister of Economy, Trade and Industry finds it particularly necessary to revise the manufacturing plan in order to promote public interest, the minister may recommend that the gas retailer should revise the manufacturing plan.

(4) If the Minister of Economy, Trade and Industry finds that the failure of a gas manufacturer to implement its manufacturing plan hinders the promotion of public interest, the minister may recommend that the gas manufacturer implement the manufacturing plan without fail.

(Order for Business Improvement)

Article 94 When a gas manufacturer fails to make the necessary repairs or take other measures immediately to eliminate any stoppage to the gas supply arising from an accident, or when the Minister of Economy, Trade and Industry finds that the inappropriate management of gas manufacturing business hinders or is likely to hinder the protection of interests of gas users or the sound development of gas business, the minister may order the gas manufacturer to take necessary measures to improve the management of its gas manufacturing business to the extent necessary to secure the interests of gas users or the public interest.

### **Section 3 Accounting**

Article 95 (1) A gas manufacturer must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, keep accounts by establishing its business year and classification of items of accounts, as well as forms of balance sheets, profit and loss statements and other statements on finance and accounting.

(2) A gas manufacturer, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must submit statements on finance and

accounting prescribed in the preceding paragraph to the Minister of Economy, Trade and Industry after the end of each business year.

## **Section 4 Gas Facilities**

### **Subsection 1 Conformity to Technical Standards**

Article 96 (1) A gas manufacturer must maintain gas facilities to be used for gas manufacturing business to ensure that they conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry.

(2) If the Minister of Economy, Trade and Industry finds that gas facilities to be used for gas manufacturing business do not conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under the preceding paragraph, the minister may order the gas manufacturer to repair, alter or relocate the gas facilities to ensure conformity to the technical standards, or order the gas manufacturer to suspend the use of them, or restrict the gas manufacturer from using them.

(3) If the Minister of Economy, Trade and Industry finds it urgently necessary in order to maintain public safety or prevent the occurrence of a disaster, the minister may order a gas manufacturer to relocate its gas facilities or suspend the use of them, restrict the gas manufacturer from using them, or order the gas manufacturer to dispose of the gas contained in the gas facilities.

### **Subsection 2 Independent Safety Measures**

(Safety Regulations)

Article 97 (1) A gas manufacturer, in order to ensure safety of the construction, maintenance and operation of the gas facilities to be used for gas manufacturing business, must establish safety regulations pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, and notify the Minister of Economy, Trade and Industry of the regulations before the commencement of the business (in the case of facilities requiring self-inspection set forth in Article 102, paragraph (1), before the commencement of the construction of the facilities).

(2) A gas manufacturer, when having revised the safety regulations, must notify the Minister of Economy, Trade and Industry of the revised particulars without delay.

(3) If the Minister of Economy, Trade and Industry finds it necessary in order to ensure safety of the construction, maintenance, and operation of gas facilities to be used for gas manufacturing business, the minister may order the gas manufacturer to revise safety regulations.

(4) A gas manufacturer and employees thereof must observe the safety

regulations.

(Chief Gas Engineer)

Article 98 (1) A gas manufacturer, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must appoint one or more chief gas engineers from among persons who have a chief gas engineer's license and have work experience specified by Order of the Ministry of Economy, Trade and Industry, in order to have them supervise the safety of the construction, maintenance, and operation of the gas facilities to be used for gas manufacturing business.

(2) A gas manufacturer, when having appointed a chief gas engineer pursuant to the preceding paragraph, must notify the Minister of Economy, Trade and Industry to that effect without delay. The same applies when a gas manufacturer has dismissed the chief gas engineer.

(Duties of Chief Gas Engineers)

Article 99 (1) Chief gas engineers must perform their duties in good faith.

(2) People who are engaged in the construction, maintenance or operation of gas facilities used for gas manufacturing business must follow the instructions given by the chief gas engineer to ensure safety.

(Order of Dismissal of Chief Gas Engineers)

Article 100 When a chief gas engineer has violated this Act or any order issued under this Act or any disposition made thereunder or when the Minister of Economy, Trade and Industry finds that it would adversely affect the safety of the construction, maintenance and operation of gas facilities used for gas manufacturing business to have the chief gas engineer perform their duties, the minister may order the gas manufacturer to dismiss the chief gas engineer.

### **Subsection 3 Construction Plans and Inspections**

(Construction Plans)

Article 101 (1) If a gas manufacturer intends to implement a construction project to install or modify gas facilities to be used for gas manufacturing business and the construction project has been specified by Order of the Ministry of Economy, Trade and Industry, it must notify the Minister of Economy, Trade and Industry of a plan for the construction project; provided, however, that this does not apply to any unavoidable temporary work to be implemented in the event of loss of or damage to gas facilities or in the event of a disaster or other emergency.

(2) If a gas manufacture intends to revise the construction plan for which

notification was given pursuant to the preceding paragraph, it must notify the Minister of Economy, Trade and Industry to that effect; provided, however, that this does not apply to any minor revision specified by Order of the Ministry of Economy, Trade and Industry.

- (3) The person that has given notification pursuant to either of the preceding two paragraphs must not commence the construction project to which the notification pertained until 30 days have elapsed from the day when the notification was received.
- (4) If the Minister of Economy, Trade and Industry finds that the construction plan for which notification was given pursuant to paragraph (1) or paragraph (2) conforms to the following items, the minister may shorten the period prescribed in the preceding paragraph:
  - (i) the gas facilities conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 96, paragraph (1); and
  - (ii) the gas facilities are technically adequate for assuring the smooth supply of gas.
- (5) If the Minister of Economy, Trade and Industry finds that the construction plan for which notification was given pursuant to paragraph (1) or paragraph (2) fails to conform to the items of the preceding paragraph, the minister, within 30 days from the day when the notification is received, may order the gas manufacturer to revise or discontinue the construction plan.
- (6) If, with respect to a construction plan for which notification was given pursuant to paragraph (1) or paragraph (2), it seems impossible to determine whether or not the gas facilities pertaining to the construction plan conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 96, paragraph (1) without inspecting the construction process, and it is necessary in order to determine conformity to the technical standards, the Minister of Economy, Trade and Industry may order that the construction process should be inspected by a person registered by the minister under paragraph (1) of the following Article. In this case, the minister within the period prescribed in the preceding paragraph, must notify the gas manufacturer that has given notification pursuant to paragraph (1) or paragraph (2) to that effect with the reasons therefor.
- (7) In the case referred to in the proviso to paragraph (1), the gas manufacturer must, after having commenced the construction project, notify the Minister of Economy, Trade and Industry to that effect without delay.
- (8) In the case referred to in the proviso to paragraph (2), the gas manufacturer,, after having revised the construction plan, must notify the Minister of Economy, Trade and Industry of the revised construction plan without delay; provided, however, that this does not apply to any cases specified by Order of

the Ministry of Economy, Trade and Industry.

(Pre-use Inspection)

Article 102 (1) A gas manufacturer must not use gas facilities to be installed or modified by giving notification pursuant to paragraph (1) or paragraph (2) of the preceding Article (when an order has been issued with respect to the construction plan for gas facilities pursuant to paragraph (5) of that Article, but notification has not yet been given pursuant to paragraph (1) or paragraph (2) of the Article, these facilities are excluded), which are specified by Order of the Ministry of Economy, Trade and Industry, unless and until the gas manufacturer conducts a self-inspection of the facilities and then undergoes and passes an inspection conducted by a person registered by the Minister of Economy, Trade and Industry pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry to confirm that the results of the self-inspection conform to the items of the following paragraph (including an inspection of the construction process as ordered under paragraph (6) of the Article); provided, however, that this does not apply to any cases specified by Order of the Ministry of Economy, Trade and Industry.

(2) A person registered by the Minister of Economy, Trade and Industry conducts the inspection provided for in the preceding paragraph and awards a passing grade to gas facilities that conform to all of the following items:

(i) the construction project for the facilities has been implemented according to the construction plan for which notification was given pursuant to paragraph (1) or paragraph (2) of the preceding Article (including the plan following any minor revision specified by Order of the Ministry of Economy, Trade and Industry under the proviso to the paragraph); and

(ii) the facilities conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 96, paragraph (1).

(3) A gas manufacturer, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must prepare records of a self-inspection conducted under paragraph (1), and preserve these records.

Article 103 (1) When a person registered by the Minister of Economy, Trade and Industry as set forth in paragraph (1) of the preceding Article has conducted the inspection under the paragraph with respect to the gas facilities prescribed in the paragraph and finds it unavoidable, that person may regard the gas facilities as having provisionally passed the inspection, designating the period and method of use thereof. In this case, the person registered by the Minister of Economy, Trade and Industry as set forth in the paragraph must obtain approval from the minister in advance.

(2) Notwithstanding the provisions of paragraph (1) of the preceding Article, gas

facilities regarded as having provisionally passed the inspection pursuant to the preceding paragraph may be used within the period designated under the preceding paragraph by the method designated under the paragraph.

(Periodic Self-Inspection)

Article 104 A gas manufacture, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must conduct a self-inspection periodically with respect to the gas facilities to be used for gas manufacturing business, which are specified by Order of the Ministry of Economy, Trade and Industry, prepare records of the inspection, and preserve these records.

## **Chapter V Business of Supplying Gas Other Than Gas Business**

(Application Mutatis Mutandis of Provisions Concerning Gas Facilities to Persons Conducting Business of Supplying Gas Other Than Gas Business)

Article 105 The provisions of Article 21, paragraph (1) and paragraph (2), Article 25, Article 30, paragraph (2), Article 31, and Article 32 (excluding paragraph (6)) apply mutatis mutandis to persons who, pursuant to Cabinet Order provisions, conduct the business of supplying gas other than gas business, or business that uses the gas manufactured by that person (excluding, however, business subject to the Mine Safety Act (Act No. 70 of 1949), the High Pressure Gas Safety Act (Act No. 204 of 1951), the Electricity Business Act (Act No. 170 of 1964) or the Act on the Securing of Safety and the Optimization of Transaction of Liquefied Petroleum Gas (Act No. 149 of 1967; hereinafter referred to as the "Liquefied Petroleum Gas Act")) (such a person is hereinafter referred to as a "non-standard gas company"). In this case, the phrase "the following items" in Article 36-2, paragraph (4) is deemed to be replaced with "item (i)," and the phrase "the items of the preceding paragraph" in Article 36-2, paragraph (5) is deemed to be replaced with "item (i) of the preceding paragraph."

(Notification of Commencement of Business)

Article 106 A non-standard gas company must, when having commenced or discontinued its business, notify the Minister of Economy, Trade and Industry to that effect without delay.

## **Chapter VI Mediation and Arbitration**

(Mediation and Arbitration by Surveillance Commission for Electricity and Gas)

Article 107 (1) Between a gas supplier and a person engaged in the business of



supplying a gas supplier (excluding a gas manufacturer) with gas to be used for its gas business (referred to as a "gas supplier, etc." in paragraph (3)), if one of them offers to conclude an agreement or any other arrangement relating to a transaction of gas as specified by Cabinet Order (hereinafter referred to as an "agreement, etc." in this Article) but the other refuses to hold a consultation or they fail to reach an agreement through consultation, or the parties fail to reach an agreement on the amount payable or receivable by the respective parties, conditions or other details concerning the conclusion of an agreement, etc., each party may apply for mediation by the Electricity and Gas Market Surveillance Commission (hereinafter referred to as the "commission" in this Article); provided, however, that this does not apply after either party has applied for a ruling under Article 85, paragraph (4) or arbitration under paragraph (3).

- (2) The provisions of Article 35, paragraphs (2) through (6) of the Electricity Business Act apply mutatis mutandis to the mediation set forth in the preceding paragraph. In this case, the phrase "paragraph (3) of the following Article" in paragraph (3) of that Article is deemed to be replaced with "paragraph (3) of the following Article as applied mutatis mutandis pursuant to Article 107, paragraph (4) of the Gas Business Act (Act No. 51 of 1954)," and the phrase "apply for a ruling under Article 25, paragraph (2) (including cases of application mutatis mutandis pursuant to Article 32) or arbitration under paragraph (1) of the following Article" is deemed to be replaced with "apply for a ruling under Article 85, paragraph (4) of the Gas Business Act or arbitration under Article 107, paragraph (3)."
- (3) If gas suppliers, etc. fail to reach an agreement through consultation on the amount payable or receivable by the respective parties, conditions or other details concerning the conclusion of an agreement, etc., the parties may apply for arbitration by the commission; provided, however, that this does not apply after either party has applied for a ruling under Article 85, paragraph (4).
- (4) The provisions of Article 36, paragraphs (2) through (4) of the Electricity Business Act apply mutatis mutandis to the arbitration set forth in the preceding paragraph.
- (5) An application for mediation or arbitration by the commission under paragraph (1) or paragraph (3) must be filed via the Minister of Economy, Trade and Industry.

(Delegation to Cabinet Order)

Article 108 Beyond what is provided for in the preceding Article, any necessary particulars concerning the procedures for mediation and arbitration are specified by Order of the Ministry of Economy, Trade and Industry.

**Chapter VII Designated Examining Body and Registered Gas Facilities  
Inspection Body  
Section 1 Designated Examining Body**

(Designation)

Article 109 (1) The designation set forth in Article 29, paragraph (3) is made pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry upon application by a person who intends to administer the affairs concerning an examination for a chief gas engineer's license (hereinafter referred to as "examination affairs").

(2) Upon having made the designation under Article 29, paragraph (3), the Minister of Economy, Trade and Industry may not administer examination affairs.

(Disqualification)

Article 110 A person who falls under any of the following items may not be designated under Article 29, paragraph (3):

- (i) a person who was sentenced to a fine or severer punishment for violation of this Act or any order issued under this Act or any disposition made thereunder, when a two-year period has not elapsed since the person completed the sentence or ceased to be subject to the sentence;
- (ii) a person whose designation was revoked pursuant to Article 120, paragraph (2), when a two-year period has not elapsed since the date of rescission; or
- (iii) a person, any of whose officers in charge of its business, falls under any of the following conditions:
  - (a) a person who falls under item (i); or
  - (b) a person who was dismissed by an order under Article 116, when a two-year period has not elapsed since the date of dismissal.

(Standards for Designation)

Article 111 The Minister of Economy, Trade and Industry must not make the designation under Article 29, paragraph (3) unless no other person has been designated under the paragraph and the minister finds that the application for designation filed under the paragraph conforms to the following items:

- (i) the applicant's plan for the administration of the examination affairs, which covers personnel, equipment, methods of administering the examination affairs and other particulars, is appropriate for the proper administration of the examination affairs;
- (ii) the applicant has sufficient financial basis and technical capability to properly implement the plan for the administration of the examination affairs set forth in the preceding item;

- (iii) the applicant is a general incorporated association or general incorporated foundation; and
- (iv) if the applicant is engaged in services other than examination affairs, there is no risk that the applicant will fail to administer fairly the examination affairs by performing other such services.

(Rules for Administration of Examination Affairs)

Article 112 (1) A person who has been designated under Article 29, paragraph (3) (hereinafter referred to as a "designated examining body") must formulate rules concerning the administration of examination affairs (hereinafter referred to as the "rules for administration of examination affairs"), and obtain authorization for the rules from the Minister of Economy, Trade and Industry. The same applies when a designated examining body intends to revise the rules.

- (2) The particulars to be provided for by rules for administration of examination affairs are specified by Order of the Ministry of Economy, Trade and Industry.
- (3) If the Minister of Economy, Trade and Industry finds that the rules for administration of examination affairs authorized under paragraph (1) have become inappropriate for the fair administration of examination affairs, the minister may order the designated examining body to revise the rules for administration of examination affairs.

(Suspension and Discontinuation of Examination Affairs)

Article 113 Designated examining bodies must not suspend nor discontinue the whole or a part of the examination affairs unless permitted to do so by the Minister of Economy, Trade and Industry.

(Business Plans)

Article 114 (1) A designated examining body, prior to the beginning of each business year (or without delay after designation under Article 29, paragraph (3) in the case of a business year that contains the date of designation), must prepare a business plan and income and expenditure budget for the business year, and obtain their authorization from the Minister of Economy, Trade and Industry. The same applies when a designated examining body intends to revise them.

- (2) A designated examining body, within three months after the end of each business year, must prepare a business report and income and expenditure statement, and submit them to the Minister of Economy, Trade and Industry.

(Appointment and Dismissal of Officers)

Article 115 The appointment and dismissal of an officer of a designated

examining body are not effective unless authorized by the Minister of Economy, Trade and Industry.

(Order of Dismissal of Officers)

Article 116 When any officer of a designated examining body has violated this Act or any order issued under this Act or the rules for administration of examination affairs or committed any unsuitable act in connection with the examination affairs, the Minister of Economy, Trade and Industry may order the designated examining body to dismiss the officer.

(Examiners)

Article 117 (1) A designated examining body, when administering the examination affairs, must have its examiners administer affairs in determining whether or not an applicant for a chief gas engineer's license has the necessary knowledge and skills as a chief gas engineer.

(2) A designated examining body must appoint examiners from among persons who satisfy the requirements specified by Order of the Ministry of Economy, Trade and Industry.

(3) A designated examining body, when having appointed examiners, must notify the Minister of Economy, Trade and Industry to that effect pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry. The same applies when any examiner has been replaced.

(4) The provisions of the preceding Article apply mutatis mutandis to examiners.

(Obligation of Confidentiality)

Article 118 (1) Current or former officers or employees (including examiners; the same applies in the following paragraph) of a designated examining body must not disclose confidential information that they have become aware of in the course of administering the examination affairs.

(2) With regard to the application of the Penal Code (Act No. 45 of 1907) and other penal provisions, officers or employees of a designated examining body who are engaged in examination affairs are to be regarded as personnel engaged in public services under laws and regulations.

(Orders for Conformity)

Article 119 (1) If the Minister of Economy, Trade and Industry finds that a designated examining body has ceased to conform to any of the items of Article 111 (excluding item (iii); hereinafter the same applies in this paragraph), the minister may order the designated examining body to take any necessary measures to ensure conformity to the provisions of the items.

(2) Beyond what is provided for in the preceding paragraph, if the Minister of

Economy, Trade and Industry finds it necessary for the enforcement of this Act, the minister may issue to a designated examining body an order necessary for the supervision of examination affairs.

(Rescission of Designation)

Article 120 (1) When a designated examining body has ceased to conform to Article 111, item (iii), the Minister of Economy, Trade and Industry must revoke the designation made under Article 29, paragraph (3).

(2) If a designated examining body falls under any of the following items, the Minister of Economy, Trade and Industry may revoke the designation made under Article 29, paragraph (3), or order the designated examining body to suspend the whole or a part of the examination affairs within a specified period:

(i) if the designated examining body has violated the provisions of this Section;

(ii) if the designated examining body now falls under Article 110, item (i) or item (iii);

(iii) when the designated examining body has not administered the examination affairs in accordance with the rules for administration of examination affairs authorized under Article 112, paragraph (1);

(iv) when the designated examining body has violated an order issued under Article 112, paragraph (3), Article 116 (including cases of application *mutatis mutandis* pursuant to Article 117, paragraph (4)), or paragraph (1) or paragraph (2) of the preceding Article; or

(v) when the designated examining body has been designated under Article 29, paragraph (3) by wrongful means.

(Bookkeeping)

Article 121 A designated examining body, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must keep books, state in the books the particulars concerning the examination affairs specified by Order of the Ministry of Economy, Trade and Industry, and preserve these books.

(Examination Conducted by the Minister of Economy, Trade and Industry)

Article 122 (1) The Minister of Economy, Trade and Industry may administer the whole or a part of the examination affairs of a designated examining body if: the designated examining body has suspended the whole or a part of the examination affairs with permission granted under Article 113; the minister has ordered the designated examining body to suspend the whole or a part of the examination affairs pursuant to Article 120, paragraph (2); or the minister finds it necessary to do so because it has become difficult for the designated examining body to administer the whole or a part of the examination affairs as

a result of a natural disaster or otherwise.

- (2) If the Minister of Economy, Trade and Industry administers the whole or a part of the examination affairs pursuant to the preceding paragraph, a designated examining body discontinues the whole or a part of the examination affairs with permission granted under Article 113, or the Minister of Economy, Trade and Industry has revoked the designation of a designated examining body pursuant to Article 120, the transfer of the examination affairs and other necessary particulars are specified by Order of the Ministry of Economy, Trade and Industry.

## **Section 2 Registered Gas Facilities Inspection Body**

(Registration)

Article 123 The registration set forth in Article 33, paragraph (1), Article 69, paragraph (1) (including cases of application *mutatis mutandis* pursuant to Article 84, paragraph (1); hereinafter the same applies in this Section), or Article 102, paragraph (1) is made, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, upon application by a person who intends to conduct an inspection set forth in Article 33, paragraph (1), Article 69, paragraph (1) or Article 102, paragraph (1) (hereinafter simply referred to as an "inspection") for the respective inspection categories as follows:

- (i) inspection of specified gas facilities (meaning, among gas facilities, specified gas generating facilities and auxiliary facilities thereof specified by Order of the Ministry of Economy, Trade and Industry; the same applies in the following item and Article 125, paragraph (1), item (i), sub-item (a)); and
- (ii) inspection of gas facilities other than specified gas facilities.

(Disqualification)

Article 124 A person who falls under any of the following items may not be registered under Article 33, paragraph (1), Article 69, paragraph (1) or Article 102, paragraph (1):

- (i) a person who was sentenced to a fine or severer punishment for violation of this Act or any order issued under this Act or any disposition made thereunder, when a two-year period has not elapsed since the person completed the sentence or ceased to be subject to the sentence;
- (ii) a person whose registration was revoked pursuant to Article 134, when a two-year period has not elapsed since the date of rescission; or
- (iii) a corporation, any of whose officers in charge of its business falls under either of the preceding two items.

(Standards for Registration)

Article 125 (1) The Minister of Economy, Trade and Industry must register a person who has applied for registration pursuant to Article 123 (hereinafter referred to as an "applicant for registration" in this paragraph) if that person conforms to all of the following requirements. In this case, necessary procedures for registration are specified by Order of the Ministry of Economy, Trade and Industry:

- (i) inspection is conducted by a person who falls under any of sub-items (a) through (d), and at least two persons are assigned for each inspection category:
  - (a) a person who graduated from a university or college of technology under the School Education Act (Act No. 26 of 1947) after completing a course in chemistry, mechanical engineering or civil engineering or any other course similar thereto (including a person who has completed these courses and completed the first stage of a program at a professional university under the same Act), and has experience of being engaged for at least one year in total in services for construction, maintenance and operation or inspection of gas facilities (excluding, however, specified gas facilities if the application pertains to the inspection category set forth in Article 123, item (ii); hereinafter the same applies in sub-items (b) and (c));
  - (b) a person who graduated from a high school or secondary education school under the School Education Act after completing a course in chemistry, mechanical engineering or civil engineering or any other course similar thereto, and has experience of being engaged for at least two years in total in services for construction, maintenance and operation or inspection of gas facilities;
  - (c) a person who has been engaged for at least three years in total in the services for construction, maintenance and operation or inspection of gas facilities; or
  - (d) a person who has a chief gas engineer's license (limited, however, to class-A chief gas engineer's license if the application pertains to the inspection category set forth in Article 123, item (ii)); and
- (ii) the applicant for registration controlled by a gas supplier falls under none of the following conditions:
  - (a) when the applicant for registration is a stock company, the gas supplier is its parent corporation (as prescribed in Article 879, paragraph (1) of the Companies Act; the same applies hereinafter);
  - (b) when more than half of the officers of the applicant for registration (in the case of a membership company (which means a membership company prescribed in Article 575, paragraph (1) of the Companies Act; the same applies hereinafter), officers in charge of its business) are officers or employees of the gas supplier (including those who have been officers or

- employees of the gas supplier in the past two years); or
- (c) when the applicant for registration (or, in the case of a corporation, its representative officer) is an officer or employee of the gas supplier (or has been an officer or employee of the gas supplier in the past two years).
- (2) The registration set forth in Article 33, paragraph (1), Article 69, paragraph (1) or Article 102, paragraph (1) is made, with the following particulars stated in the registry of the gas facilities inspection bodies:
- (i) the date of registration and registration number;
  - (ii) the name and address of the person registered, as well as the name of the representative if the relevant person is a corporation;
  - (iii) the respective inspection category set forth in Article 123; and
  - (iv) the name and location of the place of business where the registered person conducts an inspection.

#### (Renewal of Registration)

- Article 126 (1) Unless it is renewed at an interval of not less than three years as set by Cabinet Order, the registration set forth in Article 33, paragraph (1), Article 69, paragraph (1) or Article 102, paragraph (1) will cease to be effective upon the expiration of the period.
- (2) The provisions of the preceding three Articles apply mutatis mutandis to the renewal of registration set forth in the preceding paragraph.

#### (Obligation to Conduct Inspections)

- Article 127 (1) Persons registered under Article 33, paragraph (1), Article 69, paragraph (1) or Article 102, paragraph (1) (hereinafter referred to as a "registered gas facilities inspection body") must, without delay, conduct an inspection when requested except when there are justifiable grounds not to do so.
- (2) Registered gas facilities inspection bodies must conduct inspections fairly using methods specified by Order of the Ministry of Economy, Trade and Industry.

#### (Notification of Change of Place of Business)

- Article 128 If a registered gas facilities inspection body intends to change the location of the place of business where an inspection is to be conducted, it must notify the Minister of Economy, Trade and Industry of the change two weeks prior to the day when the change is scheduled.

#### (Operational Rules)

- Article 129 (1) A registered gas facilities inspection body must formulate rules concerning the inspection services (hereinafter referred to as "operational



rules"), and notify the Minister of Economy, Trade and Industry of the rules before commencing the inspection services. The same applies when a registered gas facilities inspection body intends to revise the rules.

- (2) The operational rules must provide for a method for conducting inspections, a method for calculating the fees for inspections, and other particulars specified by an Order of the Ministry of Economy, Trade and Industry.

(Notification of Suspension or Discontinuation of Services)

Article 130 If a registered gas facilities inspection body intends to suspend or discontinue the whole or a part of the inspection services, it must notify the Minister of Economy, Trade and Industry to that effect in advance pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Keeping and Making Available Financial Statements for Inspection)

Article 131 (1) A registered gas facilities inspection body, within three months after the end of each business year, must prepare an inventory of assets, balance sheet, and profit and loss statement or income and expenditure statement, as well as a business report (when these documents are prepared as electronic or magnetic records (meaning records used in computer data processing, which are created in electronic form, magnetic form, or any other form that is impossible to perceive through the human senses alone; hereinafter the same applies in this Article), or electronic or magnetic records are prepared instead of preparing the documents, these electronic or magnetic records are included; these documents are hereinafter referred to as "financial statements, etc.") and keep them in its place of business for five years.

- (2) A gas supplier and other interested persons may, at any time during the business hours of the registered gas facilities inspection body, make any of the following requests to the body; provided, however, that when making a request set forth in item (ii) or item (iv), the gas supplier or interested persons must pay the fee determined by the registered gas facilities inspection body:

(i) if financial statements, etc. are prepared as written documents, a request for inspection or copying of the written documents;

(ii) a request for a transcript or extract of the written documents set forth in the preceding item;

(iii) if financial statements, etc. are prepared as electronic or magnetic records, a request for inspection or copying of the content of the electronic or magnetic records displayed by a means specified by Order of the Ministry of Economy, Trade and Industry; and

(iv) a request for provision of the information contained in the electronic or magnetic records set forth in the preceding item by an electronic or magnetic means specified by Order of the Ministry of Economy, Trade and Industry or

a request for delivery of documents containing the information.

(Orders for Conformity)

Article 132 If the Minister of Economy, Trade and Industry finds that a registered gas facilities inspection body has ceased to conform to any of the items of Article 125, paragraph (1), the minister may order the registered gas facilities inspection body to take any necessary measures to ensure conformity to the provisions of the items.

(Order for Improvement)

Article 133 If the Minister of Economy, Trade and Industry finds that a registered gas facilities inspection body is in violation of Article 127, the minister may order the registered gas facilities inspection body to conduct an inspection or take any other necessary measures to improve the method of inspection or other operational procedures.

(Revocation of Registration)

Article 134 If a registered gas facilities inspection body falls under any of the following items, the Minister of Economy, Trade and Industry may revoke its registration or order the registered gas facilities inspection body to suspend the whole or a part of the inspection services within a specified period:

- (i) when the registered gas facilities inspection body now falls under Article 124, item (i) or item (iii);
- (ii) when the registered gas facilities inspection body has violated Article 127, Article 128, Article 129, paragraph (1), Article 130, Article 131, paragraph (1), or the following Article;
- (iii) when the registered gas facilities inspection body has refused the request made under the items of Article 131, paragraph (2) without justifiable grounds;
- (iv) when the registered gas facilities inspection body has violated an order issued under the preceding two Articles; or
- (v) when the registered gas facilities inspection body has been registered under Article 33, paragraph (1), Article 69, paragraph (1) or Article 120, paragraph (1) by wrongful means.

(Bookkeeping)

Article 135 registered gas facilities inspection bodies, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must keep books, state in the books the particulars concerning inspections specified by Order of the Ministry of Economy, Trade and Industry, and preserve these books.

(Inspection Services Performed by the Minister of Economy, Trade and Industry)

- Article 136 (1) The Minister of Economy, Trade and Industry may perform the whole or a part of the inspection services of a registered gas facilities inspection body if: there is no person registered pursuant to Article 33, paragraph (1), Article 69, paragraph (1) or Article 102, paragraph (1); notification of the suspension or discontinuation of the whole or a part of the inspection services has been given pursuant to Article 130; the minister has, pursuant to Article 134, revoked the registration made under Article 102, paragraph (1) or ordered the registered gas facilities inspection body to suspend or discontinue the whole or a part of the inspection services; it has become difficult for the registered gas facilities inspection body to perform the whole or a part of the inspection services due to a disaster or otherwise; or the minister finds it necessary to do so for any other reasons.
- (2) If the Minister of Economy, Trade and Industry performs the whole or a part of the inspection services pursuant to the preceding paragraph, the transfer of the inspection services and other necessary particulars are specified by Order of the Ministry of Economy, Trade and Industry.

## **Chapter VIII Gas Equipment**

### **Section 1 Definitions**

(Definitions)

- Article 137 (1) The term "gas equipment" as used in this Act means machines, apparatus or materials to be used by general consumers, etc. (which means general consumers, etc. prescribed in Article 2, paragraph (2) of the Liquefied Petroleum Gas Act; hereinafter the same applies) (excluding, however, machines, apparatus or materials prescribed in paragraph (7) of that Article), which are specified by Cabinet Order.
- (2) The term "specified gas equipment" as used in this Act means gas equipment that is deemed to be very likely to cause a gas disaster in light of its structure, condition of use, and status of use, which is specified by Cabinet Order.

### **Section 2 Restrictions on Sale and Labeling**

(Restrictions on Sale)

- Article 138 (1) A person engaged in the business of manufacturing, importing or selling gas equipment must not sell or display for sale any gas equipment other than that labeled as prescribed under Article 147.
- (2) The provisions of the preceding paragraph do not apply when the person set forth in the paragraph falls under the following items:

- (i) when the person has, in order to sell or display for sale gas equipment intended for export, notified the Minister of Economy, Trade and Industry to that effect;
- (ii) when the person has, in order to sell or display for sale gas equipment intended for a specific purpose other than export, obtained approval from the Minister of Economy, Trade and Industry for that purpose;
- (iii) when the person sells or displays for sale the gas equipment to which the notification given under Article 145, paragraph (1), item (i) or the approval granted under item (ii) of the paragraph pertained.

(Restrictions on Labeling)

Article 139 Except when a person who has given notification pursuant to the following Article (hereinafter referred to as a "notifying manufacturer or importer") affixes labels, pursuant to Article 147, to gas equipment categorized by the model to which the notification given under that Article (hereinafter simply referred to as the "model to which notification pertained"), no person may affix labels set forth in the Article or other confusing labels to gas equipment.

### **Section 3 Notification of Business**

(Notification of Business)

Article 140 A person engaged in manufacturing or importing gas equipment may notify the Minister of Economy, Trade and Industry of the following particulars for the respective categories of gas equipment specified by Order of the Ministry of Economy, Trade and Industry:

- (i) the name and address of the person, as well as the name of the representative if the person is a corporation;
- (ii) the respective category of the model of gas equipment specified by Order of the Ministry of Economy, Trade and Industry;
- (iii) the name and location of the factory or workplace where the gas equipment is manufactured (in the case of a person engaged in importing gas equipment, the name and address of the manufacturer of the gas equipment).

(Succession)

Article 141 (1) In the event of a transfer by the notifying manufacturer or importer of the business to which the notification pertained, or inheritance, merger or split of the notifying manufacturer or importer (limited, however, to those resulting in the taking over of the whole of the business to which the notification pertained), the transferee of the whole of the business, the heir (when one particular heir has been selected from among two or more heirs as

the successor to the business by consent of all heirs, the selected heir), the corporation surviving after the merger or the corporation newly established upon the merger, or the corporation who has taken over the whole of the business upon the split succeeds to the status of the Notifying Manufacturer or Importer.

- (2) A person who has succeeded to the status of a notifying manufacturer or importer pursuant to the preceding paragraph must notify the Minister of Economy, Trade and Industry to that effect without delay, with a document proving the fact.

(Notification of Change)

Article 142 When there has been a change to the particulars listed in the items of Article 140, a notifying manufacturer or importer must notify the Minister of Economy, Trade and Industry to that effect without delay; provided, however, that this does not apply to any minor change specified by Order of the Ministry of Economy, Trade and Industry.

(Notification of Discontinuation)

Article 143 A notifying manufacturer or importer must, when having discontinued the business to which the notification pertained, notify the Minister of Economy, Trade and Industry to that effect without delay.

(Provision of Information on Notification Particulars)

Article 144 Any person may request the Minister of Economy, Trade and Industry to provide information on the particulars listed in Article 140, item (i) and item (ii).

(Obligation to Conform to Standards)

Article 145 (1) Notifying manufacturers or importers must, when manufacturing or importing the gas equipment categorized by the model pertaining to notification, ensure that the gas equipment conforms to the technical standards established by Order of the Ministry of Economy, Trade and Industry; provided, however, that this does not apply to the following cases:

- (i) when the notifying manufacturer or importer has, in order to manufacture or import gas equipment intended for export, notified the Minister of Economy, Trade and Industry to that effect;
- (ii) when the notifying manufacturer or importer has, in order to manufacture or import gas equipment intended for a specific purpose other than export, obtained approval from the Minister of Economy, Trade and Industry for that purpose;
- (iii) when the notifying manufacturer or importer manufactures or imports gas

equipment for experimental purposes.

- (2) Notifying manufacturers or importers must, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, inspect the gas equipment prescribed in the preceding paragraph that the notifying manufacturer or importer manufactures or imports (excluding, however, that manufactured or imported pursuant to the proviso to the paragraph), record the inspection results and preserve these records.

(Conformity Inspection of Specified Gas Equipment)

Article 146 (1) Notifying manufacturers or importers must, if the gas equipment prescribed in paragraph (1) of the preceding Article that the notifying manufacturer or importer manufactures or imports (excluding, however, that manufactured or imported pursuant to the proviso to the paragraph) falls into the category of specified gas equipment, before selling the specified gas equipment, undergo an inspection prescribed in the following paragraph by a person registered by the Minister of Economy, Trade and Industry (hereinafter referred to as a "conformity inspection") with respect to the particulars listed in the following items and obtain a certificate set forth in the paragraph, and preserve the certificate; provided, however, that this does not apply when the notifying manufacturer or importer has already obtained and currently holds a certificate set forth in the paragraph pertaining to the particulars listed in item (ii) with respect to specified gas equipment of the same model as that of the specified gas equipment concerned, before the lapse of a period specified by Cabinet Order for the respective category of specified gas equipment from the day when the certificate was issued, or when the notifying manufacturer or importer preserves any instrument specified by Order of the Ministry of Economy, Trade and Industry as being equivalent to the certificate set forth in the paragraph:

- (i) the specified gas equipment concerned;
- (ii) specified gas equipment for experimental purposes and inspection equipment to be used at the factory or workplace of the notifying manufacturer or importer pertaining to the specified gas equipment concerned, and other particulars specified by Order of the Ministry of Economy, Trade and Industry.

- (2) The person registered under the preceding paragraph may inspect the particulars listed in the items of the paragraph by means specified by Order of the Ministry of Economy, Trade and Industry, and if these particulars conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under paragraph (1) of the preceding Article or the standards established by Order of the Ministry of Economy, Trade and Industry with respect to the inspection equipment and other particulars

specified by Order of the Ministry of Economy, Trade and Industry that are listed in item (ii) of the preceding paragraph, the person may issue to the notifying manufacturer or importer a certificate to that effect pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Labeling)

Article 147 With respect to the conformity of the gas equipment categorized by the model pertaining to notification to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 145, paragraph (1), when having performed the obligation prescribed in paragraph (2) of that Article (or the paragraph or paragraph (1) of the preceding Article in the case of specified gas equipment), notifying manufacturers or importers may affix labels to the gas equipment pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Order for Improvement)

Article 148 If the Minister of Economy, Trade and Industry finds that a notifying manufacturer or importer is in violation of Article 145, paragraph (1), the minister may order the notifying manufacturer or importer to take necessary measures to improve methods for manufacturing, importing or inspecting gas equipment or other operational procedures.

(Prohibition of Labeling)

Article 149 In the cases listed in the following items, the Minister of Economy, Trade and Industry may, prohibit a notifying manufacturer or importer from affixing labels under Article 147 to the gas equipment categorized by the model pertaining to notification specified in the respective items, for a specified period not exceeding one year:

- (i) when the gas equipment categorized by the model pertaining to notification that is manufactured or imported by the notifying manufacturer or importer (excluding, however, that manufactured or imported pursuant to the proviso to paragraph (1) of Article 145) does not conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under the paragraph, and the minister finds it particularly necessary to prohibit labeling in order to prevent the occurrence of a disaster: the model pertaining to notification by which the gas equipment that does not conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under the paragraph is categorized;
- (ii) when the notifying manufacturer or importer has violated Article 145, paragraph (2), or Article 146, paragraph (1), with respect to the gas equipment categorized by the model pertaining to notification that is

- manufactured or imported by the notifying manufacturer or importer: the model pertaining to notification by which the gas equipment that pertains to the violation is categorized; and
- (iii) when the notifying manufacturer or importer has violated the preceding Article with respect to the gas equipment categorized by the model pertaining to notification that is manufactured or imported by the notifying manufacturer or importer: the model pertaining to notification by which the gas equipment that pertains to the violation is categorized.

#### **Section 4 Registration of Inspection Bodies**

##### **(Registration)**

- Article 150 (1) The registration set forth in Article 146, paragraph (1) is made, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, for the respective categories of specified gas equipment specified by Order of the Ministry of Economy, Trade and Industry (hereinafter simply referred to as a "specified gas equipment category") upon application by a person who intends to conduct a Conformity Inspection.
- (2) When an application under the preceding paragraph has been filed and the Minister of Economy, Trade and Industry deems it necessary, the minister may have the National Institute of Technology and Evaluation (hereinafter referred to as the "NITE") conduct the necessary investigation regarding whether or not the application conforms to the items of paragraph (1) of the following Article.

##### **(Standards for Registration)**

- Article 151 (1) The Minister of Economy, Trade and Industry must register a person who has applied for registration pursuant to paragraph (1) of the preceding Article (hereinafter referred to as an "applicant for registration" in this paragraph) if that person conforms to all of the following requirements. In this case, necessary procedures for registration must be specified by Order of the Ministry of Economy, Trade and Industry:
- (i) the applicant for registration conforms to the standards for product certification bodies established by the International Organization for Standardization and the International Electrotechnical Commission;
- (ii) the applicant for registration controlled by a notifying manufacturer or importer that manufactures or imports the specified gas equipment subject to a conformity inspection pursuant to Article 146, paragraph (1) (hereinafter referred to as a "manufacturer or importer subject to inspection" in this item, Article 153, paragraph (2), and Article 155, paragraph (2)), falls under none of the following conditions:
- (a) when the applicant for registration is a stock company, the manufacturer



- or importer subject to inspection is its parent corporation;
- (b) when more than half of the officers of the applicant for registration (or, in the case of a membership company, officers in charge of its business) are officers or employees of the manufacturer or importer subject to inspection (including those who have been officers or employees of the manufacturer or importer subject to inspection in the past two years);
  - (c) when the applicant for registration (or, in the case of a corporation, its representative officer) is an officer or employee of the manufacturer or importer subject to inspection (or has been an officer or employee of the manufacturer or importer subject to inspection in the past two years).
- (2) The registration set forth in Article 146, paragraph (1) is made, with the following particulars stated in the registry of gas equipment inspection bodies:
- (i) the date of registration and registration number;
  - (ii) the name and address of the person registered, as well as the name of the representative if the relevant person is a corporation;
  - (iii) the category of the specified gas equipment for which the registered person is to conduct a conformity inspection;
  - (iv) the name and location of the place of business where the registered person is to conduct a conformity inspection.

(Application Mutatis Mutandis)

Article 152 The provisions of Article 124 and Article 126 apply mutatis mutandis to the registration set forth in Article 146, paragraph (1). In this case, the term "Article 134" in Article 124, item (ii) is deemed to be replaced with "Article 134 as applied mutatis mutandis pursuant to Article 153, paragraph (2), or Article 156, paragraph (1)."

## **Section 5 Domestic Registered Gas Equipment Inspection Bodies**

(Obligation to Conduct Conformity Inspections)

- Article 153 (1) A person registered under Article 146, paragraph (1) (limited, however, to persons registered for conducting conformity inspections at a place of business located in Japan; hereinafter referred to as a "domestic registered gas equipment inspection body") must, without delay, conduct a conformity inspection when requested except when there are justifiable grounds not to do so.
- (2) The provisions of Article 127, paragraph (2) and Articles 128 to 135 apply mutatis mutandis to domestic registered gas equipment inspection bodies. In this case, the phrase "conduct inspection...using method specified by Order of the Ministry of Economy, Trade and Industry" in Article 127, paragraph (2) is deemed to be replaced with "conduct conformity inspection...using a method

that conforms to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 145, paragraph (1)," the term "inspection" in Articles 128 to 130 is deemed to be replaced with "conformity inspection," the term "gas supplier" in Article 131, paragraph (2) is deemed to be replaced with "manufacturer or importer subject to inspection," the phrase "the items of paragraph (1) of Article 125" in Article 132 is deemed to be replaced with "the items of paragraph (1) of Article 151," and the phrase "Article 33, paragraph (1), Article 69, paragraph (1) or Article 102, paragraph (1)" in Article 134, item (v) is deemed to be replaced with "Article 146, paragraph (1)."

(Performance of Services for Conformity Inspections by the Minister of Economy, Trade and Industry)

Article 154 (1) The Minister of Economy, Trade and Industry may perform the whole or a part of the services for conformity inspections of a domestic registered gas equipment inspection body if: there is no person registered under Article 146, paragraph (1); notification of the suspension or discontinuation of the whole or a part of the services for conformity inspections has been given pursuant to Article 130 as applied mutatis mutandis pursuant to paragraph (2) of the preceding Article; the minister has, pursuant to Article 134 as applied mutatis mutandis pursuant to paragraph (2) of the preceding Article, revoked the registration made under Article 146, paragraph (1) or ordered the domestic registered gas equipment inspection body to suspend or discontinue the whole or a part of the services for conformity inspections; it has become difficult for the domestic registered gas equipment inspection body to perform the whole or a part of the services for conformity inspections due to a disaster or otherwise; or the minister finds it necessary to do so for any other reason.

(2) If the Minister of Economy, Trade and Industry finds it necessary in the case referred to in the preceding paragraph, the minister may have the NITE perform the whole or a part of the services for conformity inspections.

(3) If the Minister of Economy, Trade and Industry performs the whole or a part of the services for conformity inspections or has the NITE perform the services pursuant to any of the preceding two paragraphs, the transfer of the services for conformity inspections and other necessary particulars are specified by Order of the Ministry of Economy, Trade and Industry.

## **Section 6 Foreign Registered Gas Equipment Inspection Body**

(Obligation to Conduct Conformity Inspections)

Article 155 (1) A person registered under Article 146, paragraph (1) (limited,

however, to persons registered for conducting conformity inspections at a place of business located in a foreign state; hereinafter referred to as a "foreign registered gas equipment inspection body") must, without delay, conduct a conformity inspection when requested except when there are justifiable grounds not to do so.

- (2) The provisions of Article 127, paragraph (2), Articles 128 to 133, and Article 135 apply mutatis mutandis to a foreign registered gas equipment inspection body. In this case, the phrase "conduct an inspection...using a method specified by Order of the Ministry of Economy, Trade and Industry" in Article 127, paragraph (2) is deemed to be replaced with "conduct a conformity inspection...using a method that conforms to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 145, paragraph (1)," the term "inspection" in Articles 128 to 130, Article 133, and Article 135 is deemed to be replaced with "conformity inspection," the term "gas supplier" in Article 131, paragraph (2) is deemed to be replaced with "manufacturer or importer subject to inspection," the phrase "the items of paragraph (1) of Article 125" in Article 132 is deemed to be replaced with "the items of paragraph (1) of Article 151," and the term "order" in Article 132 and Article 133 is deemed to be replaced with "request."

(Revocation of Registration)

Article 156 (1) If a foreign registered gas equipment inspection body falls under any of the following items, the Minister of Economy, Trade and Industry may revoke its registration:

- (i) if the foreign registered gas equipment inspection body now falls under Article 124, item (i) or item (iii) as applied mutatis mutandis pursuant to Article 152;
- (ii) when the foreign registered gas equipment inspection body has violated paragraph (1) of the preceding Article, or violated Article 127, paragraph (2), Article 128, Article 129, paragraph (1), Article 130, Article 131, paragraph (1), or Article 135, all of which are applied mutatis mutandis pursuant to paragraph (2) of the preceding Article;
- (iii) when the foreign registered gas equipment inspection body has refused the request made under the items of paragraph (2) of Article 131 as applied mutatis mutandis pursuant to paragraph (2) of the preceding Article without justifiable grounds;
- (iv) when the foreign registered gas equipment inspection body has not acted as requested under Article 132 or Article 133 as applied mutatis mutandis pursuant to paragraph (2) of the preceding Article;
- (v) when the foreign registered gas equipment inspection body has been registered under Article 146, paragraph (1) by wrongful means;

- (vi) when the Minister of Economy, Trade and Industry has requested the foreign registered gas equipment inspection body to suspend the whole or a part of the services for conformity inspections for a specified period on the grounds that the body falls under any of the preceding items, but the body has not suspended the services as requested;
  - (vii) when the Minister of Economy, Trade and Industry has requested the foreign registered gas equipment inspection body to report its services on the grounds that such report is necessary, but the body has failed to make reports or made false reports;
  - (viii) when the Minister of Economy, Trade and Industry has found it necessary and therefore attempted to have officials of the Ministry of Economy, Trade and Industry conduct inspections regarding the particulars prescribed in Article 172, paragraph (4) at the office or place of business of the foreign registered gas equipment inspection body, but the body has refused, obstructed or evaded the inspection.
  - (ix) when the foreign registered gas equipment inspection body does not bear the expenses prescribed in the following paragraph.
- (2) The expenses required for the inspection set forth in item (viii) of the preceding paragraph (limited, however, to those specified by Cabinet Order) are to be borne by the foreign registered gas equipment inspection body that undergoes the inspection.
- (3) If the Minister of Economy, Trade and Industry finds it necessary, the minister may have the NITE conduct the inspection set forth in paragraph (1), item (viii).
- (4) When the Minister of Economy, Trade and Industry has the NITE conduct inspections pursuant to the preceding paragraph, the minister gives instructions to the NITE with respect to the site subject to the inspection and other necessary particulars.
- (5) The NITE, when having conducted inspections prescribed in paragraph (3) as instructed under the preceding paragraph, must report the inspection results to the Minister of Economy, Trade and Industry.

## **Section 7 Order of Disaster Prevention**

Article 157 If the Minister of Economy, Trade and Industry finds that there seems to be a risk of an occurrence of a gas disaster as a result of any of the causes listed in the following items, which is likely to cause the death of or bodily harm to general consumers, etc., and also finds it particularly necessary in order to prevent the spreading of the disaster, the minister may order the person prescribed in the respective items to collect the gas equipment that the person has sold or manufactured or take other necessary measures to prevent

the spreading of the disaster caused by the gas equipment resulting in the death of or bodily harm to general consumers, etc.:

- (i) the person engaged in manufacturing, importing or selling gas equipment has, in violation of Article 138, paragraph (1), sold gas equipment;
- (ii) a notifying manufacturer or importer has manufactured, imported or sold gas equipment categorized by the model pertaining to notification, which does not conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 145, paragraph (1) (excluding, however, cases in which a notifying manufacturer or importer has manufactured or imported the gas equipment pursuant to the proviso to the paragraph).

## **Chapter IX Miscellaneous Provisions**

(Conditions Attached to Registration)

- Article 158 (1) Conditions may be attached to a registration, registration of change, license or permission, authorization or approval, and the conditions may be changed.
- (2) The conditions set forth in the preceding paragraph are to be limited to the minimum required for promoting public interest or ensuring successful implementation of the particulars concerning the registration, registration of change, license or permission, authorization or approval, and must not impose any unreasonable obligation on the person who is to obtain the registration, registration of change, license or permission or approval.

(Publicity and Investigation of Gas Appliances)

- Article 159 (1) A gas retailer (if a general gas pipeline service provider provides last resort supply, the gas pipeline service provider; hereinafter the same applies in this paragraph to paragraph (3) and paragraph (6)), pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, among persons who use machines or apparatus designed for the consumption of gas (including auxiliary devices; hereinafter referred to as "gas appliances") must make public the particulars necessary for preventing the occurrence of any hazard arising from the use of the gas supplied by the gas retailer.
- (2) A gas retailer, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must investigate whether or not the gas appliances pertaining to the gas that the gas retailer supplies conforms to the technical standards established by Order of the Ministry of Economy, Trade and Industry; provided, however, that this does not apply when the gas retailer is unable to obtain consent for entry into the site where the gas appliances are installed or used from the owner or possessor of the appliances.

- (3) If a gas retailer, as a result of the investigation conducted under the preceding paragraph, finds that the gas appliances do not conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under the paragraph, the gas retailer must, without delay, notify the owner or possessor of the appliances of the measures to be taken to ensure conformity to the technical standards and the possible consequences that might occur if the measures were not taken.
- (4) A gas retailer must notify the general gas pipeline service provider or specified gas pipeline service provider which provides a transportation service for the gas to be used for the gas retail business of the results of the investigation conducted under paragraph (2), pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry; provided, however, that this does not apply if the gas retailer is unable to obtain consent for giving the notification of the investigation results from the owner or possessor of the appliances subject to the investigation.
- (5) If a gas retailer or a general gas pipeline service provider or specified gas pipeline service provider is informed, by the users of the gas that it supplies, that a disaster has occurred or is likely to occur due to the gas, and is requested to take measures to deal with this, it must take the relevant measures promptly. The same applies when a gas supplier or a general gas pipeline service provider or specified gas pipeline service provider becomes aware of the fact independently.
- (6) A gas retailer, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must keep books, state in the books particulars with respect to the services concerning the investigation under paragraph (2) and the notification under paragraph (3) specified by Order of the Ministry of Economy, Trade and Industry, and preserve these books.

(Rules for Safety Services)

- Article 160 (1) A gas retailer, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must formulate rules concerning the services set forth in the preceding Article (these services are hereinafter referred to as "safety services" in this Article, and the rules are hereinafter referred to as "rules for safety services" in this Article), and notify the Minister of Economy, Trade and Industry of the rules before the commencement of the business concerned.
- (2) A gas retailer, when having revised the rules for safety services, must notify the Minister of Economy, Trade and Industry of the revised particulars without delay.
  - (3) If the Minister of Economy, Trade and Industry finds it necessary in order to ensure the proper implementation of safety services, the minister may order

the gas retailer to revise the rules for safety services.

- (4) A gas retailer and employees thereof must observe the rules for safety services.
- (5) The provisions of the preceding paragraphs apply mutatis mutandis to a general gas pipeline service provider and specified gas pipeline service provider.

(Order for Conformity to Standards)

Article 161 If the Minister of Economy, Trade and Industry finds that gas appliances do not conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 159, paragraph (2), the minister may order the owner or possessor to repair, alter or relocate the gas appliances to ensure conformity to the technical standards.

(Obligation to Conform to Standards)

Article 162 A construction project to install or modify gas appliances must be implemented so as to ensure that the gas appliances will conform to the technical standards established by Order of the Ministry of Economy, Trade and Industry under Article 159, paragraph (2).

(Coordination and Cooperation among Gas Suppliers)

Article 163 Gas suppliers must mutually coordinate and cooperate in maintaining public safety or preventing the occurrence of a disaster.

(Fees)

Article 164 (1) All of the following persons must pay a fee determined by Cabinet Order in light of actual costs:

- (i) a person who intends to take an examination for a chief gas engineer's license;
  - (ii) a person who intends to obtain a chief gas engineer's license;
  - (iii) a person who applies for the re-issuance of a chief gas engineer's license;
  - (iv) a person who intends to obtain recognition under Article 26, paragraph (3), item (ii);
  - (v) a person who intends to undergo an inspection conducted by the Minister of Economy, Trade and Industry pursuant to Article 136, paragraph (1);
  - (vi) a person who intends to undergo a conformity inspection conducted by the Minister of Economy, Trade and Industry pursuant to Article 154, paragraph (1), or a conformity inspection conducted by the NITE pursuant to paragraph (2) of that Article.
- (2) The fee paid under the preceding paragraph is regarded as income of the designated examining body when it is paid by the person who intends to obtain a chief gas engineer's license for which the designated examining body

administers licensing affairs as entrusted under Article 28, paragraph (1), or the person who intends to take an examination for a chief gas engineer's license for which the designated examining body administers examination affairs, as income of the NITE when it is paid by the person who intends to undergo an inspection to be conducted by the NITE, or as national revenue when it is paid by other persons.

(Public Notice)

Article 165 In any of the following cases, the Minister of Economy, Trade and Industry must make a public notice of the relevant particulars in the Official Gazette:

- (i) when the minister has made a designation under Article 29, paragraph (3);
- (ii) when the minister has made a registration under Article 33, paragraph (1), Article 69, paragraph (1) (including cases of application *mutatis mutandis* pursuant to Article 84, paragraph (1)), Article 102, paragraph (1) or Article 146, paragraph (1);
- (iii) when the minister has granted permission under Article 113;
- (iv) when the minister has revoked a designation pursuant to Article 120, or ordered the suspension of the whole or a part of the examination affairs pursuant to paragraph (2) of that Article;
- (v) when the minister administers the whole or a part of the examination affairs pursuant to Article 122, paragraph (1), or ceases to administer the whole or a part of the examination affairs that the minister has administered;
- (vi) when the minister has received notification under Article 128 (including cases of application *mutatis mutandis* pursuant to Article 153, paragraph (2) or Article 155, paragraph (2));
- (vii) when the minister has received notification under Article 130 (including cases of application *mutatis mutandis* pursuant to Article 153, paragraph (2) or Article 155, paragraph (2));
- (viii) when the minister has revoked a registration or ordered the suspension of the inspection services or conformity inspections pursuant to Article 134 (including cases of application *mutatis mutandis* pursuant to Article 153, paragraph (2));
- (ix) when the minister performs the whole or a part of the inspection services pursuant to Article 136, paragraph (1), or ceases to perform the whole or a part of the inspection services that the minister has performed;
- (x) when the minister has prohibited labeling pursuant to Article 149;
- (xi) when the minister performs the whole or a part of the services for conformity inspections pursuant to Article 154, paragraph (1), or ceases to perform the whole or a part of the services for conformity inspections that



- the minister has performed;
- (xii) when the minister has the NITE perform the whole or a part of the services for conformity inspections pursuant to Article 154, paragraph (2), or ceases to have the NITE perform the whole or a part of the services for conformity inspections that the NITE has performed;
  - (xiii) when the minister has revoked a registration pursuant to Article 156, paragraph (1).

(Use of Public Land)

- Article 166 (1) Gas suppliers or persons conducting wholesale gas business (which means the business of supplying gas to a gas retailer via pipelines; hereinafter the same applies in this paragraph) (these persons are hereinafter referred to as "gas supplier, etc." in this Article), when it is necessary to install pipelines on or under a road, bridge, ditch, river, embankment or other public land in order to use the pipelines for their gas business or wholesale gas business, may use them with permission from the administrator thereof to the extent that the use does not impair their usability.
- (2) In the case referred to in the preceding paragraph, the gas supplier, etc. must pay a user's fee as determined by the administrator.
  - (3) When the administrator has refused to grant permission under paragraph (1) without justifiable grounds or the amount of the user's fee determined by the administrator is unsuitable, the competent minister (which means the minister in charge of administration of the road, bridge, ditch, river, embankment or other public land prescribed in the paragraph; hereinafter the same applies in paragraph (5)), upon application by the gas supplier, etc., may grant permission or determine the amount of the user's fee.
  - (4) The provisions of the preceding three paragraphs do not apply to roads prescribed in the Road Act (Act No. 180 of 1952) or to land areas on which roads are to be constructed as determined under Article 18, paragraph (1) of the Act and incidental features of roads constructed on the relevant land.
  - (5) In any of the following cases, the competent minister must consult with the Minister of Economy, Trade and Industry in advance:
    - (i) If the competent minister intends to grant permission for use or determine the amount of a user's fee pursuant to paragraph (3);
    - (ii) if a gas supplier, etc. intends to occupy roads or land areas on which roads are to be constructed or incidental features of roads constructed on the relevant land as set forth in the preceding paragraph for the purpose of installing pipelines, and the competent minister intends to make an administrative disposition on appeal in response to a request for review of the determination of the amount of an occupation fee to be collected by the road administrator pursuant to Article 39, paragraph (1) of the Road Act

(including cases of application mutatis mutandis pursuant to Article 91, paragraph (2) of the Act) or the imposition of a condition to the permission or approval under Article 87, paragraph (1) of the Act (including cases of application mutatis mutandis pursuant to Article 91, paragraph (2) of the Act).

(Entry)

Article 167 (1) Gas suppliers, when it is necessary in order to conduct the taking of measurements, field investigations or construction of gas facilities to be used for their gas business, may enter another person's land with permission from the Minister of Economy, Trade and Industry.

(2) The Minister of Economy, Trade and Industry, when having received an application for permission under the preceding paragraph, must notify the owner and possessor of the land to that effect and provide them with the opportunity to submit a written opinion.

(3) A person who has obtained permission under paragraph (1), when intending to use another person's land, must notify the possessor of the land in advance.

(4) A person who has obtained permission under paragraph (1), when entering another person's land, must carry documentation certifying that that person has obtained permission from the Minister of Economy, Trade and Industry, and show the documentation to any person concerned.

(Clearing of Vegetation)

Article 168 (1) Gas suppliers, if it is necessary in order to install or maintain pipelines to be used for gas business, may clear or transplant vegetation that would otherwise cause interference.

(2) In the case referred to in the preceding paragraph, the gas supplier must consult with the owner of the vegetation. When the parties concerned have failed to reach an agreement through consultation or hold any consultation at all, the Minister of Economy, Trade and Industry makes a ruling.

(Compensation for Losses)

Article 169 (1) Gas suppliers, when having entered another person's land or cleared or transplanted another person's vegetation pursuant to any of the preceding two Articles, must compensate for any loss actually incurred by the owner of the land or the owner of the vegetation, or other persons concerned as a result of the entry, clearing or transplantation.

(2) When the parties concerned have failed to reach an agreement through consultation or hold any consultation at all, the prefectural governor who has jurisdiction over the land or the place where the vegetation causing interference is located makes a ruling.

- (3) Either party that is dissatisfied with the amount of compensation determined by a ruling, within six months from the day when the party is notified of the ruling, may file a suit to request an increase or decrease of the amount.
- (4) The suit set forth in the preceding paragraph is filed against the gas supplier, or the owner of the land or the plants, or any other persons concerned.

(Audit)

Article 170 The Minister of Economy, Trade and Industry must audit the businesses of general gas pipeline service providers, specified gas pipeline service providers, and gas manufacturers every year.

(Collection of Reports)

Article 171 (1) The Minister of Economy, Trade and Industry may have a gas retailer, etc., general gas pipeline service provider, specified gas pipeline service provider, gas manufacturer, or non-standard gas supplier or a person engaged in manufacturing, importing or selling gas equipment report on its business, to the extent necessary for the enforcement of this Act, pursuant to Cabinet Order provisions.

(2) The Minister of Economy, Trade and Industry may have a specified related service provider prescribed in Article 54-4, paragraph (1) (excluding a gas retailer, etc., general gas pipeline service provider, specified gas pipeline service provider, and gas manufacturer; referred to as a "specified related service provider of a special general gas pipeline service provider" in the following paragraph and paragraph (2) of the following Article) or a specified related service provider prescribed in Article 80-4, paragraph (1) (excluding a gas retailer, etc., general gas pipeline service provider, specified gas pipeline service provider, and gas manufacturer; referred to as a "specified related service provider of a special specified gas pipeline service provider" in the following paragraph and paragraph (2) of the following Article) report on its business, to the extent necessary for the enforcement of Article 54 or Articles 54-4 through 54-7, or Article 80 or Articles 80-4 through 80-7.

(3) If the Minister of Economy, Trade and Industry has had a special general gas pipeline service provider or special specified gas pipeline service provider report on its business pursuant to paragraph (1), and finds it particularly necessary in order to ensure the proper competitive relationship among gas supply service providers, the minister may have a specified related service provider, etc. of the special general gas pipeline service provider (excluding a specified related service provider of a Special general gas pipeline service provider) or a specified related service provider, etc. of the special specified gas pipeline service provider (excluding a specified related service provider of a special specified gas pipeline service provider) report on its business, to the

extent necessary for the enforcement of Article 54-5, paragraph (1) or Article 80-5, paragraph (1).

- (4) The Minister of Economy, Trade and Industry, to the extent necessary for the enforcement of this Act, may have a designated examining body report on its business.
- (5) The Minister of Economy, Trade and Industry, to the extent necessary for the enforcement of this Act, may have a registered gas facilities inspection body or domestic registered gas equipment inspection body report on its business.

(On-site Inspection)

Article 172 (1) The Minister of Economy, Trade and Industry may have officials of the Ministry of Economy, Trade and Industry enter the business office or other office or other workplace of a gas supplier, non-standard gas company or person engaged in manufacturing, importing or selling gas equipment, and inspect the books, documents, and any other articles of the supplier or person, to the extent necessary for the enforcement of this Act.

- (2) The Minister of Economy, Trade and Industry may have officials of the Ministry of Economy, Trade and Industry enter the business office or other office or other workplace of a specified related service provider of a special general gas pipeline service provider or a specified related service provider of a special specified gas pipeline service provider, and inspect the books, documents, and any other articles of the specified related service provider, to the extent necessary for the enforcement of Article 54 or Articles 54-4 through 54-7 or Article 80 or Articles 80-4 through 80-7.
- (3) The Minister of Economy, Trade and Industry, to the extent necessary for the enforcement of this Act, may have officials of the Ministry of Economy, Trade and Industry enter the business office or other office of a designated examining body, and inspect the books, documents, and any other articles of the body.
- (4) The Minister of Economy, Trade and Industry, to the extent necessary for the enforcement of this Act, may have officials of the Ministry of Economy, Trade and Industry enter the business office or other office of a registered gas facilities inspection body or domestic registered gas equipment inspection body, and inspect the books, documents, and any other articles of the body.
- (5) The officials who conduct the on-site inspection pursuant to the preceding paragraphs must carry a certificate of identification and show it to any person concerned.
- (6) If the Minister of Economy, Trade and Industry finds it necessary, the minister may have the NITE conduct an on-site inspection under paragraph (1) (limited, however, to those concerning a person engaged in manufacturing, importing or selling gas equipment) or on-site inspection under paragraph (4) (limited, however, to those concerning a domestic registered gas equipment

inspection body).

- (7) When the Minister of Economy, Trade and Industry has the NITE conduct an on-site inspection pursuant to the preceding paragraph, the minister gives instructions to the NITE with respect to the site subject to the on-site inspection and other necessary particulars.
- (8) The NITE must, when having conducted an on-site inspection prescribed in paragraph (6) as instructed under the preceding paragraph, report the inspection results to the Minister of Economy, Trade and Industry.
- (9) The employees of the NITE who conduct an on-site inspection pursuant to paragraph (6) must carry a certificate of identification and show it to any person concerned.
- (10) The authority to conduct on-site inspections under paragraphs (1) through (4) must not be construed as being vested for criminal investigation.

#### (Submission of Gas Equipment)

- Article 173 (1) When the Minister of Economy, Trade and Industry has had officials of the Minister of Economy, Trade and Industry pursuant to paragraph (1) of the preceding Article or had the NITE pursuant to paragraph (5) of that Article enter the business office or other office or other workplace of a person engaged in manufacturing, importing or selling gas equipment and conduct an inspection, and as a result, any gas equipment has been found that seems significantly difficult for the ministry officials or the NITE to inspect at the place where it is located, the minister may order the owner or possessor of the equipment to submit it within a certain time limit.
- (2) The national government (or the respective prefectural or city government when the prefectural governor or city mayor, pursuant to Cabinet Order provisions under Article 188, must take charge of the affairs that fall within the authority of the Minister of Economy, Trade and Industry under the preceding paragraph) must compensate the owner or possessor for any loss arising from the order issued under the paragraph.
  - (3) Any such loss ordinarily incurred from the order issued under paragraph (1) is compensated for under the preceding paragraph.

#### (Order to NITE)

Article 174 If the Minister of Economy, Trade and Industry finds it necessary in order to ensure the appropriate performance of the inspection services prescribed in Article 156, paragraph (3), or those for on-site inspections prescribed in Article 172, paragraph (6), the minister may issue the necessary order to the NITE with respect to these services.

#### (Exclusion from Application of the High Pressure Gas Safety Act)

Article 175 The provisions of the High Pressure Gas Safety Act which relate to the business of manufacturing or selling high pressure gas and facilities for the manufacture or sale of high pressure gas do not apply to gas business and gas facilities.

(Notification)

Article 176 (1) When the Minister of Economy, Trade and Industry has, with regard to a person who generates gas at a specified gas generating facility and supplies such gas via pipelines, made registration pursuant to Article 3, received the notification given under Article 9, paragraph (1), or revoked the registration pursuant to Article 10, paragraph (1), the minister must notify the Commissioner of the Fire and Disaster Management Agency to that effect.

(2) If the Minister of Economy, Trade and Industry intends to enact, revise or discontinue an Order of the Ministry of Economy, Trade and Industry set forth in Article 21, paragraph (1) (limited to the Order relating to a person who generates gas at a specified gas generating facility and supplies such gas via pipelines), the minister must hear the opinion of the Commissioner of the Fire and Disaster Management Agency.

(Hearing of Opinions of the Electricity and Gas Market Surveillance Commission)

Article 177 (1) In the following cases, the Minister of Economy, Trade and Industry must hear opinions of the Electricity and Gas Market Surveillance Commission (hereinafter referred to as the "commission") in advance:

- (i) if the minister intends to make registration under Article 3;
- (ii) if the minister intends to make registration of change under Article 7, paragraph (1);
- (iii) if the minister intends to revoke the registration pursuant to Article 10, paragraph (1);
- (iv) if the minister intends to make a recommendation pursuant to Article 19, paragraph (3) or paragraph (4), Article 56, paragraph (4) or paragraph (5), Article 58, Article 81, paragraph (4) or paragraph (5) or Article 93, paragraph (3) or paragraph (4);
- (v) if the minister intends to issue an order pursuant to Article 20, paragraphs (1) through (3), Article 41, paragraph (5), Article 48, paragraph (7) or paragraph (12), Article 49, paragraph (3) or paragraph (4), Article 50, paragraph (1), Article 51, paragraph (3), Article 54, paragraph (2), Article 54-4, paragraph (3), Article 54-5, paragraph (5), Article 54-6, paragraph (2), Article 54-7, paragraph (2), Article 55, paragraph (5) (including cases of application mutatis mutandis pursuant to Article 55, paragraph (8)), Article 57, paragraph (1) or paragraph (2), Article 60, Article 72, paragraph (5)

- (including cases of application mutatis mutandis pursuant to Article 72, paragraph (8)), Article 76, paragraph (4), Article 77, paragraph (3) or paragraph (4), Article 80, paragraph (2), Article 80-4, paragraph (3), Article 80-5, paragraph (4), Article 80-6, paragraph (2), Article 80-7, paragraph (2), Article 82, Article 85, paragraph (3), Article 89, paragraph (3) or paragraph (5), Article 92, paragraph (2) or Article 94;
- (vi) if the minister intends to grant license or permission under Article 35, Article 40, paragraph (1) or Article 44, paragraph (1);
- (vii) if the minister intends to grant authorization under Article 42, paragraph (1) or paragraph (2), Article 44, paragraph (2) or Article 48, paragraph (1) (including cases of application mutatis mutandis pursuant to Article 48, paragraph (2)) or the proviso to Article 48, paragraph (3);
- (viii) if the minister intends to revoke permission pursuant to Article 45, paragraph (2);
- (ix) if the minister intends to make a disposition to remove a part of the service area pursuant to Article 46, paragraph (2);
- (x) if the minister intends to grant approval under the proviso to Article 48, paragraph (1), the proviso to Article 51, paragraph (2), the proviso to Article 54-5, paragraph (1), the proviso to Article 76, paragraph (1), the proviso to Article 76, paragraph (3), the proviso to Article 80-5, paragraph (1), or the proviso to Article 89, paragraph (2);
- (xi) if the minister intends to make a disposition to revise pursuant to Article 50, paragraph (2); and
- (xii) if the minister intends to make a ruling pursuant to Article 85, paragraph (4).
- (2) The commission, when having stated its opinions pursuant to the preceding paragraph, must make the content thereof public without delay.

(Recommendation)

- Article 178 (1) When the commission has exercised the authority under Article 170, Article 171, paragraphs (1) through (3) or Article 172 paragraph (1) or (2) which has been delegated thereto pursuant to Article 189, paragraph (1) or paragraph (2), and finds it necessary in order to ensure appropriate transactions of gas, it may make the necessary recommendation to a gas supplier; provided, however, that this does not apply when the commission has made a recommendation pursuant to paragraph (1) of the following Article.
- (2) When the commission has made a recommendation pursuant to the preceding paragraph, and the gas supplier who has received the recommendation fails to follow the recommendation without justifiable grounds, it is to report this to the Minister of Economy, Trade and Industry.
- (3) The commission, when having made a report pursuant to the preceding

paragraph, may request the Minister of Economy, Trade and Industry to submit reports with regard to the measures taken based on its report.

Article 179 (1) When the commission has exercised the authority under Article 170, Article 171, paragraphs (1) through (3) or Article 172 paragraph (1) or (2) which has been delegated thereto pursuant to Article 189, paragraph (1) or paragraph (2), and finds it particularly necessary in order to ensure appropriate transactions of gas, it may make the necessary recommendation to the Minister of Economy, Trade and Industry; provided, however, that this does not apply when the commission has made a recommendation pursuant to paragraph (1) of the preceding Article.

(2) The commission, when having made a recommendation pursuant to the preceding paragraph, must make the content thereof public without delay.

(3) The commission, when having made a recommendation pursuant to paragraph (1), may request the Minister of Economy, Trade and Industry to submit reports with regard to the measures taken based on its recommendation.

(Proposal)

Article 180 (1) If the commission, in connection with the particulars put under its authority pursuant to the provisions of this Act, finds it necessary in order to ensure appropriate transactions of gas, it may make a proposal to the Minister of Economy, Trade and Industry with regard to the measures that should be implemented in relation to gas business.

(2) The commission, when having made a proposal pursuant to the preceding paragraph, must make the content thereof public without delay.

(3) The commission, when having made a proposal pursuant to paragraph (1), may request the Minister of Economy, Trade and Industry to submit reports with regard to the measures taken based on its proposal.

(Request for Submission of Materials)

Article 181 If the commission finds it necessary in order to handle the particulars placed under its authority pursuant to the provisions of this Act, it may request the heads of the relevant administrative organs and other persons concerned to submit materials, express opinions, give explanations and provide other necessary cooperation.

(Special Provisions for Hearings)

Article 182 (1) If the Minister of Economy, Trade and Industry intends to reduce the service area pursuant to Article 46, paragraph (2), or prohibit labeling pursuant to Article 149, the minister must hold a hearing irrespective of the categories of procedures for hearing statements of opinions prescribed in



Article 13, paragraph (1) of the Administrative Procedure Act (Act No. 88 of 1993).

- (2) Proceedings on the date of a hearing with respect to a disposition under Article 10, paragraph (1), Article 45, paragraph (1) or paragraph (2), Article 46, paragraph (1) or paragraph (2), Article 120, Article 134 (including cases of application mutatis mutandis pursuant to Article 153, paragraph (2)), Article 149, or Article 156, paragraph (1), must be open to the public.

(Requests for Review of a Disposition Made by the NITE or Designated Examining Body)

Article 183 Any person who is dissatisfied with a disposition made by the NITE on a conformity inspection or made by a designated examining body on examination affairs or their inaction may make a request for review to the Minister of Economy, Trade and Industry. In this case, with regard to the application of Article 25, paragraphs (2) and (3), Article 46, paragraphs (1) and (2), and Article 49, paragraph (3) of the Administrative Complaint Review Act (Act No. 68 of 2014), the Minister of Economy, Trade and Industry is deemed to be the higher administrative agency of the NITE or a designated examining body.

(Hearing of Opinions in Procedures for Request for Review)

Article 184 (1) An administrative disposition on appeal in response to a request for review of a disposition under this Act or omission thereof must be made after the review officer provided in Article 11, paragraph (2) of the Administrative Complaint Review Act has heard opinions in public, following advance notice of a reasonable period to the requester of review, except when the request for review is dismissed pursuant to Article 24 of the Act.

(2) When hearing opinions in public as set forth the preceding paragraph, the requester of review and any interested persons must be given the opportunity to present evidence and state their opinions

(3) The provisions of Article 31 of the Administrative Complaint Review Act do not apply to a request for review prescribed in paragraph (1), and the provisions of paragraphs (2) through (5) of that Article apply mutatis mutandis to the hearing of opinions under paragraph (1).

(Filing of Complaints)

Article 185 (1) Any person who has complaints about the gas supply or the intermediary, brokerage or agency service for the conclusion of a retail service agreement by a gas retailer, etc., general gas pipeline service provider, specified gas pipeline service provider or gas manufacturer may file the complaints with the Minister of Economy, Trade and Industry or the

commission (the complaints to be filed with the commission are limited to those relating to transactions of gas), with a written explanation of the reasons attached thereto.

- (2) The Minister of Economy, Trade and Industry and the commission, when having received the complaints under the preceding paragraph, must handle them in good faith and notify the complainant of the results of this process.

(Application for Inspection and Conformity Inspection, and Order of Minister of Economy, Trade and Industry)

Article 186 (1) If a registered gas facilities inspection body does not inspect its gas facilities or a gas supplier has an objection to the results of the inspection by a registered gas facilities inspection body, the gas supplier may file an application in order to request that the Minister of Economy, Trade and Industry order the registered gas facilities inspection body to conduct an inspection at least once.

- (2) When an application under the preceding paragraph has been filed, and the Minister of Economy, Trade and Industry finds that the registered gas facilities inspection body pertaining to the application is in violation of Article 127, the minister may issue an order under Article 133 to the registered gas facilities inspection body pertaining to the application.
- (3) In the case referred to in the preceding paragraph, when the Minister of Economy, Trade and Industry has issued an order under Article 133 or decided not to issue an order, the minister must notify the gas supplier that has filed the application to that effect without delay.
- (4) The provisions of the preceding three paragraphs apply mutatis mutandis to a conformity inspection conducted by a domestic registered gas equipment inspection body. In this case, the phrase "If a Registered Gas Facilities Inspection Body does not inspect its Gas Facilities or a Gas Supplier has an objection, the Gas Supplier may" in paragraph (1) is deemed to be replaced with "If a registered gas facilities inspection body does not inspect the specified gas equipment that a notifying manufacturer or importer manufactures or imports, or if a notifying manufacturer or importer has an objection, the notifying manufacturer or importer may" the term "inspection" in paragraph (1) is deemed to be replaced with "conformity inspection," the term "Article 127" in paragraph (2) is deemed to be replaced with "Article 153, paragraph (1), or Article 127, paragraph (2) as applied mutatis mutandis pursuant to Article 153, paragraph (2)," the term "Article 133" in paragraph (2) and the preceding paragraph is deemed to be replaced with "Article 133 as applied mutatis mutandis pursuant to Article 153, paragraph (2)," and the term "gas supplier" in the preceding paragraph is deemed to be replaced with "notifying manufacturer or importer."

(5) The provisions of paragraphs (1) through (3) apply mutatis mutandis to conformity inspections conducted by foreign registered gas equipment inspection bodies. In this case, the phrase "If a Registered Gas Facilities Inspection Body does not inspect its Gas Facilities or a Gas Supplier has objections, the Gas Supplier may" in paragraph (1) is deemed to be replaced with "If a registered gas facilities inspection body does not inspect the specified gas equipment that a notifying manufacturer or importer manufactures or imports, or when a notifying manufacturer or importer has objections, the notifying manufacturer or importer may," the term "inspection" in paragraph (1) is deemed to be replaced with "conformity inspection," the term "order" in paragraph (1) is deemed to be replaced with "request," the term "Article 127" in paragraph (2) is deemed to be replaced with "Article 155, paragraph (1), or Article 127, paragraph (2) as applied mutatis mutandis pursuant to Article 155, paragraph (2)," the term "Article 133" in paragraph (2) and the preceding paragraph is deemed to be replaced with "Article 133 as applied mutatis mutandis pursuant to Article 155, paragraph (2)," the term "issue an order" in paragraph (2) and the preceding paragraph is deemed to be replaced with "make a request," and the term "gas supplier" in the preceding paragraph is deemed to be replaced with "notifying manufacturer or importer."

(Transitional Measures)

Article 187 When enacting, revising or discontinuing a Cabinet Order or Order of the Ministry of Economy, Trade and Industry pursuant to this Act, necessary transitional measures may be provided for by Cabinet Order or an Order of the Ministry of Economy, Trade and Industry to the extent considered reasonably necessary for the enactment, revision or discontinuation.

(Affairs Administered by Prefectural or City Governments)

Article 188 Part of the affairs within the authority of the Ministry of Economy, Trade and Industry prescribed in this Act (excluding the authority delegated to the commission pursuant to paragraph (1) or paragraph (2) of the following Article) may be administered by prefectural governors or city mayors pursuant to Cabinet Order provisions.

(Delegation of Authority)

Article 189 (1) The Minister of Economy, Trade and Industry delegates the authority under Article 171, paragraph (1) in relation to gas retailers, etc., general gas pipeline service providers, specified gas pipeline service providers, and gas manufacturers (limited to the authority concerning the provisions specified by Cabinet Order as provisions for securing appropriate transactions of gas), the authority under Article 171, paragraphs (2) and (3), the authority

under Article 172, paragraph (1) in relation to gas suppliers (limited to the authority concerning the provisions specified by Cabinet Order as provisions for securing appropriate transactions of gas), and the authority under Article 172, paragraph (2) to the commission; provided, however, that this does not preclude the Minister of Economy, Trade and Industry from exercising the minister's authority to order reports.

- (2) The Ministry of Economy, Trade and Industry, pursuant to the provisions of Cabinet Order, may delegate the authority under Article 170, authority under Article 171, paragraph (1) in relation to gas retailers, etc., general gas pipeline service providers, specified gas pipeline service providers, and gas manufacturers (excluding the authority concerning the provisions specified by Cabinet Order as set forth in the preceding paragraph and the provisions specified by Cabinet Order as provisions relating to gas facilities and gas appliances), and the authority under Article 172, paragraph (1) in relation to gas suppliers (excluding the authority concerning the provisions specified by Cabinet Order as set forth in the preceding paragraph and the provisions specified by Cabinet Order as provisions relating to gas facilities and gas appliances) to the commission.
- (3) When the commission has exercised the authority delegated to it pursuant to the preceding paragraph, it promptly reports the results to the Minister of Economy, Trade and Industry.
- (4) The Minister of Economy, Trade and Industry, pursuant to the provisions of Cabinet Order, may delegate part of the authority under the provisions of this Act (excluding the authority delegated to the commission pursuant to paragraph (1) or paragraph (2)) to the Director of a Regional Bureau of Economy, Trade and Industry or the Director of a Regional Industrial Safety and Inspection Department.
- (5) The commission, pursuant to the provisions of Cabinet Order, may delegate part of the authority delegated thereto pursuant to paragraph (1) or paragraph (2) to the Director of a Regional Bureau of Economy, Trade and Industry.
- (6) With regard to the affairs under the authority delegated to the Director of a Regional Bureau of Economy, Trade and Industry pursuant to the preceding paragraph, the Commission directs and supervises the Director of a Regional Bureau of Economy, Trade and Industry.

(Request for Review to Commission)

Article 190 A request for review of an order of reports issued by the commission with the authority under Article 171, paragraphs (1) through (3) which has been delegated thereto pursuant to paragraph (1) or paragraph (2) of the preceding Article (including an order of reports issued by the Director of a Regional Bureau of Economy, Trade and Industry pursuant to the provisions of

paragraph (5) of the preceding Article) may be made only to the commission.

(Instructions of Minister of Economy, Trade and Industry)

Article 191 When there seems to be a risk of the occurrence of a gas disaster as a result of any of the causes listed in the items of Article 157, which is likely to cause the death of or bodily harm to general consumers, etc., and the Minister of Economy, Trade and Industry finds it particularly necessary in order to prevent the spreading of the disaster, the minister may give prefectural governors or city mayors the necessary instructions to prevent the spreading of the disaster with respect to the affairs to be administered by the prefectural governors or city mayors pursuant to Cabinet Order provisions under Article 188.

### **Chapter X Penal Provisions**

Article 192 (1) A person who has damaged gas facilities or caused interference with the functioning of gas facilities, thereby obstructing gas supply, is punished by imprisonment for up to five years or a fine of up to one million yen.

(2) A person who has operated gas facilities without due cause, thereby obstructing gas supply, is punished by imprisonment for up to two years or a fine of up to 500,000 yen.

(3) The same punishment is imposed when a person engaged in gas business that has not performed, without justifiable grounds, the services to maintain or operate gas facilities, thereby causing interference with gas supply.

(4) An attempt at the offenses prescribed in paragraph (1) and paragraph (2) is punished.

Article 193 A person who has modified gas facilities without due cause and without the consent of a gas supplier is punished by a fine of up to 500,000 yen.

Article 194 A person who has conducted general gas pipeline service business without a license under Article 35 is punished by imprisonment for up to three years or a fine of up to three million yen, or both.

Article 195 A person who falls under any of the following items is punished by imprisonment for up to two years or a fine of up to three million yen, or both:

- (i) a person who has suspended or discontinued the whole or a part of general gas pipeline service business without permission under Article 44, paragraph (1); or
- (ii) a person who has, in violation of Article 47, paragraph (1) or Article 75, refused to supply gas.

Article 196 A person who falls under any of the following items is punished by imprisonment for up to one year or a fine of up to one million yen, or both:

- (i) a person who has, in violation of Article 3, conducted a gas retail business;
- (ii) a person who has, in violation of Article 17, paragraph (1), allowed another person to use its name to conduct a gas retail business;
- (iii) a person who has, in violation of Article 17, paragraph (2), allowed another person to run a gas retail business in its name;
- (iv) a person who has, in violation of Article 54-2 or Article 80-2, conducted gas retail business or gas manufacturing business;
- (v) a person who has violated an order of suspension of the inspection services or conformity inspections issued under Article 134 (including cases of application *mutatis mutandis* pursuant to Article 153, paragraph (2));
- (vi) a person who has violated Article 138, paragraph (1);
- (vii) a person who has, in violation of Article 139, affixed labels;
- (viii) a person who has violated prohibition under Article 149 (limited, however, to the part concerning item (i)); or
- (ix) a person who has violated an order issued under Article 157.

Article 197 A person who has violated Article 28, paragraph (2) or Article 118, paragraph (1) is punished by imprisonment for up to one year or a fine of up to one million yen.

Article 198 In the event of violation of an order of suspension of examination affairs issued under Article 120, paragraph (2), the officers or employees concerned at the designated examining body that has committed the violation are punished by imprisonment for up to one year or a fine of up to one million yen.

Article 199 A person who falls under any of the following items is punished by a fine of up to three million yen:

- (i) a person who has violated an order issued under Article 13, paragraph (2), Article 20, paragraphs (1) through (3), Article 41, paragraph (5), Article 48, paragraph (7) or paragraph (12), Article 49, paragraph (3) or paragraph (4), Article 51, paragraph (3), Article 54, paragraph (2), Article 54-4, paragraph (3), Article 54-5, paragraph (5), Article 54-6, paragraph (2), Article 54-7, paragraph (2), Article 55, paragraph (5) (including cases of application *mutatis mutandis* pursuant to Article 55, paragraph (8)), Article 57, paragraph (1) or paragraph (2), Article 72, paragraph (5) (including cases of application *mutatis mutandis* pursuant to Article 72, paragraph (8)), Article 76, paragraph (4), Article 77, paragraph (3) or paragraph (4), Article 80,

- paragraph (2), Article 80-4, paragraph (3), Article 80-5, paragraph (4), Article 80-6, paragraph (2), Article 80-7, paragraph (2), Article 82, Article 89, paragraph (3) or paragraph (5), Article 92, paragraph (2) or Article 94;
- (ii) a person who has violated an order issued or a disposition made under Article 21, paragraph (3), Article 61, paragraph (3) (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)) or Article 96, paragraph (3);
  - (iii) a person who has, in violation of Article 25, paragraph (1) (including cases of application mutatis mutandis pursuant to Article 105), Article 65, paragraph (1) (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)) or Article 98, paragraph (1), failed to appoint a chief gas engineer;
  - (iv) a person who has, in violation of Article 47, paragraph (2), refused to supply gas;
  - (v) a person who has, in violation of Article 48, paragraph (3), Article 49, paragraph (2), Article 76, paragraph (3) or Article 77, paragraph (2), supplied gas; or
  - (vi) a person who has, in violation of Article 89, paragraph (2), conducted contract gas manufacturing.

Article 200 A person who falls under any of the following items is punished by a fine of up to one million yen:

- (i) a person who has, in violation of Article 7, paragraph (1), changed the particulars listed in Article 4, paragraph (1), items (iii) through (v);
- (ii) a person who has, in violation of Article 18, Article 23, Article 52, Article 63, Article 78 or Article 91, failed to make records or made false records, or failed to maintain records;
- (iii) a person who has violated an order issued or a disposition made under Article 21, paragraph (2) (including cases of application mutatis mutandis pursuant to Article 105), Article 61, paragraph (2) (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)) or Article 96, paragraph (2);
- (iv) a person who has, in violation of an order issued under Article 32, paragraph (5) (including cases of application mutatis mutandis pursuant to Article 105), Article 68, paragraph (5) (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)) or Article 101, paragraph (5), implemented a construction project to install or modify gas facilities;
- (v) a person who has, in violation of Article 33, paragraph (1), Article 69, paragraph (1) (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)) or Article 102, paragraph (1), used gas facilities;
- (vi) a person who has, in violation of Article 41, paragraph (1), Article 55,

- paragraph (7) or Article 72, paragraph (7), failed to give notification or given false notification;
- (vii) a person who has violated Article 41, paragraph (3), Article 55, paragraph (3) (including cases of application mutatis mutandis pursuant to Article 55, paragraph (8)) or Article 72, paragraph (3) (including cases of application mutatis mutandis pursuant to Article 72, paragraph (8));
  - (viii) a person who has, in violation of Article 51, paragraph (2), supplied gas;
  - (ix) a person who has, without giving notification under Article 55, paragraph (1) or Article 72, paragraph (1), or by giving false notification, conducted a specified gas pipeline service business;
  - (x) a person who has, in violation of Article 55, paragraph (2) (including cases of application mutatis mutandis pursuant to paragraph (8) of that Article), Article 72, paragraph (2) (including cases of application mutatis mutandis pursuant to paragraph (8) of that Article) or Article 86, paragraph (2), failed to submit the necessary documents or submitted documents containing false statements;
  - (xi) a person who has violated an order under Article 85, paragraph (3);
  - (xii) a person who has, without giving notification under Article 86, paragraph (1) or by giving a false notification, conducted gas manufacturing business; or
  - (xiii) a person who has violated Article 162.

Article 201 A person who falls under any of the following items is punished by a fine of up to 300,000 yen:

- (i) a person who has failed to give notification under Article 8, paragraph (2), Article 9, paragraph (1), Article 19, paragraph (1) or paragraph (2), Article 24, paragraph (1) or paragraph (2), Article 25, paragraph (2) (including cases of application mutatis mutandis pursuant to Article 105), Article 32, paragraph (7) or paragraph (8) (including cases of application mutatis mutandis pursuant to Article 105), Article 39, paragraph (4) (including cases of application mutatis mutandis pursuant to Article 40, paragraph (2)), Article 43, paragraph (2), Article 49, paragraph (1), Article 51, paragraph (1), Article 55, paragraph (10), Article 56, paragraph (1) or paragraph (2), Article 64, paragraph (1) or paragraph (2) (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)), Article 65, paragraph (2) (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)), Article 68, paragraph (7) or paragraph (8) (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)), Article 73, paragraph (2), Article 74, paragraph (1), the main clause of Article 76, paragraph (1) (including cases of application mutatis mutandis pursuant to Article 76, paragraph (2)), Article 77, paragraph (1), Article 81, paragraph (1) or paragraph (2), Article 87, paragraph (2), Article 88, paragraph (1), Article



- 89, paragraph (1), Article 93, paragraph (1) or paragraph (2), Article 97, paragraph (1) or paragraph (2), Article 98, paragraph (2), Article 101, paragraph (7) or paragraph (8), Article 106, Article 130 (including cases of application mutatis mutandis pursuant to Article 153, paragraph (2)) or Article 160, paragraph (1) or paragraph (2) (including cases of application mutatis mutandis pursuant to paragraph (5) of that Article), or has given a false notification;
- (ii) a person who has, in violation of Article 15, paragraph (1), failed to deliver a document prescribed in the paragraph or delivered a document containing a false statement or indication;
- (iii) a person violated an order issued under Article 24, paragraph (3), Article 31 (including cases of application mutatis mutandis pursuant to Article 105), Article 64, paragraph (3) (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)), Article 68 (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)), Article 97, paragraph (3), Article 100, Article 160, paragraph (3) (including cases of application mutatis mutandis pursuant to Article 160, paragraph (5)), Article 161 or Article 173, paragraph (1);
- (iv) a person who, in violation of Article 32, paragraphs (1) through (3) (including cases of application mutatis mutandis pursuant to Article 105), Article 68, paragraphs (1) through (3) (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)) or Article 101, paragraphs (1) through (3), has implemented a construction project to install or modify gas facilities;
- (v) a person who has, in violation of Article 33, paragraph (3), Article 34, Article 69, paragraph (3) (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)), Article 71 (including cases of application mutatis mutandis pursuant to Article 84, paragraph (1)), Article 102, paragraph (3), Article 104 or Article 145, paragraph (2), failed to make inspection records or made false inspection records, or failed to maintain inspection records;
- (vi) a person who has violated Article 48, paragraph (13) (including cases of application mutatis mutandis pursuant to Article 51, paragraph (4)), Article 56, paragraph (3), Article 76, paragraph (5), Article 81, paragraph (3) or Article 89, paragraph (4);
- (vii) a person who has, in violation of Article 54-8, paragraph (2) or Article 80-8, paragraph (2), failed to make reports, or made false reports;
- (viii) a person who has, in violation of Article 135 (including cases of application mutatis mutandis pursuant to Article 153, paragraph (2)), failed to state in the books the particulars prescribed in Article 135 or made false statements, or failed to maintain the books;

- (ix) a person who has given false notification as notification to be given under Article 140;
- (x) a person who has, in violation of Article 146, paragraph (1), failed to obtain or maintain a certificate;
- (xi) a person who has, in violation of Article 159, paragraph (6), failed to state in the books the particulars prescribed in the paragraph or made false statements, or failed to maintain the books;
- (xii) a person who has failed to make reports under Article 171, paragraphs (1) through (3) or paragraph (5), or made false reports;
- (xiii) a person who has refused, obstructed or evaded the inspection under Article 172, paragraph (1), (2) or (4).

Article 202 In any of the following cases of violation, the officers or employees concerned at the designated examining body that has committed the violation are punished by a fine of up to 300,000 yen:

- (i) when the designated examining body has discontinued the whole of the examination affairs without obtaining permission under Article 113;
- (ii) when the designated examining body has, in violation of Article 121, failed to state the necessary particulars in the books or made false statements, or failed to maintain the books;
- (iii) when the designated examining body has failed to make reports under Article 171, paragraph (4), or made false reports;
- (iv) when the designated examining body has refused, obstructed or evaded the inspection under Article 172, paragraph (3).

Article 203 When the representative of a corporation or an agent, or employee of a corporation or an individual has, with regard to the business of the corporation or individual, committed the violations prescribed in the following items, beyond the offender, the corporation is also punished by the fine prescribed in the respective items or the individual is punished by the fine prescribed in the respective Articles:

- (i) Article 196 (limited, however, to the parts concerning items (viii) and (ix)): Fine of up to 100 million yen;
- (ii) Article 194 through Article 196 (excluding, however, the parts concerning items (viii) and (ix)) or Articles 199 through 201: Fines prescribed in the respective Articles.

Article 204 A person who falls under any of the following items is punished by a civil fine of up to one million yen:

- (i) a person who has violated Article 53, paragraph (1), Article 59, paragraph (1), Article 79, paragraph (1), Article 83, paragraph (1) or Article 95,

- paragraph (1);
- (ii) a person who has, in violation of Article 53, paragraph (2), Article 79, paragraph (2) or Article 90, paragraph (1) or paragraph (2), failed to make public the necessary particulars, or made public false particulars;
  - (iii) a person who has failed to submit documents under Article 59, paragraph (2), Article 83, paragraph (2) or Article 95, paragraph (2), or submitted false documents;
  - (iv) a person who has violated an order issued under Article 60.

Article 205 A person who falls under any of the following items is punished by a civil fine of up to 200,000 yen:

- (i) a person who has failed to give notification under Article 41, paragraph (2), Article 141, paragraph (2), Article 142, or Article 143, or given false notification; or
- (ii) a person who has, in violation of Article 131, paragraph (1) (including cases of application *mutatis mutandis* pursuant to Article 153, paragraph (2)), failed to keep financial statements, etc., failed to state the necessary particulars in the financial statements, etc. or made false statements, or refused the request made under the items of paragraph (2) of Article 131 (including cases of application *mutatis mutandis* pursuant to Article 153, paragraph (2)) without justifiable grounds.

Article 206 In the event of violation of an order issued under Article 174, the officers concerned at the NITE that has committed the violation are punished by a civil fine of up to 200,000 yen.

Article 207 A person who has failed to give notification under Article 7, paragraph (4), Article 9, paragraph (2), Article 55, paragraph (9), Article 72, paragraph (9), Article 74, paragraph (2), Article 86, paragraph (3) or Article 88, paragraph (2), or given a false notification is punished by a fine of up to 100,000 yen.

### **Supplementary Provisions [Extract]**

- (1) This Act comes into effect as of April 1, 1954.
- (2) If this Act contains provisions corresponding to any dispositions, procedures or other acts conducted pursuant to the provisions of the former Public Welfare Undertaking Order (Cabinet Order No. 343 of 1950) under the Act on Temporary Measures Concerning Electricity and Gas (Act No. 341 of 1952), then the dispositions, procedures or other acts are deemed to have been conducted under the relevant provisions of this Act.

(5) A Class-A License or Class-B License granted pursuant to the provisions of Article 45 of the former Regulation for Enforcement of the Gas Business Act (Order of the Ministry of Commerce and Industry and Order of the Ministry of Internal Affairs of 1925) under Article 1, paragraph (1) of the Regulation for Enforcement of the Act on Temporary Measures Concerning Electricity and Gas (Order of the Ministry of International Trade and Industry No. 99 of 1952) is deemed to be a Class-A Chief Gas Engineer's License or Class-B Chief Gas Engineer's License

**Supplementary Provisions [Act No. 113 of June 30, 1960] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of July 1, 1960.

**Supplementary Provisions [Act No. 140 of May 16, 1962] [Extract]**

(1) This Act comes into effect as of October 1, 1962.

**Supplementary Provisions [Act No. 161 of September 15, 1962] [Extract]**

(1) This Act comes into effect as of October 1, 1962.

**Supplementary Provisions [Act No. 98 of June 30, 1966] [Extract]**

(Effective Date)

(1) This Act comes into effect as of July 1, 1966.

**Supplementary Provisions [Act No. 18 of April 13, 1970] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding six months from the date of promulgation

Article 5 With regard to the application of the provisions of Article 27-4 after the revision to gas facilities to be used for general gas utility business prescribed in Article 2, paragraph (1) after the revision, for which a construction project for installation or modification has commenced prior to the enforcement of this Act, the phrase "according to the construction plan approved under Article 27-2, paragraph (1) or paragraph (2) (including the plan following any minor revision specified by Order of the Ministry of International Trade and Industry under the proviso to the paragraph" in Article 27-4, paragraph (2), item (i) is deemed

to be replaced with "in the case of the construction project to install or modify gas facilities pertaining to the license or permission obtained under Article 3 or Article 8, paragraph (1) prior to the revision by the Act for Partial Revision of the Gas Business Act (Act No. 18 of 1970), in a manner for which the license or permission has been obtained under Article 3 or Article 8, paragraph (1) prior to the revision by the Act, or in the case of the project pertaining to the permission obtained under the paragraph after the revision by the Act, in a manner for which the permission has been obtained under the paragraph after the revision by the Act."

(Application of Penal Provisions)

Article 8 Prior laws continue to govern the applicability of penal provisions to conduct in which a person engages before this Act comes into effect as well as any acts committed after the enforcement of this Act with respect to business equivalent to community gas utility business prescribed in Article 2, paragraph (3) after this Act comes into effect if prior laws continue to govern that conduct pursuant to Article 2, paragraph (1) of the Supplementary Provisions.

**Supplementary Provisions [Act No. 134 of December 25, 1970] [Extract]**

(Effective Date)

(1) This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding six months from the date of promulgation

**Supplementary Provisions [Act No. 27 of April 24, 1978] [Extract]**

(Effective Date)

(1) This Act comes into effect as of the date of promulgation; provided, however, that the provisions in Article 1 to revise Article 11, paragraph (1) of the Act on Real Estate Appraisal, the provisions of Article 2, Article 3, Article 5, and Article 6, the provisions in Article 19 to revise Article 107, paragraph (1) of the Patent Act, the provisions in Article 20 to revise Article 31, paragraph (1) of the Utility Model Act, the provisions in Article 21 to revise Article 42, paragraph (1) and paragraph (2) of the Design Act, the provisions in Article 22 to revise Article 40, paragraph (1) and paragraph (2) of the Trademark Act, the provisions in Article 28 to revise Article 5, paragraph (2) of the Guide Interpreter Act, and the provisions of Article 29 and Article 30 come into effect as of May 1, 1978.

**Supplementary Provisions [Act No. 85 of July 3, 1978] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding nine months from the date of promulgation; provided, however that the provisions listed in the following items come into effect as of the dates prescribed in the respective items:

- (i) the provisions to revise items (i) through (iv) and item (v) of the table under Article 86, paragraph (1), the provisions to revise item (vi) of the table (excluding, however, the part revising "liquefied petroleum gas equipment, etc." to "first-class liquefied petroleum gas equipment, etc.," the provisions to revise items (vii) through (x) of the table, and the provisions of Article 6 of the Supplementary Provisions: the date of promulgation;
- (ii) the part of the provisions for revision to add a chapter following Chapter 4, which relates to Articles 38-7 through 38-13, the provisions to revise Article 82, paragraph (1), and the provisions to revise Article 83, paragraph (2): the date specified by Cabinet Order within a period not exceeding three years and three months from the date of promulgation.

**Supplementary Provisions [Act No. 33 of May 10, 1979]**

(Effective Date)

(1) This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding six months from the date of promulgation; provided, however that the provisions of Article 3, Article 4, paragraph (2) and paragraph (3), Article 5, and Article 7 comes into effect as of the date specified by Cabinet Order within a period not exceeding two years and six months from the date of promulgation.

**Supplementary Provisions [Act No. 45 of May 19, 1981] [Extract]**

(Effective Date)

(1) This Act comes into effect as of the date of promulgation.

**Supplementary Provisions [Act No. 57 of May 25, 1983] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding three months from the date of promulgation; provided, however that the provisions of Article 8 comes into effect as of the date specified by Cabinet Order under Article 1 of the Supplementary Provisions of the Act for Partial Revision of the Fertilizers Regulation Act (Act No. 40 of 1983).

## **Supplementary Provisions [Act No. 83 of December 10, 1983] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation; provided, however, that the provisions listed in the following items come into effect as of the dates prescribed in the respective items:

(i) through (iv) Omitted;

(v) the provisions of Article 25, Article 26, Articles 28 through 30, Article 33, and Article 35, the provisions of Article 36 (excluding, however, the provisions to revise Article 54 of the Electricity Business Act; hereinafter the same applies in Article 8 (excluding paragraph (3)) of the Supplementary Provisions), the provisions of Article 37, Article 39, and Article 43, and the provisions of Article 8 (excluding paragraph (3)) of the Supplementary Provisions: the date specified by Cabinet Order within a period not exceeding three months from the date of promulgation.

(Transitional Measures upon Partial Revision of the Gas Business Act)

Article 10 With regard to notification under Article 27-3, paragraph (1) (including cases of application mutatis mutandis pursuant to Article 38) of the Gas Business Act prior to the revision by Article 39, which has been made prior to the enforcement of Article 39, notification of the revision of the construction plan pertaining to the notification, and an order to revise or discontinue the construction plan pertaining to these notifications, the provisions then in force remain applicable.

(Transitional Measures Concerning Penal Provisions)

Article 16 Prior laws continue to govern the applicability of penal provisions to conduct in which a person engages before this Act and Article 17, Article 22, Article 36, Article 37 or Article 39 comes into effect and also continue to govern the applicability of penal provisions to conduct in which a person engages after this Act comes into effect if prior laws continue to govern that conduct pursuant to Article 3, Article 5, paragraph (5), Article 8, paragraph (2), Article 9 or Article 10 of the Supplementary Provisions.

## **Supplementary Provisions [Act No. 23 of May 1, 1984] [Extract]**

(Effective Date)

(1) This Act comes into effect as of the day when 20 days have elapsed since the date of promulgation.

**Supplementary Provisions [Act No. 102 of December 24, 1985] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation; provided, however that the provisions listed in the following items come into effect as of the dates prescribed in the respective items:

(i) through (iii) Omitted;

(iv) the provisions of Article 12: the date specified by Cabinet Order within a period not exceeding three months from the date of promulgation.

(Transitional Measures upon Partial Revision of the Gas Business Act)

Article 5 When, prior to the enforcement of Article 12, a Cabinet Order under Article 39-2, paragraph (2) of the Gas Business Act revised by Article 12 is to be drafted, Article 48 of the Gas Business Act applies.

(Transitional Measures Concerning Penal Provisions)

Article 8 Prior laws continue to govern the applicability of penal provisions to conduct in which a person engages before this Act comes into effect (or the respective provisions listed in the items of Article 1 of the Supplementary Provisions) and also continue to govern the applicability of penal provisions to conduct in which a person engages after the enforcement of Article 11 comes into effect if prior laws continue to govern that conduct pursuant to Article 4 of the Supplementary Provisions.

**Supplementary Provisions [Act No. 89 of November 12, 1993] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date on which the Administrative Procedure Act (Act No. 88 of 1993) comes into effect.

(Transitional Measures Concerning Adverse Dispositions Following Appeal)

Article 2 Prior to the enforcement of this Act, when an appeal or other request has been filed or made under laws and regulations to a council or any other panel to require that procedures equivalent to the procedures to hold hearings or grant the opportunity for explanation and other procedures to hear statements of opinions prescribed in Article 13 of the Administrative Procedure Act should be implemented, with regard to the procedures to make adverse dispositions pertaining to the appeal or request, the provisions then in force remain applicable notwithstanding the provisions of the relevant Acts revised by this Act.



(Transitional Measures Concerning Penal Provisions)

Article 13 Prior laws continue to govern the applicability of penal provisions to conduct that a person engages in before this Act comes into effect.

(Transitional Measures upon Arrangement of Provisions on Hearings)

Article 14 Procedures for hearings (excluding, however, those concerning adverse dispositions) implemented under Acts prior to the enforcement of this Act or procedures incidental thereto are deemed to have been implemented under the relevant provisions of respective Acts revised by this Act.

(Delegation to Cabinet Order)

Article 15 Beyond what is provided for in Article 2 through the preceding Article in the Supplementary Provisions, any necessary transitional measures for the enforcement of this Act are specified by Cabinet Order.

#### **Supplementary Provisions [Act No. 42 of June 24, 1994] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding nine months from the date of promulgation

(Transitional Measures)

Article 2 The provisions of Article 25-2 of the Gas Business Act revised by this Act (hereinafter referred to as the "new act") does not apply to a business plan for a large-volume supply for the business year that contains the date on which this Act comes into effect.

Article 3 A person who has passed a national examination for a chief gas engineer's license conducted under Article 34 of the Gas Business Act prior to revision by this Act (hereinafter referred to as the "former act") is deemed to have passed an examination for a chief gas engineer's license conducted under Article 34 of the new Act.

Article 4 Gas rates and other supply conditions which have been approved under Article 24, paragraph (1) of the former act are deemed to have been approved under Article 37-11, paragraph (1) of the new act.

Article 5 Prior laws continue to govern the applicability of penal provisions to conduct that a person engages in before this Act comes into effect.

#### **Supplementary Provisions [Act No. 14 of March 31, 1996] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of April 1, 1997.

**Supplementary Provisions [Act No. 33 of April 9, 1997] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation.

(Transitional Measures upon Partial Revision of the Gas Business Act)

Article 16 The provisions of Article 80-2, paragraph (2) and paragraph (3) of the Liquefied Petroleum Gas Act as applied mutatis mutandis pursuant to Article 39-21, paragraph (1) and paragraph (2) of the Gas Business Act revised by Article 15 do not apply when a transfer of the whole of a business or inheritance or merger has taken place prior to the enforcement of Article 15, to the transferee of the whole of the business, the heir (when one particular heir has been selected from among two or more heirs as the successor to the business by consent of all heirs, the selected heir), or the corporation surviving after the merger or the corporation newly established upon the merger.

(Transitional Measures Concerning Penal Provisions)

Article 17 Prior laws continue to govern the applicability of penal provisions to acts that a person engages in prior to the enforcement of this Act and acts that a person engages in after this Act comes into effect but which, pursuant to the Supplementary Provisions of this Act, are to continue to be governed by prior laws.

(Delegation to Cabinet Order)

Article 18 Beyond what is provided for in Article 2 through the preceding Article in the Supplementary Provisions, any necessary transitional measures for the enforcement of this Act are specified by Cabinet Order.

**Supplementary Provisions [Act No. 50 of May 21, 1999] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of March 21, 2000; provided, however, that the provisions listed in the following items come into effect as of the dates prescribed in the respective items:

- (i) the provisions of Articles 3 through 6 and Article 11 of the Supplementary Provisions: the date of promulgation;
- (ii) the provisions of Article 2, and the provisions of Articles 8 through 10,

Article 19 (limited, however, to the provisions to revise Article 20-6, paragraph (1), item (iii) and Article 57-8, paragraph (1), item (iii) of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957)), Article 25 (limited, however, to the part revising Article 27, paragraph (2) of the Air Pollution Control Act (Act No. 97 of 1968) by revising "Article 2, paragraph (10)" to "Article 2, paragraph (12)"), Article 26 (limited, however, to the part revising Article 21, paragraph (1) of the Noise Regulation Act (Act No. 98 of 1968) by revising "Article 2, paragraph (10)" to "Article 2, paragraph (12)"), Article 30, and Article 31 (limited, however, to the part revising Article 18, paragraph (1) of the Vibration Regulation Act (Act No. 64 of 1976) by revising "Article 2, paragraph (10)" to "Article 2, paragraph (12)") in the Supplementary Provisions: the date specified by Cabinet Order within a period not exceeding six months from the date of promulgation.

(Transitional Measures upon Partial Revision of the Gas Business Act)

- Article 8 (1) With regard to the change of the particulars listed in Article 6, paragraph (2), item (iv) of the Gas Business Act prior to the revision by Article 2 (hereinafter referred to as the "former Gas Act"), for which permission has been obtained pursuant to Article 8, paragraph (1) of the former Gas Act (including cases of application mutatis mutandis pursuant to Article 37-7, paragraph (1) of the former Gas Act), it is deemed that notification has been given pursuant to Article 9, paragraph (1) of the Gas Business Act revised by Article 2 (hereinafter referred to as the "new Gas Act") (including cases of application mutatis mutandis pursuant to Article 37-7, paragraph (1) of the new Gas Act).
- (2) An application for permission filed under Article 8, paragraph (1) of the former gas Act (including cases of application mutatis mutandis pursuant to Article 37-7, paragraph (1) of the former Gas Act) prior to the enforcement of Article 2 is deemed to be notification given pursuant to Article 9, paragraph (1) of the new Gas Act (including cases of application mutatis mutandis pursuant to Article 37-7, paragraph (1) of the new Gas Act).
- (3) General supply provisions approved under Article 17, paragraph (1) of the former Gas Act (including cases of application mutatis mutandis pursuant to Article 37-7, paragraph (1) of the former Gas Act) prior to the enforcement of Article 2 are deemed to be general supply provisions approved under Article 17, paragraph (1) of the new Gas Act (including cases of application mutatis mutandis pursuant to Article 37-7, paragraph (1) of the new Gas Act).
- (4) If a general gas provider that has obtained approval for gas rates and other supply conditions under the proviso to Article 20 of the former Gas Act obtains additional approval from the Minister of International Trade and Industry within six months from the date on which Article 2 comes into effect

(hereinafter referred to as the "date of partial enforcement") pursuant to the provisions of Order of the Ministry of International Trade and Industry, the gas rates and other supply conditions are deemed to have been approved under the proviso to Article 20 of the new Gas Act.

- (5) A general gas provider, within six months from the date of partial enforcement, may supply gas under the rates and other supply conditions approved under the proviso to Article 20 of the former Gas Act, without obtaining approval under the proviso to Article 20 of the new Gas Act.
- (6) If a community gas utility that has obtained approval for gas rates and other supply conditions under the proviso to Article 20 of the former Gas Act as applied *mutatis mutandis* pursuant to Article 37-7, paragraph (1) of the former Gas Act obtains additional approval from the Minister of International Trade and Industry within six months from the date of partial enforcement pursuant to the provisions of Order of the Ministry of International Trade and Industry, the gas rates and other supply conditions are deemed to have been approved under the proviso to Article 37-6-2 of the new Gas Act.
- (7) A community gas utility, within six months from the date of partial enforcement, may supply gas under the rates and other supply conditions approved under the proviso to Article 20 of the former Gas Act as applied *mutatis mutandis* pursuant to Article 37, paragraph (1) of the former Gas Act, without obtaining approval under the proviso to Article 37-6-2 of the new Gas Act.
- (8) Gas rates and other supply conditions set out in a supply agreement approved under Article 22, paragraph (1) of the former Gas Act prior to the enforcement of Article 2, which can be regarded as gas rates and other supply conditions for a wholesale supply subject to Article 22, paragraph (1) of the new Gas Act, are deemed to be gas rates and other supply conditions for which notification was given pursuant to Article 22, paragraph (1) of the new Gas Act.
- (9) An application for approval of a supply agreement filed under Article 22 paragraph (1) of the former Gas Act prior to the enforcement of Article 2 which relates to a wholesale supply subject to Article 22, paragraph (1) of the new Gas Act, is deemed to be notification of gas rates and other supply conditions given pursuant to Article 22, paragraph (1) of the new Gas Act.
- (10) Gas rates and other supply conditions approved under Article 37-11, paragraph (1) of the former gas Act prior to the enforcement of Article 2 which relate to a wholesale supply subject to Article 37-11, paragraph (1) of the new Gas Act are deemed to be gas rates and other supply conditions for which notification was given pursuant to Article 37-11, paragraph (1) of the new Gas Act.
- (11) An application for approval of gas rates and other supply conditions filed under Article 37-11 paragraph (1) of the former Gas Act prior to the

enforcement of Article 2 which relate to a wholesale supply subject to Article 37-11, paragraph (1) of the new Gas Act is deemed to be notification given pursuant to Article 37-11, paragraph (1) of the new Gas Act.

Article 9 With regard to any dispositions, procedures or other acts conducted prior to the date of partial enforcement pursuant to the provisions of the former Gas Act or any order issued thereunder, if the new Gas Act or any order issued thereunder contains provisions corresponding to the relevant provisions, the dispositions, procedures or other acts are deemed to have been conducted under the relevant provisions of the new Gas Act or the order issued thereunder, except for those otherwise provided for by the Supplementary Provisions.

(Transitional Measures Concerning Penal Provisions)

Article 10 Prior laws continue to govern the applicability of penal provisions to conduct in which a person engages before this Act comes into effect (or the respective provisions listed in Article 1, item (ii) of the Supplementary Provisions).

(Delegation to Cabinet Order)

Article 11 Beyond what is provided for in Article 2 to the preceding Article in the Supplementary Provisions, any necessary transitional measures for the enforcement of this Act are specified by Cabinet Order.

(Review)

Article 12 When three years have elapsed since the enforcement of this Act, the government reviews the status of enforcement of this Act and takes any necessary measures based on the review results.

### **Supplementary Provisions [Act No. 87 of July 16, 1999] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2000; provided, however, that the provisions listed in the following items come into effect as of the dates prescribed in the respective items:

(i) the provisions for revision in Article 1 to add five articles, the section title, and two subsections and the titles thereof following Article 250 of the Local Autonomy Act (limited, however, to the part concerning Article 250-9, paragraph (1) of the Act (limited, however, to the part concerning the requirement of consent of both Houses)), the provisions in Article 40 to revise paragraph (9) and paragraph (10) of the Supplementary Provisions of the

Natural Parks Act (limited, however, to the part concerning paragraph (10) of the Supplementary Provisions of the Act), the provisions of Article 244 (excluding, however, the part concerning the provisions to revise Article 14-3 of the Agricultural Improvement and Promotion Act), and the provisions of Article 472 (excluding, however, the part concerning the provisions to revise Article 6, Article 8, and Article 17 of the Act on Special Provisions Concerning Merger of Municipalities), and the provisions of Article 7, Article 10, Article 12, proviso to Article 59, Article 60, paragraph (4) and paragraph (5), Article 73, Article 77, Article 157, paragraphs (4) through (6), Article 160, Article 163, Article 164, and Article 202 of the Supplementary Provisions: the date of promulgation.

(Affairs of the National Government)

Article 159 Beyond what is provided for in the respective Acts prior to the revision by this Act, affairs that are managed or performed, prior to the enforcement of this Act, by an organ of a local public entity on behalf of the national government, other local public entity or other public bodies pursuant to Acts or a Cabinet Order enacted thereunder (hereinafter referred to as "affairs of the national government, etc." in Article 161 of the Supplementary Provisions) are to be handled by the local public entity as its own affairs pursuant to Acts or a Cabinet Order enacted thereunder, after the enforcement of this Act.

(Transitional Measures Concerning Dispositions, Applications)

Article 160 (1) With respect to dispositions to grant licenses or permission, etc. and other acts conducted, prior to the enforcement of this Act (or the respective provisions listed in the items of Article 1 of the Supplementary Provisions; hereinafter the same applies in this Article and Article 163 of the Supplementary Provisions), pursuant to the respective Acts prior to the revision (hereinafter referred to as "dispositions and other acts" in this Article) or applications for licenses or permission, etc. and other acts conducted, prior to the enforcement of this Act, pursuant to the respective Acts prior to the revision (hereinafter referred to as "applications and other acts" in this Article), and with regard to the application of the respective revised Acts after the date on which this Act comes into effect, if administrative affairs related to these acts come under the jurisdiction of different persons on the date on which this Act comes into effect, these acts, except those prescribed in Article 2 through the preceding Article in the Supplementary Provisions or in the provisions of the respective revised Acts (including orders issued thereunder) concerning transitional measures, are deemed to be dispositions and other acts or applications and other acts conducted pursuant to the relevant provisions of

the respective revised Acts.

- (2) With respect to particulars for which reports, notification, submission or other procedures must be conducted before the organs of the national government or local public entities, prior to the date on which this Act comes into effect, pursuant to the respective Acts prior to the revision, if these procedures have not yet been conducted by the date of enforcement of this Act, the provisions of the respective Acts revised by this Act apply to the relevant procedures, except those otherwise provided for by this Act or Cabinet Order enacted thereunder, on the assumption that reports, notification, submission or other procedures have not yet been conducted with respect to particulars for which the relevant procedures must be conducted before the organs of the national government or local public entities pursuant to the relevant provisions of the respective revised Acts.

(Transitional Measures Concerning Appeal)

Article 161 (1) With respect to dispositions pertaining to affairs of the national government, etc. made prior to the date of enforcement by the administrative agencies (hereinafter referred to as the "administrative agencies having made the dispositions" in this Article) that have been subordinated, prior to the date of enforcement, to higher administrative agencies prescribed under the Administrative Complaint Review Act (hereinafter referred to as the "higher administrative agencies" in this Article), the Administrative Complaint Review Act applies to appeals filed against the dispositions pursuant to the Act, on the assumption that the administrative agencies having made the dispositions are still subordinate to the higher administrative agencies after the date of enforcement. In this case, the administrative agencies that are deemed to be higher administrative agencies of the administrative agencies having made the dispositions are the administrative agencies to which the administrative agencies having made the dispositions have been subordinated prior to the date of enforcement.

- (2) In the case referred to in the preceding paragraph, when the administrative agencies that are deemed to be higher administrative agencies are organs of local public entities, the affairs to be handled by the organs pursuant to the provisions of the Administrative Complaint Review Act are item (i) statutory entrusted functions prescribed in Article 2, paragraph (9), item (i) of the new Local Autonomy Act.

(Transitional Measures Concerning Fees)

Article 162 With regard to fees payable prior to the date of enforcement pursuant to the provisions of the respective Acts prior to the revision by this Act (including orders issued thereunder), except those otherwise provided for

by this Act or a Cabinet Order enacted thereunder, the provisions then in force remain applicable.

(Transitional Measures Concerning Penal Provisions)

Article 163 Prior laws continue to govern the applicability of penal provisions to acts committed before the enforcement of this Act.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 164 (1) Beyond what is provided for in the Supplementary Provisions, any necessary transitional measures for the enforcement of this Act (including transitional measures concerning penal provisions) are specified by Cabinet Order.

(2) Any necessary particulars concerning the application of the provisions of Article 18, Article 51, and Article 184 of the Supplementary Provisions are specified by Cabinet Order.

(Review)

Article 250 As well as reviews being made of item (i) statutory entrusted functions provided for in Article 2, paragraph (9), item (i) of the new Local Autonomy Act from the perspective of ensuring, to the greatest possible extent, that new functions are to be avoided as much as possible, reviews must also be made of the functions listed in Appended Table I of the new Local Autonomy Act and functions provided for by Cabinet Order based on the new Local Autonomy Act from the perspective of promoting decentralization and be reviewed as appropriate.

Article 251 In order to enable local public entities to execute their affairs and services voluntarily and independently, the government examines how to secure adequate sources of local tax revenue based on the sharing of roles between the national government and local public entities taking into account the prevailing economic trends, and take the necessary measures based on the examination results.

Article 252 Along with various reforms such as the medical insurance system reform and the pension system reform, the government studies an ideal administrative system for social insurance and a desirable personnel system therefor from the viewpoint of ensuring convenience for the insured and increasing efficiency in administration, and takes measures as required based on the study results when it finds it necessary.

**Supplementary Provisions [Act No. 121 of August 6, 1999] [Extract]**



(Effective Date)

Article 1 This Act comes into effect as of July 1, 2000; provided, however, that the provisions listed in the following items come into effect as of the dates prescribed in the respective items:

- (i) the provisions of Article 8, Article 23, Article 51, Article 66 of the Supplementary Provisions: the date of promulgation;
- (ii) the provisions of Article 2, Article 14, Article 27, Article 39, Article 44, and Article 52 of the Supplementary Provisions: April 1, 2000;
- (iii) the provisions of Article 1 and Article 2, the provisions in Article 4 to revise Article 59-9, item (vi), Article 59-28, paragraph (1), item (v), Article 59-29, paragraph (3), and Article 59-30 of the High Pressure Safety Act, the provisions of Article 11, and the provisions of Articles 3 to 7, Articles 9 through 13, Articles 15 through 22, Article 24, Article 30, Articles 53 through 65, Article 67, and Article 78 of the Supplementary Provisions (excluding, however, the provisions to revise Article 4, item (lxxii), and Article 5, paragraph (1) of the Act for Establishment of the Ministry of International Trade and Industry (Act No. 275 of 1952)): October 1, 2000.

(Transitional Measures upon Partial Revision of the Gas Business Act)

Article 52 A person who intends to obtain recognition or approval under Article 36-2-2, paragraph (1) or Article 39-11, paragraph (1) of the Gas Business Act revised by Article 11 (hereinafter referred to as the "new Gas Business Act") may file an application for recognition or approval prior to the enforcement of Article 11. The same applies when the person intends to give notification of operational rules under Article 36-22 of the new Gas Business Act (including cases of application mutatis mutandis pursuant to Article 39-15, paragraph (2) or Article 39-16, paragraph (2) of the new Gas Business Act).

Article 53 When a disposition of approval or disapproval is to be made with respect to an application for approval, which has been filed prior to the enforcement of Article 11 pursuant to paragraph (1) of Article 27-2 of the Gas Business Act prior to the revision by Article 11 (hereinafter referred to as the "former Gas Business Act") or paragraph (2) of Article 27-2 of the former Gas Business Act (including cases of application mutatis mutandis to Article 37-10 of the former Gas Business Act), if a disposition of approval or disapproval has not yet been made prior to the enforcement of Article 11, the provisions then in force remain applicable.

Article 54 (1) With regard to the application of Article 30, paragraph (1) of the new Gas Business Act (including cases of application mutatis mutandis

pursuant to Article 37-10 of the new Gas Business Act) to a person who has commenced, prior to the enforcement of Article 11, a construction project to install gas facilities subject to self-inspection set forth in Article 36-2-2, paragraph (1) of the new Gas Business Act (including cases of application mutatis mutandis pursuant to Article 37-10 of the new Gas Business Act), the phrase "before the commencement of the business (in the case of facilities requiring self-inspection set forth in Article 36-2-2, paragraph (1), before the commencement of the construction of the facilities)" in Article 30, paragraph (1) of the new Gas Business Act is deemed to be replaced with "without delay after the enforcement of Article 11 of the Act on Consolidation and Streamlining of Standards and Certification Systems Relating to the Ministry of International Trade and Industry (Act No. 121 of 1999)."

(2) With regard to the application of Article 30, paragraph (1) of the new Gas Business Act as applied mutatis mutandis pursuant to Article 37-7, paragraph (3) of the new Gas Business Act to a person who has commenced, prior to the enforcement of Article 11, a construction project to install specified gas facilities subject to a self-inspection set forth in Article 36-2-2, paragraph (1) of the new Gas Business Act as applied mutatis mutandis pursuant to Article 37-7, paragraph (2) of the new Gas Business Act, the phrase "before the commencement of the business (in the case of a business involving the construction with a license under Article 37-2 (limited, however, to the construction of specified gas facilities that are specified by Order of the Ministry of Economy, Trade and Industry under Article 36-2-2, paragraph (1) as applied mutatis mutandis pursuant to Article 37-7, paragraph (2)), before the commencement of the construction of the facilities)" in Article 37-7, paragraph (3) of the new Gas Business Act is deemed to be replaced with "without delay after the enforcement of Article 11 of the Act on Consolidation and Streamlining of Standards and Certification Systems Relating to the Ministry of International Trade and Industry (Act No. 121 of 1999)."

Article 55 With regard to notification under Article 27-3, paragraph (1) of the former Gas Business Act (including cases of application mutatis mutandis pursuant to Article 37-10 or Article 38 of the former Gas Business Act), which has been made prior to the enforcement of Article 11, notification of the revision of the construction plan pertaining to the notification, and an order to revise or discontinue the construction plan pertaining to these notifications, the provisions then in force remain applicable notwithstanding the provisions of Article 36-2 of the new Gas Business Act.

Article 56 When a disposition of success or failure in passing an inspection is to be made with respect to an application for inspection, which has been filed

prior to the enforcement of Article 11 pursuant to Article 27-4, paragraph (1) of the Gas Business Act (including cases of application mutatis mutandis pursuant to Article 37-7, paragraph (2) or Article 37-10), if a disposition of success or failure in passing an inspection has not yet been made prior to the enforcement of Article 11, the provisions then in force remain applicable.

Article 57 With regard to the grant of a chief gas engineer's license to a person who has applied for a chief gas engineer's license prior to the enforcement of Article 11, the provisions then in force remain applicable notwithstanding the provisions of Article 32, paragraph (3) of the new Gas Business Act.

Article 58 (1) Within six months from the date on which the provisions of Article 11 come into effect, a person who has received designation under Article 39-3 of the former Gas Business Act prior to the enforcement of Article 11 is deemed to have obtained recognition under Article 39-11, paragraph (1) of the new Gas Business Act. The same applies until a disposition is made with respect to an application for recognition under the same paragraph filed by the person during that period.

(2) With respect to a person who is deemed pursuant to the preceding paragraph to have obtained recognition under Article 39-11, paragraph (1) of the new Gas Business Act, notification given under Article 72 of the former Liquefied Petroleum Gas Act as applied mutatis mutandis pursuant to Article 39-16, paragraph (1) of the Former Gas Business Act is deemed to be notification given under Article 36-21 of the new Gas Business Act as applied mutatis mutandis pursuant to Article 39-15, paragraph (2) of the new Gas Business Act; operational rules which have been approved or for which an application for approval has been filed under Article 73, paragraph (1) of the former Liquefied Petroleum Gas Act as applied mutatis mutandis pursuant to Article 39-16, paragraph (1) of the former Gas Business Act are deemed to be operational rules for which notification was given pursuant to Article 36-22, paragraph (1) of the new Gas Business Act as applied mutatis mutandis pursuant to Article 39-15, paragraph (2) of the new Gas Business Act; the suspension or discontinuation of the services which has been permitted or for which an application for permission has been filed under Article 74 of the former Liquefied Petroleum Gas Act as applied mutatis mutandis pursuant to Article 39-16, paragraph (1) of the former Gas Business Act is deemed to be the suspension or discontinuation of the services for which notification was given pursuant to Article 36-23 of the new Gas Business Act as applied mutatis mutandis pursuant to Article 39-15, paragraph (2) of the new Gas Business Act; an order which has been issued under Article 79 of the former Liquefied Petroleum Gas Act as applied mutatis mutandis pursuant to Article 39-16,

paragraph (1) of the former Gas Business Act is deemed to be an order issued under Article 36-24 of the new Gas Business Act as applied mutatis mutandis pursuant to Article 39-15, paragraph (2) of the new Gas Business Act; an order issued under Article 80 of the former Liquefied Petroleum Gas Act as applied mutatis mutandis pursuant to Article 39-16, paragraph (1) of the former Gas Business Act is deemed to be an order issued under Article 36-26 of the new Gas Business Act as applied mutatis mutandis pursuant to Article 39-15, paragraph (2) of the new Gas Business Act.

Article 59 A person who has, prior to the enforcement of Article 11, obtained or applied for approval with respect to gas equipment set forth in Article 39-2, paragraph (1) of the former Gas Business Act, which falls into the category of gas equipment set forth in Article 39-2, paragraph (1) of the new Gas Business Act (hereinafter referred to as "gas equipment under transition"), pursuant to the proviso to Article 39-3, the proviso to paragraph (1) of Article 39-11 (including cases of application mutatis mutandis pursuant to Article 39-14, paragraph (7), or Article 39-19, paragraph (2) of the former Gas Business Act) or the proviso to Article 39-20 of the former Gas Business Act (limited, however, to the approval concerning gas equipment intended for export), is deemed to have given notification under Article 39-3, paragraph (2), item (i) or Article 39-10, paragraph (1), item (i) of the new Gas Business Act with respect to the gas equipment under transition pertaining to the approval or application.

Article 60 (1) When a disposition is to be made with respect to an application for examination under Article 39-4 of the former Gas Business Act or an application for approval of model under Article 39-8, paragraph (1) or Article 39-13-3 of the former Gas Business Act, which has been filed prior to the enforcement of Article 11, if a disposition of success or failure in passing an examination or a disposition to grant or not to grant approval has not yet been made prior to the enforcement of Article 11, the provisions then in force remain applicable.

(2) When a disposition of success or failure in passing an examination is to be made with respect to an application for examination under Article 39-9 of the former Gas Business Act (including cases of application mutatis mutandis pursuant to Article 39-14, paragraph (5) of the former Gas Business Act; hereinafter the same applies in the following paragraph), which has been filed prior to the enforcement of Article 11, if a disposition of success or failure in passing an examination has not yet been made prior to the enforcement of Article 11, the provisions then in force remain applicable.

(3) When a disposition is to be made with respect to an application for approval of model under Article 39-8, paragraph (1) or Article 39-13-3 of the former Gas

Business Act which has been filed by a person who passed the examination conducted under Article 39-9 of the former Gas Business Act prior to the enforcement of Article 11, by submitting a document proving that the person passed the examination within ten days from the date on which Article 11 comes into effect, or an application for approval of model under Article 39-8, paragraph (1) or Article 39-13-3 of the former Gas Business Act which has been filed by a person who applied for an examination, to which the provisions then in force remain applicable pursuant to the preceding paragraph, by submitting, within ten days from the day when the person was deemed to have passed the examination, a document proving that the person passed the examination, the provisions then in force remain applicable.

Article 61 (1) The labels affixed to gas equipment under transition under Article 39-5 or Article 39-12 of the former Gas Business Act prior to the enforcement of Article 11 are deemed to be labels affixed under Article 39-12 of the new Gas Business Act, for a period specified by Cabinet Order for respective types of gas equipment under transition not exceeding five years from the date on which Article 11 comes into effect.

(2) Beyond cases in which the provisions then in force remain applicable pursuant to Article 64, paragraph (2) of the Supplementary Provisions, with respect to first-class gas equipment set forth in Article 39-2, paragraph (2) of the former Gas Business Act to which labels are affixed under Article 39-12 of the former Gas Business Act as applied mutatis mutandis pursuant to Article 39-14, paragraph (7) of the former Gas Business Act and which falls into the category of specified gas equipment set forth in Article 39-2, paragraph (2) of the new Gas Business Act (hereinafter referred to as "specified gas equipment under transition"), the provisions then in force remain applicable notwithstanding the provisions of Article 39-3, paragraph (1) and Article 39-4 of the new Gas Business Act for a period specified by Cabinet Order for respective types of specified gas equipment under transition not exceeding five years from the date on which Article 11 comes into effect.

Article 62 The provisions of Article 39-3, paragraph (1) of the new Gas Business Act (including the penal provisions relating to these provisions) do not apply to second-class gas equipment set forth in Article 39-2, paragraph (2) of the former Gas Business Act which has been manufactured prior to the enforcement of Article 11 and falls into the category of Gas Equipment set forth in Article 39-2, paragraph (1) of the new Gas Business Act (hereinafter referred to as "second-class gas equipment under transition" in this Article) for a period specified by Cabinet Order for respective types of second-class gas equipment under transition not exceeding five years from the date on which

Article 11 comes into effect.

Article 63 A person who has obtained or applied for approval under Article 39-8, paragraph (1) of the former Gas Business Act prior to the enforcement of Article 11 with respect to the model of Gas Equipment under Transition (including those who have applied for approval under Article 60, paragraph (3) of the Supplementary Provisions (excluding, however, those who have applied for approval of model under Article 39-13-3 of the former Gas Business Act)) is deemed to have given notification under Article 39-5 of the new Gas Business Act with respect to the Gas Equipment under transition categorized by the model pertaining to the approval or application.

Article 64 (1) A person who has obtained approval of the model under Article 39-8, paragraph (1) of the former Gas Business Act prior to the enforcement of Article 11 with respect to specified gas equipment under transition (including those who have obtained approval by filing applications for approval of the model to which the provisions then in force remain applicable pursuant to Article 60, paragraph (1) or paragraph (3) of the Supplementary Provisions (excluding, however, applications for approval of model under Article 39-13-3 of the former Gas Business Act)) and who has manufactured the specified gas equipment under transition pertaining to the approval is deemed to have performed the obligation under Article 39-11, paragraph (1) of the new Gas Business Act, for a period specified by Cabinet Order under Article 39-10, paragraph (1) of the former Gas Business Act from the day when the approval was obtained.

(2) With respect to the sale or labeling of specified Gas Equipment under transition pertaining to approval of the model obtained under Article 39-13-3 of the former Gas Business Act prior to the enforcement of Article 11 (including approval of the model obtained when the provisions then in force remain applicable pursuant to Article 60, paragraph (1) or paragraph (3) of the Supplementary Provisions (excluding, however, those concerning foreign registered manufacturers set forth in Article 39-13-3 of the former Gas Business Act)), the provisions then in force remain applicable notwithstanding the provisions of Article 39-3, paragraph (1) and Article 39-4 of the new Gas Business Act, for a period specified by Cabinet Order under Article 61, paragraph (2) of the Supplementary Provisions for the respective type of the specified Gas Equipment under transition from the date on which Article 11 comes into effect or a period specified by Cabinet Order under Article 39-10, paragraph (1) of the former Gas Business Act as applied mutatis mutandis pursuant to Article 39-14, paragraph (6) of the former Gas Business Act from the date of approval, whichever ends earlier.

Article 65 A person who has given notification under Article 39-17 or Article 39-18 of the former Gas Business Act prior to the enforcement of Article 11 is deemed to have given notification under Article 39-5 of the new Gas Business Act. In this case, with regard to the application of the provisions of Article 39-4, Article 39-10, paragraph (1), Article 39-12, Article 39-14, and Article 39-18, item (ii) of the new Gas Business Act to such a person, the phrase "the model to which the notification given under the Article pertained (hereinafter simply referred to as the "model to which notification pertained")" in Article 39-4 of the new Gas Business Act is deemed to be replaced with "the model by which the Gas Equipment with the structure to which the notification given under Article 39-17 or Article 39-18 of the Gas Business Act prior to the revision by Article 11 of the Act on Consolidation and Streamlining of Standards and Certification Systems Relating to the Ministry of International Trade and Industry (Act No. 121 of 1999) pertained is categorized (hereinafter simply referred to as the "model by which the gas equipment with the structure pertaining to notification is categorized")" and the phrase "model pertaining to notification" in Article 39-10, paragraph (1), Article 39-12, Article 39-14, and Article 39-18, item (ii) is deemed to be replaced with "model by which the gas equipment with the structure pertaining to notification Is categorized."

Article 66 A public hearing for the enactment of a Cabinet Order under Article 39-2, paragraph (2) of the new Gas Business Act may be held prior to the enforcement of Article 11.

Article 67 With respect to a request for review under the Administrative Complaint Review Act with respect to a disposition made by a designated examination body on the services for examinations pursuant to the former Gas Business Act or the body's inaction, the provisions then in force remain applicable.

(Effect of Dispositions)

Article 68 Any dispositions, procedures or other acts conducted, prior to the enforcement of this Act (or the respective provisions listed in the items of Article 1 of the Supplementary Provisions), pursuant to the provisions of the respective Acts prior to the revision (including orders issued thereunder; hereinafter the same applies in this Article) are deemed to have been conducted under the relevant provisions of the respective revised Acts if the respective revised Acts contain provisions corresponding to the provisions, except those otherwise provided for by the Supplementary Provisions.

(Transitional Measures Concerning Application of Penal Provisions)

Article 69 Prior laws continue to govern the applicability of penal provisions to conduct that a person engages before this Act comes into effect (or the respective provisions of the items of Article 1 of the Supplementary Provisions) (or with respect to the Consumer Product Safety Association, prior to the provisions of the former Consumer Product Safety Act losing effect despite Article 10 of the Supplementary Provisions deeming that these provisions remain in force; with respect to the High Pressure Gas Safety Institute of Japan, prior to the provisions of the former High Pressure Gas Safety Act losing effect despite Article 30 of the Supplementary Provisions deeming that these provisions remain in force) and also to conduct in which a person engages after this Act comes into effect if prior laws continue to govern that conduct pursuant to the Supplementary Provisions.

(Delegation of Other Transitional Measures to Cabinet Order)

Article 70 Beyond what is provided for in Articles 2 through 9 and Article 14 through the preceding Article in the Supplementary Provisions, any necessary transitional measures for the enforcement of this Act (including transitional measures concerning penal provisions) are specified by Cabinet Order.

**Supplementary Provisions [Act No. 160 of December 22, 1999] [Extract]**

(Effective Date)

Article 1 This Act (excluding Article 2 and Article 3) comes into effect as of January 6, 2001.

**Supplementary Provisions [Act No. 204 of December 22, 1999] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of January 6, 2001; provided, however that the provisions of Articles 8 through 19 of the Supplementary Provisions come into effect as of the date specified by Cabinet Order within a period not exceeding six months from the date.

(Transitional Measures Concerning Penal Provisions)

Article 20 Prior laws continue to govern the applicability of penal provisions to conduct in which a person engages before this Act comes into effect.

(Delegation to Cabinet Order)

Article 21 Beyond what is provided for in Articles 2 through 7, Article 9, Article 11, Article 18, and the preceding Article in the Supplementary Provisions, any



necessary transitional measures upon the establishment of the NITE and any other necessary transitional measures for the enforcement of this Act are specified by Cabinet Order.

#### **Supplementary Provisions [Act No. 91 of May 31, 2000]**

(Effective Date)

- (1) This Act comes into effect as of the date on which the Act for Partial Revision of the Commercial Code (Act No. 90 of 2000) comes into effect.

(Transitional Measures)

- (2) When the date on which this Act comes into effect comes before the date on which Article 8 of the Supplementary Provisions of the Act on the Center for Food Quality, Labeling and Consumer Services (Act No. 183 of 1999) comes into effect, the term "Article 27" in the provisions in Article 31 to revise Article 19-5-2, Article 19-6, paragraph (1), item (iv), and Article 27 of the Act on Standardization and Proper Quality Labeling of Agricultural and Forestry Products is deemed to be replaced with "Article 26."

#### **Supplementary Provisions [Act No. 76 of June 11, 2003] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of March 1, 2004; provided, however, that the provisions listed in the following items come into effect as of the dates prescribed in the respective items:

- (i) the provisions of Article 13 of the Supplementary Provisions: the date of promulgation;
- (ii) the provisions of Article 3, paragraph (1), Article 4, paragraph (1), Article 5, paragraph (1), Article 6, paragraph (1), Article 7, paragraph (1), Article 8, paragraph (1), and Article 9, paragraph (1): October 1, 2003.

(Transitional Measures upon Partial Revision of the Gas Business Act)

Article 6 (1) A person who intends to be registered under Article 36-2-2, paragraph (1) or Article 39-11, paragraph (1) of the Gas Business Act revised by Article 5 (hereinafter referred to as the "new Gas Business Act") may file an application for registration prior to the enforcement of this Act. The same applies when the person intends to give notification of the operational rules under Article 36-22, paragraph (1) of the new Gas Business Act (including cases in which it is applied mutatis mutandis pursuant to Article 39-15, paragraph (2) or Article 39-16, paragraph (2) of the new Gas Business Act).

- (2) A person who has obtained, prior to the enforcement of this Act, recognition

under Article 36-2-2, paragraph (1) of the Gas Business Act prior to the revision by Article 5 (hereinafter referred to as the "former Gas Business Act") or recognition or approval under Article 39-11, paragraph (1) of the former Gas Business Act is deemed to have been registered under Article 36-2-2, paragraph (1) of the new Gas Business Act or Article 39-11, paragraph (1) of the new Gas Business Act respectively. In this case, the registration is valid for the period during which the recognition under Article 36-2-2, paragraph (1) of the former Gas Business Act or the recognition or approval under Article 39-11, paragraph (1) of the former Gas Business Act remains valid.

(Effect of Dispositions)

Article 11 Any dispositions, procedures or other acts conducted, prior to the enforcement of this Act (or the respective provisions listed in the items of Article 1 of the Supplementary Provisions), pursuant to the provisions of the respective Acts prior to the revision (including orders issued thereunder; hereinafter the same applies in this Article) are deemed to have been conducted under the relevant provisions of the respective revised Acts if the respective revised Acts contain provisions corresponding to the provisions, except those otherwise provided for by the Supplementary Provisions.

(Transitional Measures Concerning Application of Penal Provisions)

Article 12 Prior laws continue to govern the applicability of penal provisions to conduct in which a person engages before this Act comes into place (or the respective provisions listed in the items of Article 1 of the Supplementary Provisions; hereinafter the same applies in this Article) and also continue to govern the applicability of penal provisions to conduct in which a person engages after this Act comes into effect if prior laws continue to govern that conduct pursuant to the Supplementary Provisions.

(Delegation to Cabinet Order)

Article 13 Beyond what is provided for in Article 2 to the preceding Article in the Supplementary Provisions, any necessary transitional measures for the enforcement of this Act (including transitional measures concerning penal provisions) are specified by Cabinet Order.

**Supplementary Provisions [Act No. 92 of June 18, 2003] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2005; provided, however, that the provisions listed in the following items come into effect as of the dates prescribed in the respective items:

- (i) the provisions of Article 3 (excluding paragraph (5)) through Article 5, Article 9 (excluding paragraph (5)) through Article 11, Article 15, Article 16, and Article 39 of the Supplementary Provisions: the date of promulgation;
- (ii) the provisions in Article 1 to revise the table of contents of the Electricity Business Act, revise Chapter 6 of the Electricity Business Act, revise Article 106, Article 107, Article 112-2, Article 117-3, Article 117-4, and Article 119-2 of the Electricity Business Act, the provisions of Article 3, and the provisions of Article 17, Article 18, Article 19, paragraph (1), Articles 20 through 38, Article 41, Article 43, Article 45, Article 46, Article 48, Article 51, and Articles 55 through 57 of the Supplementary Provisions: the date specified by Cabinet Order within a period not exceeding six months from the date of promulgation;
- (iii) the provisions of Article 2, and the provisions of Article 7, Article 8, Article 9, paragraph (5), Articles 12 through 14, Article 44, Article 47, Article 49, Article 50 (limited, however, to the part revising "Article 2, paragraph (12)" to "Article 2, paragraph (13)"), Article 52, and Article 53 of the Supplementary Provisions: April 1, 2004.

(Transitional Measures upon Partial Revision of the Gas Business Act)

Article 7 With respect to an agreement for a wholesale supply prescribed in Article 2, paragraph (10) of the Gas Business Act prior to the revision by Article 2 (hereinafter referred to as the "former Gas Business Act") which has been concluded, prior to the enforcement of Article 2, by a general gas provider or a wholesale supplier prescribed in Article 37-11, paragraph (1) of the former Gas Business Act, the provisions of Article 2, paragraph (10), Article 22, and Article 37-11 of the former Gas Business Act (including the penal provisions relating to these provisions) remain in force within three years from the date on which Article 2 comes into effect.

Article 8 With regard to the change to which the notification given prior to the enforcement of Article 2 pursuant to Article 9, paragraph (1) of the former Gas Business Act (including cases of application mutatis mutandis pursuant to Article 37-7, paragraph (1)) pertained, the provisions then in force remain applicable.

Article 9 (1) A general gas provider that has obtained a license under Article 3 of the former Gas Business Act prior to the promulgation of this Act must, by March 1, 2004, formulate general provisions for transportation service prescribed in Article 22, paragraph (1) of the Gas Business Act revised by Article 2 (hereinafter referred to as the "new Gas Business Act") pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, and

notify the Minister of Economy, Trade and Industry of the provisions pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry; provided, however, that this does not apply when the General Gas Utility has obtained approval from the Minister of Economy, Trade and Industry pursuant to Article 11 of the Supplementary Provisions.

- (2) The provisions of Article 22, paragraph (4) of the new Gas Business Act apply *mutatis mutandis* to transportation service provisions for which notification was given pursuant to the preceding paragraph. In this case, the phrase "order the general gas utility to revise the general provision for transportation services, within a reasonable time limit set by the Minister of Economy, Trade and Industry" in the relevant paragraph is deemed to be replaced with "order the general gas service to revise the general provisions for transportation service, within a reasonable time limit set by the Minister of Economy, Trade and Industry. In this case, the general gas utility must notify the Minister of Economy, Trade and Industry of the change."
- (3) A general gas service that has given notification pursuant to paragraph (1), pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, must make the general provisions for transportation service public, for which notification was given pursuant to the paragraph.
- (4) The general provisions for transportation service for which notification was given pursuant to paragraph (1) become effective on the date on which Article 2 comes into effect.
- (5) The general provisions for transportation service for which notification was given pursuant to paragraph (1) are deemed to be general provisions for transportation service for which notification was given pursuant to Article 22, paragraph (1) of the new Gas Business Act.

Article 10 (1) A person who has violated an order issued under Article 22, paragraph (4) of the new Gas Business Act as applied *mutatis mutandis* pursuant to paragraph (2) of the preceding Article is punished by a fine of up to three million yen.

- (2) A person who falls under any of the following items is punished by a fine of up to 300,000 yen:
  - (i) a person who has falsely filed or failed to give a notification under paragraph (1) of the preceding Article;
  - (ii) a person who has, in violation of paragraph (3) of the preceding Article, failed to make the necessary particulars public.
- (3) When the representative of a corporation or an agent, employee or other worker of a corporation or an individual has, with regard to the business of the corporation or individual, committed the violations prescribed in the preceding two paragraphs, beyond the offender, the corporation or individual is also

punished by the fine prescribed in the respective paragraphs.

Article 11 The granting of approval under the proviso to paragraph (1) of Article 22 of the new Gas Business Act (including cases of application mutatis mutandis pursuant to Article 37-8) as well as procedures and other acts necessary for the grant may be conducted prior to the enforcement of Article 2.

Article 12 (1) A general gas service that conducts business which falls into the category of a gas pipeline service business pursuant to Article 2, paragraph (5) of the new Gas Business Act, notwithstanding the provisions of Article 22-5, paragraph (1) of the new Gas Business Act, continue to conduct the business for 60 days from the date on which Article 2 comes into effect.

(2) The general gas service prescribed in the preceding paragraph, within 60 days from the date on which Article 2 comes into effect, must notify the Minister of Economy, Trade and Industry, pursuant to Order of the Ministry of Economy, Trade and Industry, of the site where specified pipes (which means pipelines with a supply capacity larger than the level specified by Order of the Ministry of Economy, Trade and Industry under Article 2, paragraph (5); hereinafter the same applies) used for the gas pipeline service business are installed, the inside diameter and the gas pressure within the specified pipes.

(3) The provisions of Article 22-5, paragraph (2) of the new Gas Business Act apply mutatis mutandis to the notification set forth in the preceding paragraph.

(4) Notification given under paragraph (2) is deemed to be notification given pursuant to Article 22-5, paragraph (1) of the new Gas Business Act. In this case, the provisions of paragraphs (3) through (6) of that Article do not apply.

Article 13 (1) A person other than a general gas service who conducts business which falls into the category of gas pipeline service business pursuant to Article 2, paragraph (5) of the new Gas Business Act, notwithstanding the provisions of Article 37-7-2, paragraph (1) of the new Gas Business Act, may continue to conduct the business for 60 days from the date on which Article 2 comes into effect.

(2) The person prescribed in the preceding paragraph must, within 60 days from the date on which Article 2 comes into effect, notify the Minister of Economy, Trade and Industry of the following particulars pursuant to Order of the Ministry of Economy, Trade and Industry:

(i) the name and address of the person, as well as the name of the representative if the person is a corporation;

(ii) the site where the specified pipes for the gas pipeline service business are installed, the inside diameter and the gas pressure within the specified pipes.

(3) The provisions of Article 37-7-2, paragraph (2) of the new Gas Business Act

apply mutatis mutandis to the notification given under the preceding paragraph.

(4) Notification given under paragraph (2) is deemed to be notification given pursuant to Article 37-7-2, paragraph (1) of the new Gas Business Act. In this case, the provisions of paragraphs (3) through (6) of that Article do not apply.

Article 14 With regard to any dispositions, procedures or other acts conducted prior to the date on which Article 2 comes into effect pursuant to the provisions of the former Gas Business Act or any order issued thereunder, if the new Gas Business Act or any order issued thereunder contains provisions corresponding to the relevant provisions, the dispositions, procedures or other acts are deemed to have been conducted under the relevant provisions of the new Gas Business Act or the order issued thereunder, except those otherwise provided for by the Supplementary Provisions.

Article 15 Beyond what is provided for in Article 11 to the preceding Article in the Supplementary Provisions, any necessary transitional measures concerning the notification of a gas pipeline service business under Article 2, paragraph (5) of the new Gas Business Act, a gas pipeline service provider under paragraph (6) of that Article, and a large-volume supply under Article 23, Article 37-7-3, and Article 37-9 of the new Gas Business Act, as well as the notification under Article 24 and Article 37-7-4 (including cases of application mutatis mutandis pursuant to Article 38, paragraph (1) of the new Gas Business Act) are specified by Cabinet Order.

(Transitional Measures Concerning Application of Penal Provisions)

Article 38 Prior laws continue to govern the applicability of penal provisions to conduct in which a person engages before this Act comes into effect (or the respective provisions listed in Article 1, item (ii) and item (iii) of the Supplementary Provisions; hereinafter the same applies in this Article) and also continue to govern the applicability of penal provisions to conduct in which a person engages after this Act comes into effect if prior laws continue to govern that conduct pursuant to these Supplementary Provisions.

(Delegation to Cabinet Order)

Article 39 Beyond what is provided for in Article 2 to the preceding Article in the Supplementary Provisions, any necessary transitional measures for the enforcement of this Act are specified by Cabinet Order.

(Review)

Article 40 When three years have elapsed since the enforcement of this Act (or

the respective provisions listed in Article 1, item (iii) of the Supplementary Provisions; hereinafter the same applies in this Article), the government reviews the provisions of this Act and takes any necessary measures based on the review when it finds it necessary, while taking into account the status of enforcement of the provisions of this Act.

**Supplementary Provisions [Act No. 84 of June 9, 2004] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding one year from the date of promulgation.

(Review)

Article 50 When five years have elapsed since the enforcement of this Act, the government reviews the status of enforcement of the new Act and takes measures as required based on the review results when it finds it necessary.

**Supplementary Provisions [Act No. 94 of June 9, 2004] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2005; provided, however, that the provisions of Article 7 and Article 28 of the Supplementary Provisions come into effect as of the date of promulgation, and the provisions of Article 4, paragraphs (1) through (5) and paragraphs (9) through (11), Article 5, and Article 6 of the Supplementary Provisions come into effect as of October 1, 2004.

(Transitional Measures Concerning Dispositions)

Article 26 With regard to any dispositions, procedures or other acts conducted, prior to the enforcement of this Act, pursuant to the provisions of the respective Acts prior to the revision (including orders issued thereunder; hereinafter the same applies in this Article), if the respective revised Acts contain provisions corresponding to the relevant provisions, the dispositions, procedures or other acts are deemed to have been conducted under the relevant provisions of the respective revised Acts, except those otherwise provided for by the Supplementary Provisions.

(Transitional Measures Concerning Application of Penal Provisions)

Article 27 Prior laws continue to govern the applicability of penal provisions to conduct in which a person engages in before this Act comes into effect.

(Delegation to Cabinet Order)

Article 28 Beyond what is provided for in the Supplementary Provisions, any necessary transitional measures for the enforcement of this Act are specified by Cabinet Order.

(Review)

Article 29 When five years have elapsed since the enforcement of this Act, the government reviews the provisions of the new Mine Safety Act and takes any necessary measures based on the review results when it finds it necessary, while taking into account the status of enforcement of the new Mine Safety Act.

**Supplementary Provisions [Act No. 73 of June 29, 2005] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding one year from the date of promulgation.

**Supplementary Provisions [Act No. 87 of July 26, 2005] [Extract]**

This Act comes into effect as of the date on which the Companies Act comes into effect.

**Supplementary Provisions [Act No. 50 of June 2, 2006]**

This Act comes into effect as of the date on which the Act on General Incorporated Associations and General Incorporated Foundations comes into effect.

**Supplementary Provisions [Act No. 74 of June 24, 2011] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the day on which 20 days have elapsed from the date of promulgation.

**Supplementary Provisions [Act No. 105 of August 30, 2011] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date of promulgation; provided, however, that the provisions listed in the following items come into effect as of the dates prescribed in the respective items:

(ii) the provisions of Article 2, Article 7, Article 10 (limited, however, to the



provisions to revise Article 18 of the Act on Special Districts for Structural Reform), Article 14 (limited, however, to the provisions to revise Article 252-19 and Article 260 of the Local Autonomy Act, as well as the rows in Appended Table I of the Act, namely, the row of the Noise Regulation Act (Act No. 98 of 1968), the row of the City Planning Act (Act No. 100 of 1968), the row of the Urban Renewal Act (Act No. 38 of 1969), the row of the Basic Environment Act (Act No. 91 of 1993), and the row of the Act on Promotion of Improvement of Disaster Control Districts in Populated Urban Districts (Act No. 49 of 1997), and the rows in Appended Table II of the Act, namely, the row of the Urban Renewal Act (Act No. 38 of 1969), the row of the Act on Advancement of Expansion of Public Lands (Act No. 66 of 1972), the row of the Act on Special Measures concerning Promotion of Supply of Houses and Housing Lands in Urban Districts (Act No. 67 of 1975), the row of the Act on Promotion of Improvement of Disaster Control Districts in Populated Urban Districts (Act No. 49 of 1997), and the row of the Act on Facilitation of Reconstruction of Condominiums (Act No. 78 of 2002)), Articles 17 through 19, Article 22 (limited, however, to the provisions to revise Articles 21-5-6, 21-5-15, 21-5-23, 24-9, 24-17, 24-28, and 24-36 of the Child Welfare Act), Articles 23 through 27, Articles 29 through 33, Article 34 (limited, however, to the provisions to revise Articles 62, 65, and 71 of the Social Welfare Act), Article 35, Article 37, Article 38 (excluding, however, the provisions to revise Articles 46, 48-2, 50, and 50-2 of the Water Supply Act), Article 39, Article 43 (limited, however, to the provisions to revise Articles 19, 23, 28, and 30-2 of the Human Resources Development Promotion Act), Article 51 (limited, however, to the provisions to revise Article 64 of the Act on Prevention of Infectious Diseases and Medical Care for Patients Suffering Infectious Diseases), Article 54 (excluding, however, the provisions to revise Articles 88 and 89 of the Services and Supports for Persons with Disabilities Act), Article 65 (excluding, however, the provisions to revise Article 3, paragraph (1), item (ix), Article 4, Article 5, and Article 57 of the Agricultural Land Act), Articles 87 through 92, Article 99 (limited, however, to the provisions to revise Articles 24-3 and 48-3 of the Road Act), Article 101 (limited, however, to the provisions to revise Article 76 of the Land Readjustment Act), Article 102 (limited, however, to the provisions to revise Articles 18 through 21, 27, 49, and 50 of the Act on Special Measures concerning Road Construction and Improvement), Article 103, Article 105 (excluding, however, the provisions to revise Article 4 of the Parking Lot Act), Article 107, Article 108, Article 115 (limited, however, to the provisions to revise Articles 15 and 17 of the Act on the Conservation of Suburban Green Zones in the National Capital Region), Article 116 (excluding, however, the provisions to revise Article 3-2 of the Act on the Improvement of Urban Distribution Centers), Article 118 (limited,

however, to the provisions to revise Articles 16 and 18 of the Act on Arrangement of Conservation Districts in Kinki Area), Article 120 (excluding, however, the provisions to revise Articles 6-2, 7-2, 8, 10-2 through 12-2, 12-4, 12-5, 12-10, 14, 20, 23, 33, and 58 of the City Planning Act), Article 121 (limited, however, to the provisions to revise Articles 7-4 through 7-7, 60 through 62, 66, 98, 99-8, 139-3, 141-2, and 142 of the Urban Renewal Act), Article 125 (excluding, however, the provisions to revise Article 9 of the Act on Advancement of Expansion of Public Lands), Article 128 (excluding, however, the provisions to revise Articles 20 and 39 of the Urban Green Space Conservation Act), Article 131 (limited, however, to the provisions to revise Articles 7, 26, 64, 67, 104, and 109-2 of the Act on Special Measures concerning Promotion of Supply of Houses and Housing Lands in Urban Districts), Article 142 (limited, however, to the provisions to revise Articles 18, and 21 through 23 of the Act on Comprehensive Development of Regional Core Cities with Relocation of Office-Work Function), Article 145, Article 146 (excluding, however, the provisions to revise Article 5 and Article 7, paragraph (3) of the Act on Special Measures concerning Reconstruction of Urban Districts Damaged by Disaster), Article 149 (limited, however, to the provisions to revise Articles 20, 21, 191, 192, 197, 233, 241, 283, 311, and 318 of the Act on Promotion of Improvement of Disaster Control Districts in Populated Urban Districts), Article 155 (limited, however, to the provisions to revise Article 51, paragraph (4) of the Act on Special Measures concerning Urban Reconstruction), Article 156 (excluding, however, the provisions to revise Article 102 of the Act on Facilitation of Reconstruction of Condominiums), Article 157, Article 158 (limited, however, to the provisions to revise Article 57 of the Landscapes Act), Article 160 (limited, however, to the provisions to revise Article 6, paragraph (5) of the Act on Special Measures concerning Development of Public Rental Housing to Accommodate Various Demands of Communities (excluding, however, the part revising "paragraph (2), item (ii), sub-item (a)" to "paragraph (2), item (i), sub-item (a)"), and the provisions to revise Articles 11 and 13 of the Act), Article 162 (limited, however, to the provisions to revise Article 10, Article 12, Article 13, Article 36, paragraph (2), and Article 56 of the Act on Promotion of Smooth Transportation of Elderly Persons, Disabled Persons.), Article 165 (limited, however, to the provisions to revise Articles 24 and 29 of the Act on Maintenance and Improvement of Traditional Scenery in Certain Districts), Article 169, Article 171 (limited, however, to the provisions to revise Article 21 of the Waste Management and Public Cleansing Act), Article 174, Article 178, Article 182 (limited, however, to the provisions to revise Articles 16 and 40-2 of the Basic Environment Act), and Article 187 (limited, however, to the provisions to revise Article 15 of the Wildlife Protection and Proper Hunting

Act, the provisions to revise Article 28, paragraph (9) of the Act (excluding, however, the part revising "Article 4, paragraph (3)" to "Article 4, paragraph (4)"), the provisions to revise Article 29, paragraph (4) of the Act (excluding, however, the part revising "Article 4, paragraph (3)" to "Article 4, paragraph (4)"), and the provisions to revise Articles 34 and 35 of the Act), as well as the provisions of Article 13, Articles 15 through 24, Article 25, paragraph (1), Article 26, Article 27, paragraphs (1) through (3), Articles 30 through 32, Article 38, Article 44, Article 46, paragraphs (1) and (4), Articles 47 through 49, Articles 51 through 53, Article 55, Article 58, Article 59, Articles 61 through 69, Article 71, Article 72, paragraphs (1) through (3), Articles 74 through 76, Article 78, Article 80, paragraphs (1) and (3), Article 83, Article 87 (excluding, however, the provisions to revise Article 587-2 of the Local Tax Act and Article 11 of the Supplementary Provisions of the Act), Article 89, Article 90, Article 92 (limited, however, to the provisions to revise Article 25 of the National Highway Act), Article 96, Article 101, Article 102, Articles 105 through 107, Article 112, Article 117 (limited, however, to the provisions to revise Article 4, paragraph (8) of the Act on Promotion of Activities for the Conservation of Biological Diversity through Collaboration of Regional Multiple Stakeholders (Act No. 72 of 2010)), Article 119, and Article 123, paragraph (2) of the Supplementary Provisions: April 1, 2012

(Transitional Measures Concerning Penal Provisions)

Article 81 Prior laws continue to govern the applicability of penal provisions to conduct in which a person engages before this Act comes into effect (or the respective provisions listed in the items of Article 1 of the Supplementary Provisions; hereinafter the same applies in this Article) and also continue to govern the applicability of penal provisions to conduct in which a person engages after this Act comes into effect if prior laws continue to govern that conduct pursuant to the Supplementary Provisions.

(Delegation to Cabinet Order)

Article 82 Beyond what is provided for in the Supplementary Provisions, any necessary transitional measures for the enforcement of this Act (including transitional measures concerning penal provisions) are specified by Cabinet Order.

### **Supplementary Provisions [Act No. 109 of August 30, 2011] [Extract]**

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding one year from the date of promulgation.

(Delegation to Cabinet Order)

Article 4 Beyond what is provided for in the Supplementary Provisions, any necessary transitional measures for the enforcement of this Act are specified by Cabinet Order.

(Review)

Article 5 When three years have elapsed since the enforcement of this Act, the government reviews the provisions of this Act and takes any necessary measures based on the review results when it finds it necessary, while taking into account the status of enforcement of this Act.