

Act on Rationalization of Energy Use and Shift to Non-fossil Energy (Tentative translation)

(Act No. 49 of June 22, 1979)

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Chapter I General Provisions

(Purpose)

Article 1 The purpose of this Act is to contribute to securing the effective utilization of energy in accordance with economic and social conditions relating to energy in and outside Japan, such as fossil fuel constituting a substantial portion of the energy used in Japan and the growing need for the use of non-fossil energy, by taking the measures necessary for the rationalization of energy use and the shift to non-fossil energy in factories, etc., transportation, buildings, machinery and equipment, etc., and measures required for the optimization of electricity demand, as well as other measures necessary for comprehensively promoting the rationalization of energy use and the shift to non-fossil energy, thereby contributing to the healthy development of the national economy.

(Definitions)

- Article 2 (1) The term "energy" as used in this Act means fossil fuel and non-fossil fuel, as well as heat (excluding that specified by Cabinet Order; the same applies hereinafter) and electricity.
- (2) The term "fossil fuel" as used in this Act means crude oil, volatile oil, heavy oil and other oil products specified by Order of the Ministry of Economy, Trade and Industry, flammable natural gas, and coal, coke and other coal products specified by Order of the Ministry of Economy, Trade and Industry, that are used for combustion and other usages specified by Order of the Ministry of Economy, Trade and Industry.
- (3) The term "non-fossil fuel" as used in this Act means fuel other than fossil fuel, such as hydrogen, that is provided for the usages specified by Order of the Ministry of Economy, Trade and Industry referred to in the preceding paragraph.
- (4) The term "non-fossil energy" as used in this Act means non-fossil fuel as well as heat used to replace heat generated from fossil fuel (referred to as "non-fossil heat" in Article 5, paragraph (2), item (ii), b. and c.) and electricity used to replace the electricity obtained by converting power gained by converting heat

generated from fossil fuel (referred to as "non-fossil electricity" in d. of that item).

- (5) The term "shift to non-fossil energy" as used in this Act means increasing the share of non-fossil energy in the energy used.
- (6) The phrase "optimization of electricity demand" as used in this Act means increasing or reducing electricity demand according to changes in the electricity supply and demand situation due to the season or time periods.

Chapter II Basic Policy

(Basic Policy)

- Article 3 (1) The Minister of Economy, Trade and Industry must formulate and make public a basic policy for the rationalization of energy use and the shift to non-fossil energy (hereinafter referred to as the "basic policy"), from the perspective of comprehensively promoting the rationalization of energy use and the shift to non-fossil energy as well as the optimization of electricity demand in factories, offices or other workplaces (hereinafter referred to as "factories, etc."), transportation, buildings, machinery and equipment, etc.
- (2) The basic policy is to provide for basic matters concerning the measures to be implemented by users of energy, etc. for the rationalization of energy use and the shift to non-fossil energy, basic matters concerning the measures to be implemented by users of electricity, etc. for achieving the optimization of electricity demand, basic matters concerning the measures to promote the rationalization of energy use and the shift to non-fossil energy, etc., and other matters concerning the rationalization of energy use and the shift to non-fossil energy, etc., while taking into consideration long-term energy supply-demand forecasts, the environment surrounding the supply and demand of electricity and other types of energy, the technical standards related to the rationalization of energy use and the shift to non-fossil energy, and other circumstances.
 - (3) The Minister of Economy, Trade and Industry must formulate the basic policy through a cabinet decision.
 - (4) The Minister of Economy, Trade and Industry must consult with the Minister of Land, Infrastructure, Transport and Tourism in advance with regard to parts pertaining to transportation, buildings (excluding parts pertaining to the improvement and indication of the quality of building materials, the improvement and indication of the heat-loss prevention performance of materials used for the prevention of heat loss through exterior walls, windows, etc. of buildings), and the performance of automobiles, when planning to formulate the basic policy,
 - (5) The Minister of Economy, Trade and Industry is to amend the basic policy

when it is necessary to do so due to changes in the circumstances referred to in paragraph (2).

(6) The provisions of paragraphs (1) through (4) apply *mutatis mutandis* to the amendment to the basic policy under the provisions of the preceding paragraph.

(Efforts of Energy Users)

Article 4 Persons who use energy must, while giving due consideration to the provisions of the basic policy, endeavor to achieve the rationalization of energy use and the shift to non-fossil energy, etc., and endeavor to take measures conducive to the optimization of electricity demand.

Chapter III Measures Pertaining to Factories

Section 1 Measures Pertaining to Factories

Subsection 1 General Provisions

(Decision-making Criteria for Business Operators)

Article 5 (1) In order to ensure the appropriate and effective implementation of the rationalization of energy use at factories, etc., the competent minister is to decide and publicize the decision-making criteria for business operators that are using energy at factories, etc. with regard to the following matters as well as the target for the rationalization of energy use (including the target that should be achieved by a business type for which the rationalization of energy use is found to be particularly necessary) and the measures to be taken systematically to attain the target:

- (i) improving methods of using energy methods of energy use, choice of machinery and equipment having a high level of energy consumption performance, etc. prescribed in Article 149, paragraph (1), and other matters concerning rationalization of energy use at factories, etc. used exclusively as offices or other use similar thereto; and
- (ii) matters concerning rationalization of energy use at factories, etc. (excluding those that fall under the preceding item), that fall under any of the following sub-items:
 - (a) rationalization of combustion of fossil fuel and non-fossil fuel;
 - (b) rationalization of heating and cooling as well as heat transfer;
 - (c) recovery and utilization of waste heat;
 - (d) rationalization of conversion of heat into power, etc.;
 - (e) prevention of energy loss due to emission, conduction, resistance, etc.; and
 - (f) rationalization of conversion of electricity into power, heat, etc.

(2) In order to ensure the appropriate and effective implementation of the shift to non-fossil energy at factories, etc., the Minister of Economy, Trade and Industry is to decide and publicize the decision-making criteria for business

operators that are using energy at factories, etc. with regard to the following matters as well as the target for the shift to non-fossil energy and the measures to be taken systematically to attain the target:

- (i) installation of equipment that uses non-fossil energy and other matters concerning the shift to non-fossil energy at factories, etc. used exclusively as offices or other use similar thereto; and
 - (ii) matters concerning the shift to non-fossil energy at factories, etc. (excluding those that fall under the preceding item) that fall under any of the following sub-items:
 - (a) use of non-fossil fuel in combustion;
 - (b) use of non-fossil fuel in heating and cooling;
 - (c) use of power, etc. that uses non-fossil fuel; and
 - (d) use of power, heat, etc. that use non-fossil electricity.
- (3) To ensure the appropriate and effective implementation of measures conducive to the optimization of electricity demand by business operators using electricity at factories, etc., the Minister of Economy, Trade and Industry is to establish and publicize guidelines on the following matters and other measures for those business operators to take:
- (i) the shift from the use of electricity to the use of fossil fuel or non-fossil fuel or heat or the shift from the use of fossil fuel or non-fossil fuel or heat to the use of electricity in time periods for the optimization of electricity demand (meaning the time periods designated by the Minister of Economy, Trade and Industry as time periods for which the promotion of the optimization of electricity demand is considered to be necessary in light of the electricity supply and demand situation; the same applies hereinafter); and
 - (ii) the change of the times for using electricity-consuming machinery and equipment based on the time periods for the optimization of electricity demand.
- (4) The decision-making criteria prescribed in paragraphs (1) and (2) and the guidelines prescribed in the preceding paragraph are to be established by considering long-term energy supply-demand forecasts, the environment surrounding the supply and demand of electricity and other energy, the technical standards related to the rationalization of energy use and the shift to non-fossil energy, the aspects of the rationalization of energy use and the shift to non-fossil energy by each type of business and other circumstances, and is to be amended if necessary depending on any changes in these circumstances.
- (5) The decision-making criteria prescribed in paragraphs (1) and (2) must be those in which matters concerning the rationalization of energy use and matters concerning the shift to non-fossil energy are harmonized with each other.

(Guidance and Advice)

Article 6 The competent minister may provide necessary guidance and advice to business operators using energy at factories, etc. with regard to the implementation of the matters set forth in the items of paragraph (1) or the items of paragraph (2) of the preceding Article, in consideration of the decision-making criteria prescribed in paragraph (1) or (2) of that Article, if considered necessary in order to secure appropriate implementation of the rationalization of energy use or the shift to non-fossil energy at factories, etc. or the appropriate implementation of measures to contribute to the optimization of electricity demand at factories, etc., or may provide necessary guidance and advice to business operators using electricity at factories, etc. with regard to the implementation of the matters set forth in items of paragraph (3) of that Article, in consideration of the guidelines prescribed in that paragraph.

Subsection 2 Measures Pertaining to Specified Business Operators

(Designation of Specified Business Operators)

Article 7 (1) Among business operators that have set up factories, etc. (excluding chain business operators (meaning chain business operators as prescribed in Article 19, paragraph (1); the same applies in paragraph (4), item (iii)), licensed managing and supervising business operators (meaning licensed managing and supervising business operators as prescribed in Article 31, paragraph (2); the same applies in paragraph (6)), and management-related business operators (meaning management-related business operators as prescribed in Article 31, paragraph (2), item (ii); the same applies in paragraph (6)); the same applies in paragraph (3)), the Minister of Economy, Trade and Industry is to designate those whose total energy consumption at all factories, etc. set up by them for a business year (meaning a year from April 1 to March 31 in the following year; the same applies hereinafter) is greater than or equal the energy usage level specified by Cabinet Order, as those that are particularly required to promote the rationalization of energy use or the shift to non-fossil energy.

(2) The energy consumption for a business year referred to in the preceding paragraph is calculated pursuant to the provisions of Cabinet Order.

(3) A business operator that has factories, etc. must, if the total energy consumption for the previous year in all its factories, etc., is greater than or equal the energy usage level specified by Cabinet Order under paragraph (1) as calculated pursuant to Cabinet Order provisions of the preceding paragraph, notify the Minister of Economy, Trade and Industry, pursuant to the Order of the Ministry of Economy, Trade and Industry provisions, of the matters specified by Order of the Ministry of Economy, Trade and Industry with regard

to energy consumption and other aspects status of the energy use in all its factories, etc. for the previous year; provided, however, that this does not apply to business operators that are designated pursuant to the provisions of that paragraph (hereinafter referred to as a "specified business operator").

- (4) A specified business operator may, if grounds set forth in any of the following items arise, make a request for rescission of the designation under the provisions of paragraph (1) to the Minister of Economy, Trade and Industry pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry:
- (i) if the specified business operator has ceased to conduct business, in whole, in all its factories, etc.; or
 - (ii) if the total energy consumption in all its factories, etc. for a business year as calculated pursuant to the provisions of Cabinet Order under paragraph (2) is no longer expected to be greater than or equal the usage level specified by Cabinet Order as referred to in paragraph (1).
 - (iii) if the specified business operator becomes the chain business operator.
- (5) When the request referred to in the preceding paragraph is made, if the Minister of Economy, Trade and Industry finds that there are grounds for the request, the Minister is to rescind the designation under the provisions of paragraph (1) without delay. The same applies where there is no request referred to in the preceding paragraph, it is found that grounds set forth in any of the items of that paragraph have arisen with respect to the relevant business operator.
- (6) When a specified business operator becomes a licensed managing and supervising business operator or management-related business operator, the Minister of Economy, Trade and Industry is to rescind the designation under the provisions of paragraph (1) pertaining to the specified business operator.
- (7) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding two paragraphs, the Minister is to notify the minister having jurisdiction over the business pertaining to the factories, etc. set up by the relevant business operator of the rescission.

(Energy Management and Supervision Officer)

Article 8 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified business operator must appoint a person to supervise and manage the preparation affairs of the medium-to-long-term plan referred to in Article 15, paragraph (1) or (2) as well as the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry regarding the rationalization of energy use at

factories, etc. set up by it (hereinafter referred to as "energy management and supervision officer" in this Article and the following Article, paragraph (1)).

(2) The position of the energy management and supervision officer must be filled by a person who supervises and manages the implementation of operations by specified business operator.

(3) A specified business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of the energy management and supervision officer pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry provisions.

(Energy Management Planning Promoter)

Article 9 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified business operator must appoint a person to assist the energy management and supervision officer in connection with the operations prescribed in paragraph (1) of the preceding Article (excluding the preparation affairs of the medium-to-long-term plan referred to in Article 15, paragraph (2)) (such person is hereinafter referred to as "energy management planning promotor" in this Article) from among the following persons:

(i) persons who have completed training courses related to knowledge and skills necessary for the rationalization of energy use that are provided by the Minister of Economy, Trade and Industry or a person designated by the Minister (hereinafter referred to as "designated training organization") pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry; or

(ii) persons who have a license for energy manager (meaning the license for energy manager prescribed in Article 55; hereinafter the same applies in this Section).

(2) When a specified business operator appoints a promoter of energy management and planning from among the persons set forth in item (i) of the preceding paragraph, the specified business operator must have that person participate in the training for improving the ability of promoters of energy management and planning that is given by the Minister of Economy, Trade and Industry or a designated training organization pursuant to the provisions of Order of Ministry of Economy, Trade and Industry, in each period specified by Order of the Ministry of Economy, Trade and Industry.

(3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of a promoter of energy management and planning.

(Designation of Type 1 Designated Energy Management Factories)

Article 10 (1) The Minister of Economy, Trade and Industry is to designate, among factories, etc. set up by specified business operators, those whose energy consumption for a business year calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) is greater than or equal the usage level specified by Cabinet Order, as factories, etc. particularly required to promote the rationalization of energy use.

(2) Specified business operators that have set up factories, etc. that have been designated pursuant to the provisions of the preceding paragraph (referred to as "type 1 designated energy management factories, etc." in paragraph (1) of the following Article and Article 13, paragraph (1)) (those specified business operators are respectively referred to as a "type 1 specified business operator" in the following Article and Article 12, paragraph (1)) may make a request for rescission of the designation under the provisions of that paragraph to the Minister of Economy, Trade and Industry pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry if grounds set forth in any of the following items arise regarding those factories, etc.

(i) if the type 1 specified business operator has ceased to conduct business; or

(ii) if the energy consumption for a business year as calculated pursuant to the provisions of Cabinet Order as referred to in Article 7, paragraph (2) is no longer expected to be greater than or equal the usage level specified by Cabinet Order as referred to in the preceding paragraph.

(3) When the request referred to in the preceding paragraph is made, if the Minister of Economy, Trade and Industry finds that there are grounds for the request, the Minister is to rescind the designation pursuant to the provisions of paragraph (1) without delay. The same applies where there is no request referred to in the preceding paragraph, and it is found that grounds set forth in any of the items of the same paragraph have arisen with respect to the relevant factories, etc.

(4) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding paragraphs, the Minister is to notify the minister having jurisdiction over the business pertaining to the relevant factories, etc., of the rescission.

Article 11 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, for each of the type 1 designated energy management factories, etc. set up by it, in accordance with the criteria set by Cabinet Order, a type 1 specified business operator must appoint a person to manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry with regard to the rationalization of

energy use at type 1 designated energy management factories, etc. (referred to as an "energy manager" in the following paragraph), from among persons who have a license for energy manager; provided, however, that this does not apply to the type 1 designated energy management factories, etc. set forth in the following cases:

- (i) a type 1 specified business operator that has type 1 designated energy management factories, etc. that are used for a business falling under the category of manufacturing industry or the categories of other industries specified by Cabinet Order and are used exclusively as offices or any other usage similar thereto, as specified by Cabinet Order: or
 - (ii) type 1 designated energy management factories, etc. that are used for a business falling under the category of industry other than those prescribed in the preceding item.
- (2) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, type 1 specified business operators must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of type 1 energy managers.

Article 12 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, among type 1 specified business operators, those that have set up factories, etc. set forth in the items of paragraph (1) of the preceding Article (hereinafter referred to as "type 1 designated business operators" in this Article) must appoint a person to manage the maintenance of energy consuming equipment, and the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry with regard to the rationalization of energy use at the factories, etc. set forth in the items of paragraph (1) of the preceding Article (hereinafter referred to as an "energy management assistant" in this Article) from among the persons set forth in the items of Article 9, paragraph (1), for each of those factories, etc. set up by them.

- (2) When a type 1 designated business operator appoints an energy management assistant from among the persons set forth in Article 9, paragraph (1), item (i), the type 1 designated business operator must have the energy management assistant participate in the training for improving the ability of energy management assistant that is given by the Minister of Economy, Trade and Industry or a designated training organization pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, in each period specified by Order of the Ministry of Economy, Trade and Industry.
- (3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, type 1 designated business operators must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of the energy

management assistant.

Article 13 (1) The Minister of Economy, Trade and Industry is to designate, among factories, etc. set up by specified business operators, factories, etc. other than type 1 designated energy management factories, etc. whose energy consumption for a business year is not greater than or equal the usage level specified by Cabinet Order, calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2), and is not greater than or equal the usage level specified by Cabinet Order as referred to in paragraph (1) of that Article, as factories, etc. particularly required to promote the rationalization of energy use in the same way as type 1 designated energy management factories, etc.

(2) Specified business operators that have set up factories, etc. that have been designated pursuant to the provisions of the preceding paragraph (referred to as "type 2 designated energy management factories, etc." in paragraph (4) and paragraph (1) of the following Article) (those specified business operators are each referred to as a "type 2 specified business operator" in that Article) may make a request for rescission of the designation under the provisions of 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 if grounds set forth in any of the following items arise regarding those factories, etc.:

- (i) if the type 2 specified business operator has ceased to conduct business; or
- (ii) if the energy consumption for a business year as calculated pursuant to the provisions of Cabinet Order as referred to in Article 7, paragraph (2) is no longer expected to be greater than or equal the usage level specified by Cabinet Order as referred to in the preceding paragraph.

(3) When the request referred to in the preceding paragraph is made, if the Minister of Economy, Trade and Industry finds that there are grounds for the request, the Minister is to rescind the designation under the provisions of paragraph (1) without delay. The same applies where it is found that grounds cause set forth in any of the items of that paragraph have arisen regarding the relevant factories, etc., where there is no request referred to in the preceding paragraph.

(4) Where the energy consumption for a business year as calculated pursuant to the provisions of Cabinet Order as referred to in Article 7, paragraph (2) at type 2 designated energy management factories, etc. is greater than or equal the usage level specified by Cabinet Order as referred to in Article 10, paragraph (1) and the relevant factories, etc. are designated by the Minister of Economy, Trade and Industry pursuant to the provisions of that paragraph, the Minister is to rescind the designation under the provisions of paragraph (1)

pertaining to those factories, etc.

- (5) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding two paragraphs, the Minister is to notify the minister having jurisdiction over the business pertaining to the relevant factories, etc. of the rescission.

Article 14 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, for each of the type 2 designated energy management factories, etc. set up by it, a type 2 specified business operator must appoint a person to manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry with regard to the rationalization of energy use at type 2 designated energy management factories, etc. (hereinafter referred to as an "energy management assistant" in this Article), from among the persons set forth in the items of Article 9, paragraph (1).

- (2) When a type 2 specified business operator appoints an energy management assistant from among the persons set forth in Article 9, paragraph (1), item (i), the type 2 specified business operator must have the energy management assistant participate in the training for improving the ability of energy management assistant that is given by the Minister of Economy, Trade and Industry or a designated training organization pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, in each period specified by Order of the Ministry of Economy, Trade and Industry.
- (3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 2 specified business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of an energy management assistant.

(Preparation of Medium-to-long-term Plans)

Article 15 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified business operator must regularly prepare a medium-to-long-term plan for achieving the target for the rationalization of energy use that is specified for factories, etc. set up by it in the decision-making criteria prescribed in Article 5, paragraph (1) and must submit it to the competent minister.

- (2) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified business operator (excluding one whose total energy consumption in all its factories, etc. for a business year, which is obtained by deducting the consumption of fossil fuel and non-fossil fuel used for generating

heat or electricity supplied to other persons from the energy consumption for the business year as calculated pursuant to the provisions of Cabinet Order as referred to in Article 7, paragraph (2), is less than the usage level specified by Cabinet Order as referred to in paragraph (1) of that Article) must regularly prepare a medium-to-long-term plan for achieving the target for the shift to non-fossil energy (if the business operator supplies heat or electricity to other persons, excluding the portion pertaining to the fossil fuel or non-fossil fuel used for generating that heat or electricity) that is specified for factories, etc. set up by it in the decision-making criteria prescribed in Article 5, paragraph (2) and must submit it to the competent minister.

- (3) In order to contribute to appropriate preparation of the plans referred to in the preceding two paragraphs by specified business operators, the competent minister may establish necessary guidelines for each plan.
- (4) When the competent minister has established the guidelines referred to in the preceding paragraph, the minister is to publicize them.

(Regular Reporting)

Article 16 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, in each business year the specified business operators must report to the competent minister the matters specified by Order of the Ministry of Economy, Trade and Industry concerning energy consumption and other aspects of energy use at its factories, etc. (including matters concerning efficiency in energy use and the emissions of carbon dioxide discharged by the use of energy) as well as the aspects of establishment, modification and demolition of energy consuming facilities and other facilities relating to the rationalization of energy use.

- (2) When the Minister of Economy, Trade and Industry intends to issue or amend an Order of the Ministry of Economy, Trade and Industry referred to in the preceding paragraph (limited to the matters concerning the emissions of carbon dioxide discharged by the use of energy), the Minister must consult with the Minister of the Environment in advance.

(Instructions and Orders for Rationalization Plans)

Article 17 (1) If the competent minister finds that the state of the rationalization of energy use at factories, etc. set up by a specified business operator is extremely inadequate in light of the decision-making criteria prescribed in Article 5, paragraph (1), the minister may instruct the specified business operator to prepare and submit a plan on the rationalization of energy use (hereinafter referred to as a "rationalization plan"), that takes into consideration the technical standards related to the business conducted by the specified business operator using energy, the status of the measures taken by

the specified business operator in accordance with the guidelines prescribed in paragraph (3) of that Article, and other circumstances, and that shows the grounds for the Minister's judgment.

- (2) If the competent minister finds the rationalization plan to be not appropriate for carrying out the rationalization of energy use relating to factories, etc. set up by the specified business operator, the minister may instruct the specified business operator to alter the rationalization plan.
- (3) If the competent minister finds that a specified business operator is not carrying out its rationalization plan, the minister may instruct the specified business operator to carry out the rationalization plan appropriately.
- (4) If a specified business operator that has received the instructions prescribed in the preceding three paragraphs fails to follow the instructions, the competent minister may publicize to that effect.
- (5) If a specified business operator that has received the instructions prescribed in paragraphs (1) through (3) fails to take the measures pertaining to those instructions without legitimate grounds, after hearing opinions from councils, etc. (meaning organizations prescribed in Article 8 of the National Government Organization Act (Act No. 120 of 1948); the same applies hereinafter) specified by Cabinet Order, the competent minister may order that specified business operator to take the measures pertaining to the instructions.

(Recommendations for Shift to Non-fossil Energy)

Article 18 (1) If the competent minister finds that the aspects of the shift to non-fossil energy prescribed in Article 15, paragraph (2) at factories, etc. set up by the specified business operator prescribed in that paragraph are extremely inadequate in light of the decision-making criteria prescribed in Article 5, paragraph (2), the minister may recommend that the specified business operator take necessary measures for the shift to non-fossil energy, while taking into consideration the technical standards relating to the business conducted by the specified business operator using energy, the status of measures taken by the same in accordance with the guidelines prescribed in paragraph (3) of that Article, and other circumstances and showing the grounds for the minister's judgment.

- (2) If the specified business operator that has received the recommendations prescribed in the preceding paragraph fails to follow the recommendations, the competent minister may publicize to that effect.

Subsection 3 Measures Pertaining to Specified Chain Business Operators

(Designation of Specified Chain Business Operators)

Article 19 (1) The Minister of Economy, Trade and Industry is to designate a person that particularly needs to advance the rationalization of energy use or the shift to non-fossil energy, that is a person engaged in business operations in which it allows other persons to use a specific trademark, trade name, or any other such indication, specifies the ways in which goods are sold or services are provided, and provides instructions on management on an ongoing basis pursuant to contracts that are based on a standard set of general terms and conditions containing provisions on the particulars that Order of the Ministry of Economy, Trade and Industry prescribes regarding the conditions of energy use at factories, etc. that are run by persons participating in those business operations (hereinafter referred to as a "franchisee") (hereinafter these business operations are referred to as "chain business operations" and a person engaged in them is referred to as a "chain business"), if the total annual energy use, calculated as prescribed by the Cabinet Order referred to in Article 7, paragraph (2), at all factories, etc. that the chain business operator has in place and at all factories, etc. that its franchisees have in place that are associated with those chain operations is greater than or equal the level prescribed by the Cabinet Order that is referred to in paragraph (1) of that Article.

(2) When the total energy consumption for the previous year in all factories, etc. that belong to the chain business operator and all factories, etc. in relation to the chain business that belong to a franchisee of the chain business conducted by the chain business operator, as calculated pursuant to Cabinet Order referred to in Article 7, paragraph (2), is beyond the level specified by Cabinet Order referred to in paragraph (1) of that Article, chain business operators must notify the Minister of Economy, Trade and Industry, pursuant to Order of the Ministry of Economy, Trade and Industry provisions, of the matters specified by Order of the Ministry of Trade and Industry with regard to energy consumption and other aspects of energy use for the previous year at all factories, etc. that belong to the chain business and all factories, etc. pertaining to the chain business operation that belong to the franchisee of the chain business operation conducted by the chain business operator; provided, however, that this does not apply to a business operator that is designated pursuant to the provisions of the preceding paragraph (hereinafter referred to as a "specified chain business operator").

(3) If grounds set forth in any of the following items arise, a specified chain business operator may make a request for rescission of the designation under the provisions of paragraph (1) to the Minister of Economy, Trade and Industry pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry:

(i) if the specified chain business operator has ceased to conduct business

- operation in all factories, etc., set up by it and in all factories, etc. set up by franchisees of the chain business operations carried out by the specified chain business operator and pertaining to those chain business operations; or
- (ii) if the total energy consumption for a business year at all factories, etc. set up by specified chain business operators and all factories, etc. set up by franchisees of the chain business operations carried out by that specified chain business operator and pertaining to those chain business operations, as calculated pursuant to the provisions of Cabinet Order referred to in Article 7, paragraph (2) is no longer expected to be greater than or equal the usage level specified by Cabinet Order referred to in paragraph (1) of that Article.
- (4) When the request referred to in the preceding paragraph is made, if the Minister of Economy, Trade and Industry finds that there are grounds for the request, the Minister is to rescind the designation under the provisions of paragraph (1) without delay. The same applies where there is no request referred to in the preceding paragraph, and it is found that grounds set forth in any of the items of that paragraph have arisen regarding the relevant business.
- (5) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding paragraph, the Minister is to notify the minister having jurisdiction over the business pertaining to the factories, etc. set up by the business operator and the chain business operation carried out by the business operator of the rescission.

(Energy Management and Supervision Officers)

Article 20 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified chain business operator (excluding a case where that specified chain business operator is a licensed managing and supervising business operator (meaning a licensed managing and supervising business operator prescribed in Article 31, paragraph (2)) or management-related business operator (meaning the management-related business operator prescribed in item (ii) of that paragraph); hereinafter the same applies in this Subsection and Article 49 and Article 52, paragraph (2)) must appoint a person to supervise and manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of Ministry of Economy, Trade and Industry, regarding the affairs of preparing the medium-to-long-term plan referred to in Article 27, paragraph (1) or (2) and the rationalization of energy use at factories, etc. set up by it and factories, etc. pertaining to the chain business operations set up by the franchisees of those chain business operations carried out by that specified chain business operator and pertaining to those chain business operations (hereinafter referred to as "energy management and

- supervision officer" in this Article and paragraph (1) of the following Article).
- (2) The position of the energy management and supervision officer must be filled by a person who supervises and manages the execution of the business conducted by the specified chain business operator.
 - (3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified chain business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of an energy management and supervision officer.

(Promoters of Energy Management and Planning)

- Article 21 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified chain business operator must appoint a person to assist the energy management and supervision officer (hereinafter referred to as a "promoter of energy management and planning" in this Article) in connection with the operations prescribed in paragraph (1) of the preceding Article (excluding the preparation affairs of the medium-to-long-term plan referred to in Article 27, paragraph (2)) from among the persons set forth in the items of Article 9, paragraph (1).
- (2) When a specified chain business operator appoints a promoter of energy management and planning from among the persons set forth in Article 9, paragraph (1), item (i), the specified chain business operator must have the promoter of energy management and planning participate in the training for improving the ability of promoters of energy management and planning that is given by the Minister of Economy, Trade and Industry or a designated training organization pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, in each period specified by Order of the Ministry of Economy, Trade and Industry.
 - (3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified chain business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of a promoter of energy management and planning.

(Designation of Type 1 Designated Chain Energy Management Factories)

- Article 22 (1) The Minister of Economy, Trade and Industry is to designate, among factories, etc. set up by specified chain business operators, those whose energy consumption for a business year calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) is greater than or equal the usage level specified by Cabinet Order as referred to in Article 10, paragraph (1), as factories, etc. particularly required to promote the rationalization of energy use.
- (2) Specified chain business operators that have set up factories, etc. that have

been designated pursuant to the provisions of the preceding paragraph (referred to as "type 1 designated chain energy management factories, etc." in paragraph (1) of the following Article and Article 25, paragraph (1)) (those specified chain business operators are referred to as "type 1 specified chain business operators" in the following Article and Article 24, paragraph (1)) may make a request for rescission of the designation under the provisions of 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 if grounds set forth in any of the following items arise regarding those factories, etc.:

- (i) if the type-1 specified chain business operator has ceased to conduct business; or
 - (ii) if the energy consumption for a business year calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) is no longer expected to be greater than or equal the usage level specified by Cabinet Order as referred to in Article 10, paragraph (1).
- (3) When the request referred to in the preceding paragraph is made, if the Minister of Economy, Trade and Industry finds that there are grounds for the request, the Minister is to rescind the designation under the provisions of paragraph (1) without delay. The same applies where it is found that grounds set forth in any of the items of the same paragraph have arisen regarding the relevant factories, etc., where there is no request referred to in the preceding paragraph,
- (4) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding paragraph, the Minister is to notify the minister having jurisdiction over the business pertaining to the relevant factories, etc. of the rescission.

Article 23 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, for each of the type 1 designated chain energy management factories, etc. set up by it, in accordance with the criteria set by Cabinet Order as referred to in Article 11, paragraph (1), a type 1 specified chain business operator must appoint a person to manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry with regard to the rationalization of energy use at type 1 designated chain energy management factories, etc. (referred to as an "energy manager" in the following paragraph), from among persons who have a license for energy manager; provided, however, that this does not apply to the type 1 designated chain energy management factories, etc. set forth in the

following cases:

- (i) among type 1 designated chain energy management factories, etc., those used for businesses that belong to the business types prescribed by Cabinet Order as referred to in Article 11, paragraph (1), item (i) and used exclusively as offices or other use similar thereto, those specified by Cabinet Order; or
 - (ii) among type 1 designated chain energy management factories, etc., those used for businesses that belong to business types other than those prescribed in the preceding item.
- (2) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 1 specified chain business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of an energy manager.

Article 24 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, among type 1 specified chain business operators, those that have set up the factories, etc. set forth in the items of paragraph (1) of the preceding Article (hereinafter referred to as "type 1 designated chain business operators" in this Article) must appoint a person to manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry with regard to the rationalization of energy use at the factories, etc. set forth in the items of paragraph (1) of the preceding Article (hereinafter referred to as an "energy management assistant" in this Article), from among the persons set forth in the items of Article 9, paragraph (1) for each of those factories, etc. set up by them.

- (2) When a type 1 designated chain business operator appoints an energy management assistant from among the persons set forth in Article 9, paragraph (1), item (i), the type 1 designated chain business operator must have that energy management assistant participate in the training for improving the ability of energy management assistant that is given by the Minister of Economy, Trade and Industry or a designated training organization pursuant to the provisions of Order of Ministry of Economy, Trade and Industry, in each period specified by Order of the Ministry of Economy, Trade and Industry.
- (3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 1 designated chain business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of an energy management assistant.

(Designation of Type-2 Designated Chain Energy Management Factories, etc.)

- Article 25 (1) The Minister of Economy, Trade and Industry is to designate, among factories, etc. set up by specified chain business operators, those other than type 1 designated chain energy management factories, etc. whose energy consumption for a business year is not greater than or equal the usage level specified by Cabinet Order, calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2), and is greater than or equal the usage level specified by Cabinet Order as referred to in Article 13, paragraph (1), as factories, etc. that have a particular necessity to promote the rationalization of energy use in the same way as type 1 designated chain energy management factories, etc.
- (2) Specified chain business operators that have set up factories, etc. that have been designated pursuant to the provisions of the preceding paragraph (referred to as "type 2 designated chain energy management factories, etc." in paragraph (4) and the following Article, paragraph (1)) (those specified chain business operators are referred to as "type 2 specified chain business operators" in that Article) may make a request for rescission of the designation under the provisions of 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 if grounds set forth in any of the following items arise regarding those factories, etc.:
- (i) if the type 2 specified chain business operator has ceased to conduct business; or
 - (ii) if the energy consumption for a business year calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) is no longer expected to be greater or equal than the usage level specified by Cabinet Order as referred to in Article 13, paragraph (1).
- (3) When the request referred to in the preceding paragraph is made, if the Minister of Economy, Trade and Industry finds that there are grounds for the request, the Minister is to rescind the designation under the provisions of paragraph (1) without delay. The same applies where there is no request referred to in the preceding paragraph, and it is found that grounds set forth in any of the items of the same paragraph have arisen regarding the relevant factories, etc.
- (4) Where the energy consumption for a business year calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) at type 2 designated chain energy management factories, etc. is greater than or equal the usage level specified by Cabinet Order as referred to in Article 10, paragraph (1) and the Minister of Economy, Trade and Industry designates those factories, etc. pursuant to the provisions of Article 22, paragraph (1), the Minister is to rescind the designation under the provisions of paragraph (1) pertaining to the factories, etc.

- (5) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding two paragraphs, the Minister is to notify the minister having jurisdiction over the business pertaining to the relevant factories, etc. of the rescission.

Article 26 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 2 specified chain business operator must appoint a person to manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry with regard to the rationalization of energy use at type 2 designated chain energy management factories, etc. (hereinafter referred to as an "energy management assistant" in this Article), from among the persons set forth in the items of Article 9, paragraph (1), for each of the type 2 designated chain energy management factories, etc. set up by it.

- (2) When a type 2 specified chain business operator appoints an energy management assistant from among the persons set forth in Article 9, paragraph (1), item (i), the type 2 designated chain business operator must have that energy management assistant participate in the training for improving the ability of energy management assistant that is given by the Minister of Economy, Trade and Industry or a designated training organization as prescribed by Order of the Ministry of Economy, Trade and Industry, in each period specified by Order of the Ministry of Economy, Trade and Industry.
- (3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 2 specified chain business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of an energy management assistant.

(Preparation of Medium-to-long-term Plans)

Article 27 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified chain business operator must regularly prepare a medium-to-long-term plan for attaining the target for the rationalization of energy use that is specified for factories, etc. set up by it and factories, etc. set up by the franchisees of the chain business operations carried out by that specified chain business operator and pertaining to those chain business operations in the decision-making criteria prescribed in Article 5, paragraph (1) and must submit it to the competent minister.

- (2) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified chain business operator (excluding one whose total energy consumption in all factories, etc. set up by it and all factories, etc. set up by

franchisees of the chain business operations carried out by the specified chain business operator and pertaining to those chain business operations for a business year, which is obtained by deducting the consumption of fossil fuel and non-fossil fuel used for generating heat or electricity supplied to other persons from the energy consumption for the business year as calculated pursuant to the provisions of Cabinet Order as referred to in Article 7, paragraph (2), is less than the usage level specified by Cabinet Order as referred to in paragraph (1) of that Article) must regularly prepare a medium-to-long-term plan for achieving the target for the shift to non-fossil energy (if the business operator supplies heat or electricity to other persons, excluding the portion pertaining to the fossil fuel or non-fossil fuel used for generating that heat or electricity) that is specified for factories, etc. set up by it and factories, etc. set up by franchisees of the chain business operations carried out by the specified chain business operator and pertaining to those chain business operations in the decision-making criteria prescribed in Article 5, paragraph (2) and must submit it to the competent minister.

(3) In order to contribute to appropriate preparation of the plans referred to in the preceding two paragraphs by specified chain business operators, the competent minister may establish necessary guidelines for each plan.

(4) When the competent minister has established the guidelines referred to in the preceding paragraph, the minister is to publicize those guidelines.

(Regular Reporting)

Article 28 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, in each business year a specified chain business operator must report to the competent minister about the matters specified by Order of the Ministry of Economy, Trade and Industry concerning energy consumption and other aspects of using energy (including matters concerning efficiency of energy use and the emissions of carbon dioxide discharged by the use of energy) and the aspects of establishment, modification and demolition of energy consuming equipment and equipment relating to the rationalization of energy use at factories, etc. set up by it and factories, etc. set up by the franchisees of the chain business operations carried out by that specified chain business operator and pertaining to those chain business operations.

(2) When the Minister of Economy, Trade and Industry intends to issue or amend the Order of the Ministry of Economy, Trade and Industry referred to in the preceding paragraph (limited to the matters concerning the emissions of carbon dioxide discharged by the use of energy), the Minister must consult with the Minister of the Environment in advance.

(Instructions and Orders for Rationalization Plans)

Article 29 (1) If the competent minister finds that the aspects of the rationalization of energy use at factories, etc. set up by a specified chain business operator and factories, etc. set up by the franchisees of the chain business operations carried out by that specified chain business operator pertaining to those chain business operations are extremely inadequate in light of the decision-making criteria prescribed in Article 5, paragraph (1), the minister may instruct the specified chain business operator to prepare and submit a rationalization plan that takes into consideration the technical standards relating to the business conducted by the specified chain business operator using energy, the aspects of measures taken in accordance with the guidelines prescribed in paragraph (3) of that Article, and other circumstances, and that shows the grounds for the minister's judgment.

(2) If the competent minister finds the rationalization plan to be inappropriate for carrying out the rationalization of energy use relating to factories, etc. set up by the relevant specified chain business operator and factories, etc. set up by the franchisees of the chain business operations carried out by the specified chain business operator pertaining to those chain business operations, the minister may instruct the specified chain business operator to alter the rationalization plan.

(3) If the competent minister finds that a specified chain business operator is not carrying out its rationalization plan, the minister may instruct that specified chain business operator to carry out the rationalization plan appropriately.

(4) If a specified chain business operator that has received the instructions prescribed in the preceding three paragraphs fails to follow those instructions, the competent minister may publicize to that effect.

(5) If a specified chain business operator that has received the instructions prescribed in paragraphs (1) through (3) fails to take the measures pertaining to those instructions without legitimate grounds, after hearing opinions from councils, etc. specified by Cabinet Order, the competent minister may order that specified chain business operator to take the measures pertaining to the instructions.

(Recommendations to Shift to Non-fossil Energy)

Article 30 (1) If the competent minister finds that the aspects of the shift to non-fossil energy prescribed in Article 27, paragraph (2) at factories, etc. set up by the specified chain business operator prescribed in that paragraph and factories, etc. set up by franchisees of the chain business operations carried out by that specified chain business operator and pertaining to those chain business operations are extremely inadequate in light of the decision-making criteria prescribed in Article 5, paragraph (2), the minister may recommend that the specified chain business operator take necessary measures for the

shift to non-fossil energy, while taking into consideration the technical standards relating to the business conducted by the specified chain business operator using energy, the status of measures taken by the same in accordance with the guidelines prescribed in paragraph (3) of that Article, and other circumstances and showing the grounds for the minister's judgment.

- (2) If the specified chain business operator that has received the recommendations prescribed in the preceding paragraph fails to follow the recommendations, the competent minister may publicize to that effect.

Subsection 4 Measures Pertaining to Licensed Managing and Supervising Business Operators

(Licensed Managing and Supervising Business Operators)

Article 31 (1) When a business operator that has set up factories, etc. promotes the rationalization of energy use or the shift to non-fossil energy at factories, etc. in a united way with a stock company whose total issued shares are held by it or with another business operator that is specified by Order of the Ministry of Economy, Trade and Industry as being closely related to the business operator that has set up factories, etc. (hereinafter referred to as a "closely related business operator" in this paragraph and item (ii) of the following paragraph), the business operator may obtain the approval from the Minister of Economy, Trade and Industry for meeting all the requirements referred to in the following items:

- (i) the business operator satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as a business operator that supervises and manages the measures to rationalize the use of energy or to shift to non-fossil energy that are taken in a united way with the closely related business operator pertaining to an application for the certification; and
- (ii) the total energy consumption calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) for the previous business year at all factories, etc. set up by the business operator that has set up the factories, etc. and the closely related business operator pertaining to an application for the certification is greater than or equal the usage level specified by Cabinet Order as referred to in paragraph (1) of that Article.
- (2) If a business operator that has obtained the certification referred to in the preceding paragraph (hereinafter referred to as a "licensed managing and supervising business operator") falls under any of the following items, the Minister of Economy, Trade and Industry may rescind the certification:
- (i) if the licensed managing and supervising business operator no longer meets the requirements specified by Order of the Ministry of Economy, Trade and

- Industry as prescribed in item (i) of the preceding paragraph;
- (ii) if the total energy consumption for a business year calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) at all factories, etc. set up by the licensed managing and supervising business operator and the closely related business operator pertaining to its certification (hereinafter referred to as "management-related business operator") is no longer expected to be greater than or equal the usage level specified by Cabinet Order as referred to in paragraph (1) of that Article; or
 - (iii) if it is found that the licensed managing and supervising business operator has obtained the certification referred to in the preceding paragraph by wrongful means.
- (3) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding paragraph, the Minister is to notify the minister having jurisdiction over the business pertaining to the factories, etc. set up by the relevant business pertain of the rescission.

(Energy Management and Supervise Officers)

- Article 32 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a licensed managing and supervising business operator must appoint a person to supervise and manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry, regarding the work of preparation of the medium-to-long-term plan referred to in Article 39, paragraph (1) or (2) and the rationalization of energy use at facilities, etc. set up by it (including factories, etc. set up by the franchisees of the chain business operations carried out by it and pertaining to those chain business operations when the licensed managing and supervising business operator is the specified chain business operator; hereinafter the same applies in this Sub-section) and factories, etc. set up by its management-related business operator (including factories, etc. set up by the franchisees of the chain business operations carried out by that management-related business operator when the management-related business operator is the specified chain business operator; hereinafter the same applies in this Sub-section) (hereinafter referred to as an "energy management and supervision officer" in this Article and paragraph (1) of the following Article).
- (2) The position of the energy management and supervision officer must be filled by a person who supervises and manages the execution of the business conducted by a licensed managing and supervising business operator.
 - (3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a licensed managing and supervising business operator must notify

the Minister of Economy, Trade and Industry of the appointment or dismissal of an energy management and supervision officer.

(Promoters of Energy Management and Planning)

Article 33 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a licensed managing and supervising business operator must appoint a person to assist the energy management and supervision officer (hereinafter referred to as a "promoter of energy management and planning" in this Article), in connection with the operations prescribed in paragraph (1) of the preceding Article (excluding the preparation affairs of the medium-to-long-term plan referred to in Article 39, paragraph (2)), from among the persons set forth in the items of Article 9, paragraph (1).

(2) When a licensed managing and supervising business operator appoints a promoter of energy management and planning from among the persons set forth in Article 9, paragraph (1), item (i), the licensed managing and supervising business operator must have the promoter of energy management and planning participate in the training for improving the ability of promoters of energy management and planning that is given by the Minister of Economy, Trade and Industry or a designated training organization as prescribed by Order of the Ministry of Economy, Trade and Industry, in each period specified by Order of the Ministry of Economy, Trade and Industry.

(3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a licensed managing and supervising business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of a promoter of energy management and planning.

(Designation of Type-1 Managing and Supervising Designated Energy Management Factories)

Article 34 (1) The Minister of Economy, Trade and Industry is to designate, among factories, etc. set up by certified managing and supervising business operators, those whose energy consumption for a business year calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) is greater than or equal the usage level specified by Cabinet Order as referred to in Article 10, paragraph (1), as factories, etc. that has particular necessity to promote the rationalization of energy use.

(2) Certified managing and supervising business operators that have set up the factories, etc. designated pursuant to the provisions of the preceding paragraph (referred to as "type 1 managing and supervising designated energy management factories, etc." in paragraph (1) of the following Article and Article 37, paragraph (1)) (those certified managing and supervising business operators are referred to as "type 1 certified managing and supervising

business operators" in the following Article and Article 36, paragraph (1)) may make a request for rescission of the designation under the provisions of 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 if grounds set forth in any of the following items arise regarding those factories, etc.:

- (i) if the type-1 certified management supervising business operator has ceased to conduct business; or
 - (ii) if the energy consumption for a business year calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) is no longer expected to be greater than or equal the usage level specified by Cabinet Order as referred to in Article 10, paragraph (1).
- (3) When the request referred to in the preceding paragraph is made, if the Minister of Economy, Trade and Industry finds that there are grounds for the request, the Minister is to rescind the designation under the provisions of paragraph (1) without delay. The same applies where there is no request referred to in the preceding paragraph, and it is found that grounds set forth in any of the items of that paragraph have arisen regarding the relevant factories, etc.
- (4) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding paragraph, the Minister is to notify the minister having jurisdiction over the business pertaining to the relevant factories, etc. of the rescission.

Article 35 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 1 certified managing and supervising business operator must appoint a person to manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry with regard to the rationalization of energy use at type 1 managing and supervising designated energy management factories, etc. (referred to as an "energy manager" in the following paragraph), from among the persons who have a license for energy manager for each of type 1 managing and supervising designated energy management factories, etc. set up by it and in accordance with the criteria set by Cabinet Order as referred to in Article 11, paragraph (1); provided, however, that this does not apply to the type 1 managing and supervising designated energy management factories, etc. set forth in the following cases:

- (i) among type-1 managing and supervising designated energy management factories, etc., those used for businesses that belong to the business types

- prescribed by Cabinet Order as referred to in Article 11, paragraph (1), item (i) and used exclusively as offices or other use similar thereto, those specified by Cabinet Order; or
- (ii) among type-1 managing and supervising designated energy management factories, etc., those used for businesses that belong to business types other than those prescribed in the preceding item.
- (2) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 1 certified managing and supervising business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of an energy manager.

Article 36 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, among type 1 certified managing and supervising business operators, those that have set up the factories, etc. set forth in the items of paragraph (1) of the preceding Article (hereinafter referred to as "type 1 designated management supervising business operators" in this Article) must appoint a person to manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry with regard to the rationalization of energy use at the factories, etc. set forth in the items of paragraph (1) of the preceding Article (hereinafter referred to as an "energy management assistant" in this Article), from among the persons set forth in the items of Article 9, paragraph (1) for each of those Factories, etc. set up by them.

- (2) When a type 1 designated management supervising business operator appoints an energy management assistant from among the persons set forth in Article 9, paragraph (1), item (i), the type 1 designated management supervising business operator must have the energy management assistant participate in the training for improving the ability of energy management assistant that is given by the Minister of Economy, Trade and Industry or a designated training organization as prescribed by Order of the Ministry of Economy, Trade and Industry, in each period specified by Order of the Ministry of Economy, Trade and Industry.
- (3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 1 designated management supervising business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of an energy management assistant.

(Designation of Type 2 Managing and Supervising Designated Energy Management Factories)

Article 37 (1) The Minister of Economy, Trade and Industry is to designate,

among factories, etc. set up by certified business operators, other than type 1 managing and supervising designated energy management factories, etc. whose energy consumption for a business year is greater than or equal the usage level specified by Cabinet Order, calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2), and is greater than or equal the usage level specified by Cabinet Order as referred to in Article 13, paragraph (1), as factories, etc. particularly required to promote the rationalization of energy use in the same way as type 1 managing and supervising designated energy management factories, etc.

- (2) Certified managing and supervising business operators that have set up factories, etc. that have been designated pursuant to the provisions of the preceding paragraph (referred to as "type 2 managing and supervising designated energy management factories, etc." in paragraph (4) and paragraph (1) of the following Article) (those certified managing and supervising business operators are referred to as "type 2 certified managing and supervising business operators" in that Article) may make a request for rescission of the designation under the provisions of 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 if grounds set forth in any of the following items arise regarding those factories, etc.:
 - (i) if the type 2 certified managing and supervising business operator has ceased to conduct business; or
 - (ii) if the energy consumption for a business year calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) is no longer expected to be greater than or equal than the level specified by Cabinet Order as referred to in Article 13, paragraph (1).
- (3) When the request referred to in the preceding paragraph is made, if the Minister of Economy, Trade and Industry finds that there are grounds for the request, the Minister is to rescind the designation under the provisions of paragraph (1) without delay. The same applies where there is no request referred to in the preceding paragraph, and it is found that grounds set forth in any of the items of that paragraph have arisen regarding the relevant factories, etc.
- (4) Where the energy consumption for a business year calculated as prescribed by Cabinet Order referred to in Article 7, paragraph (2) at type 2 managing and supervising designated energy management factories, etc. is greater than or equal the usage level specified by Cabinet Order referred to in Article 10, paragraph (1) and the Minister of Economy, Trade and Industry designates those factories, etc. pursuant to the provisions of Article 34, paragraph (1), the Minister is to rescind the designation under the provisions of paragraph (1) pertaining to the factories, etc.

- (5) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding two paragraphs, the Minister is to notify the minister having jurisdiction over the business pertaining to the relevant factories, etc. of the rescission.

Article 38 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 2 certified managing and supervising business operator must appoint a person to manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry with regard to the rationalization of energy use at type 2 managing and supervising designated energy management factories, etc. (hereinafter referred to as an "energy management assistant" in this Article), from among the persons set forth in the items of Article 9, paragraph (1) for each of type 2 managing and supervising designated energy management factories, etc. set up by it,.

- (2) When a type 2 certified managing and supervising business operator appoints an energy management assistant from among the persons set forth in Article 9, paragraph (1), item (i), the type 2 certified managing and supervising business operator must have that energy management assistant participate in the training for improving the ability of energy management assistant that is given by the Minister of Economy, Trade and Industry or a designated training organization as prescribed by Order of the Ministry of Economy, Trade and Industry, in each period specified by Order of the Ministry of Economy, Trade and Industry.
- (3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 2 certified managing and supervising business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of an energy management assistant.

(Preparation of Medium-to-long-term Plans)

Article 39 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a certified managing and supervising business operator must regularly prepare a medium-to-long-term plan for attaining the target for the rationalization of energy use that is specified for factories, etc. set up by it and factories, etc. set up by its management-related business operator in the decision-making criteria prescribed in Article 5, paragraph (1) and must submit it to the competent minister.

- (2) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a licensed managing and supervising business operator (excluding

one whose total energy consumption in all factories, etc. set up by the licensed managing and supervising business operator and its management-related business operator for a business year, which is obtained by deducting the consumption of fossil fuel and non-fossil fuel used for generating heat or electricity supplied to other persons from the energy consumption as calculated pursuant to the provisions of Cabinet Order as referred to in Article 7, paragraph (2), is less than the usage level specified by Cabinet Order as referred to in paragraph (1) of that Article) must regularly prepare a medium-to-long-term plan for achieving the target for the shift to non-fossil energy (if the business operator supplies heat or electricity to other persons, excluding the portion pertaining to the fossil fuel or non-fossil fuel used for generating that heat or electricity) that is specified for factories, etc. set up by it and factories, etc. set up by its management-related business operator in the decision-making criteria prescribed in Article 5, paragraph (2) and must submit it to the competent minister.

- (3) In order to contribute to appropriate preparation of the plans referred to in the preceding two paragraphs by certified managing and supervising business operators, the competent minister may establish necessary guidelines for each plan.
- (4) When the competent minister has established the guidelines referred to in the preceding paragraph, the minister is to publicize those guidelines.

(Regular Reporting)

Article 40 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, in each business year a certified managing and supervising business operator must report to the competent minister the matters specified by Order of the Ministry of Economy, Trade and Industry concerning energy consumption and other aspects of using energy (including matters concerning efficiency of energy uses and the emissions of carbon dioxide discharged by the use of energy) and the aspects of establishment, modification and demolition of energy consuming equipment and equipment relating to the rationalization of energy use at factories, etc. set up by it and factories, etc. set up by its management-related business operator.

- (2) When the Minister of Economy, Trade and Industry intends to issue or amend the Order of the Ministry of Economy, Trade and Industry referred to in the preceding paragraph (limited to the matters concerning the emissions of carbon dioxide discharged by the use of energy), the Minister must consult with the Minister of the Environment in advance.

(Instructions and Orders for Rationalization Plans)

Article 41 (1) If the competent minister finds that the aspects of the

rationalization of energy use at factories, etc. set up by a certified managing and supervising business operator (including factories, etc. set up by the franchisees of the chain business operations carried out by that certified managing and supervising business operator pertaining to those chain business operations when the certified managing and supervising business operator is a specified chain business operator; the same applies in the following paragraph and paragraph (1) of the following Article) and factories, etc. set up by its management-related business operator are extremely inadequate in light of the decision-making criteria prescribed in Article 5, paragraph (1), the minister may instruct the certified managing and supervising business operator to prepare and submit a rationalization plan, that takes into consideration the technical standards relating to the business conducted by the certified managing and supervising business operator using energy and the aspects of measures taken in accordance with the guidelines prescribed in paragraph (3) of that Article, and other circumstances, and that shows the grounds for the minister's judgment.

- (2) If the competent minister finds a rationalization plan to be inappropriate for carrying out the rationalization of energy use relating to factories, etc. set up by the relevant certified managing and supervising business operator and factories, etc. set up by its management-related business operator, the minister may instruct the certified managing and supervising business operator to alter the rationalization plan.
- (3) If the competent minister finds that a certified managing and supervising business operator is not carrying out its rationalization plan, the minister may instruct that certified managing and supervising business operator to carry out the rationalization plan appropriately.
- (4) If a certified managing and supervising business operator that has received the instructions prescribed in the preceding three paragraphs fails to follow those instructions, the competent minister may publicize to that effect.
- (5) If a certified managing and supervising business operator that has received the instructions prescribed in paragraphs (1) through (3) fails to take the measures pertaining to those instructions without legitimate grounds, after hearing opinions from councils, etc. specified by Cabinet Order, the competent minister may, order that certified managing and supervising business operator to take the measures pertaining to the instructions.

(Recommendations to Shift to Non-fossil Energy)

Article 42 (1) If the competent minister finds that the aspects of the shift to non-fossil energy prescribed in Article 39, paragraph (2) at factories, etc. set up by the licensed managing and supervising business operator prescribed in that paragraph and factories, etc. set up by its management-related business

operator are extremely inadequate in light of the decision-making criteria prescribed in Article 5, paragraph (2), the minister may recommend that the licensed managing and supervising business operator take necessary measures for the shift to non-fossil energy, while taking into consideration the technical standards relating to the business conducted by the licensed managing and supervising business operator using energy, the status of measures taken by the same in accordance with the guidelines prescribed in paragraph (3) of that Article, and other circumstances and showing the grounds for the minister's judgment.

- (2) If the licensed managing and supervising business operator that has received the recommendations prescribed in the preceding paragraph fails to follow the recommendations, the competent minister may publicize to that effect.

Subsection 5 Measures Pertaining to Management-related Business Operators

(Designation of Type 1 Management-Related Designated Energy Management Factories)

Article 43 (1) Among factories, etc. set up by management-related business operators, the Minister of Economy, Trade and Industry is to designate those whose energy consumption for a business year calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) is greater than or equal the usage level specified by Cabinet Order as referred to in Article 10, paragraph (1), as factories, etc. having a particular necessity to promote the rationalization of energy use.

- (2) Management-related business operators that have set up factories, etc. that have been designated pursuant to the provisions of the preceding paragraph (referred to as "type 1 designated related energy management factories, etc." in paragraph (1) of the following Article and Article 46, paragraph (1)) (those management-related business operators are referred to as "type 1 management-related business operators" in the following Article and Article 45, paragraph (1)) may make a request for rescission of the designation under the provisions of 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 if grounds set forth in any of the following items arise regarding those factories, etc.:
- (i) if the type 1 management-related business operator has ceased to conduct business; or
 - (ii) if the energy consumption for a business year calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) is no longer expected to be greater than or equal the usage level specified by Cabinet Order as

- referred to in Article 10, paragraph (1).
- (3) When the request referred to in the preceding paragraph is made, if the Minister of Economy, Trade and Industry finds that there are grounds for the request, the Minister is to rescind the designation under the provisions of paragraph (1) without delay. The same applies where there is no request referred to in the preceding paragraph, and it is found that ground set forth in any of the items of that paragraph have arisen regarding the relevant factories, etc.
- (4) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding paragraph, the Minister is to notify the minister having jurisdiction over the business pertaining to the relevant factories, etc. of the rescission.

- Article 44 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 1 management-related business operator must appoint a person to manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof other operations specified by Order of the Ministry of Economy, Trade and Industry, with regard to the rationalization of energy use at type 1 management related designated energy management factories, etc. (referred to as an "energy manager" in the following paragraph), from among persons who have obtained a license for energy manager, for each of type 1 management-related designated energy management factories, etc. set up by it and in accordance with the criteria set by Cabinet Order as referred to in Article 11, paragraph (1); provided, however, that this does not apply to the type 1 management-related designated energy management factories, etc., set forth in the following cases:
- (i) among type-1 management-related designated energy management factories, etc., those used for businesses that belong to the business types prescribed by Cabinet Order referred to in Article 11, paragraph (1), item (i) and used exclusively as offices or other use similar thereto, those specified by Cabinet Order; or
- (ii) among type-1 management-related designated energy management factories, etc., those used for businesses that belong to business types other than those prescribed in the preceding item.
- (2) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 1 management-related business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of an energy manager.

Article 45 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, of type -1 management-related business operators, those that have set up the factories, etc. set forth in the items of paragraph (1) of the preceding Article (hereinafter referred to as "type 1 designated management-related business operators" in this Article) must appoint a person to manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry, with regard to the rationalization of energy use at the factories, etc. set forth in the items of paragraph (1) of the preceding Article (hereinafter referred to as an "energy management assistant" in this Article), from among the persons set forth in the items of Article 9, paragraph (1) , for each of those factories, etc. set up by them.

(2) When a type 1 designated management-related business operator appoints an energy management assistant from among the persons set forth in Article 9, paragraph (1), item (i), the type 1 designated management-related business operator must have the energy management assistant participate in the training for improving the ability of energy management assistant that is given by the Minister of Economy, Trade and Industry or a designated training organization as prescribed by Order of the Ministry of Economy, Trade and Industry, in each period specified by Order of the Ministry of Economy, Trade and Industry.

(3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 1 designated management-related business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of an energy management assistant.

(Designation of Type 2 Management-Related Designated Energy Management Factories)

Article 46 (1) Among factories, etc. set up by management-related business operators, The Minister of Economy, Trade and Industry is to designate factories, etc. other than type 1 management-related designated energy management factories, etc. whose energy consumption for a business year is greater than or equal the usage level specified by Cabinet Order, calculated as prescribed by Cabinet Order referred to in Article 7, paragraph (2), and is greater than or equal the usage level specified by Cabinet Order referred to in Article 13, paragraph (1), as factories, etc. particularly required to promote the rationalization of energy use in the same way as type 1 management-related designated energy management factories, etc.

(2) Management-related business operators that have set up factories, etc. that have been designated pursuant to the provisions of the preceding paragraph

(referred to as "type 2 management-related designated energy management factories, etc." in paragraph (4) and paragraph (1) of the following Article) (those management-related business operators are referred to as "type 2 management-related business operators " in that Article) may make a request for rescission of the designation under the provisions of 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 if grounds set forth in any of the following items arise regarding those factories, etc.:

- (i) if the type-2 management-related business operator has ceased to conduct business; or
 - (ii) if the energy consumption for a business year calculated as prescribed by Cabinet Order as referred to in Article 7, paragraph (2) is no longer expected to be greater than or equal the usage level specified by Cabinet Order as referred to in Article 13, paragraph (1).
- (3) When the request referred to in the preceding paragraph is made, if the Minister of Economy, Trade and Industry finds that there are grounds for the request, the Minister is to rescind the designation under the provisions of paragraph (1) without delay. The same applies where there is no request referred to in the preceding paragraph, and it is found that grounds set forth in any of the items of that paragraph have arisen regarding the relevant factories, etc.
- (4) Where the energy consumption for a business year calculated as prescribed by Cabinet Order referred to in Article 7, paragraph (2) at type -2 management-related designated energy management factories, etc. is greater than or equal the level specified by Cabinet Order as referred to in Article 10, paragraph (1) and the Minister of Economy, Trade and Industry designates those factories, etc. pursuant to the provisions of Article 43, paragraph (1), the Minister is to rescind the designation under the provisions of paragraph (1) pertaining to the factories, etc.
- (5) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding two paragraphs, the Minister is to notify the minister having jurisdiction over the business pertaining to the relevant factories, etc. of the rescission.

Article 47 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 2 management-related business operator must appoint a person to manage the maintenance of energy consuming equipment, the improving methods of using energy and monitoring thereof and other operations specified by Order of the Ministry of Economy, Trade and Industry with regard to the rationalization of energy use at type 2 management-related

designated energy management factories, etc. (hereinafter referred to as an "energy management assistant" in this Article), from among the persons set forth in the items of Article 9, paragraph (1), for each of type 2 management-related energy management factories, etc. set up by it.

- (2) When a type 2 management-related business operator appoints an energy management assistant from among the persons set forth in Article 9, paragraph (1), item (i), the type-2 management-related business operator must have that energy management assistant participate in the training for improving the ability of energy management assistant that is given by the Minister of Economy, Trade and Industry or a designated training organization as prescribed by Order of the Ministry of Economy, Trade and Industry, in each period specified by Order of the Ministry of Economy, Trade and Industry.
- (3) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a type 2 management-related business operator must notify the Minister of Economy, Trade and Industry of the appointment or dismissal of an energy management assistant.

Subsection 6 Miscellaneous Provisions

(Obligations of Energy Managers)

- Article 48 (1) The energy manager prescribed in Article 11, paragraph (1), Article 23, paragraph (1), Article 35, paragraph (1), and Article 44, paragraph (1) (simply referred to as an "energy manager" in the following paragraph) and the energy management assistant prescribed in Article 12, paragraph (1), Article 14, paragraph (1), Article 24, paragraph (1), Article 26, paragraph (1), Article 36, paragraph (1), Article 38, paragraph (1), Article 45, paragraph (1), and paragraph (1) of the preceding Article (simply referred to as an "energy management assistant" in the following paragraph) must perform their duties in good faith.
- (2) The energy management and supervision officer prescribed in Article 8, paragraph (1), Article 20, paragraph (1), and Article 32, paragraph (1) must respect the opinions of an energy manager or energy management assistant (referred to as an "energy manager, etc." in the following paragraph) regarding the rationalization of energy use at factories, etc. at which they perform their duties.
 - (3) Employees of factories, etc. at which an energy manager, etc. is appointed must follow the instructions that the energy manager, etc. gives, when the energy manager etc. finds those instructions necessary to perform their duties.

(Provision of Information)

Article 49 Japan Organization for Metals and Energy Security is to provide

necessary information concerning procurement or storage of the hydrogen prescribed in Article 11, paragraph (1), item (i) of the Act on Japan Organization for Metals and Energy Security (Act No. 94 of 2002) at the request of a specified business operator, specified chain business operator, or licensed managing and supervising business operator which prepares a medium-to-long-term plan pursuant to the provisions of Article 15, paragraph (2), Article 27, paragraph (2), or Article 39, paragraph (2).

(Approval of Collaborative Energy-efficiency Plans)

Article 50 (1) When a business operator that has set up factories, etc. promotes the rationalization of energy use at the factories, etc. in collaboration with other business operators that have set up factories, etc., that business operator may jointly prepare a plan for the measures for the rationalization of energy use to be taken in collaboration with those other business operators (hereinafter referred to as "collaborative energy-efficiency measures") (hereinafter referred to as a "collaborative energy-efficiency plan") and, by submitting it to the Minister of Economy, Trade and Industry, may acquire an approval for the appropriateness of the collaborative energy-efficiency plan, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(2) The following matters are to be incorporated into a collaborative energy-efficiency plan:

(i) the target for collaborative energy-efficiency measures;

(ii) the details and implementation period for collaborative energy-efficiency measures; and

(iii) the method of calculating the amount of energy considered to be used by each of the factories, etc. in connection with the collaborative energy-efficiency measures at factories, etc. set up by the management-related business operators that take those collaborative energy-efficiency measures (including factories, etc. set up by the franchisees of chain business operations carried out by that business operator pertaining to those chain business operations, when the business operator is the chain business operator, and including factories, etc. set up by the management-related business operator, when the business operator is the certified managing and supervising business operator, (including factories, etc. set up by the franchisees of chain business operations carried out by that management-related business operator pertaining to those chain business operations, when the management-related business operator is the chain business operator)).

(3) In order to contribute to appropriate preparation of collaborative energy-efficiency plans, the Minister of Economy, Trade and Industry is to establish

and publicize necessary guidelines.

- (4) When an application for the certification referred to in paragraph (1) is made, if the Minister of Economy, Trade and Industry finds that the collaborative energy-efficiency plan pertaining to that application conforms to all of the following items, the Minister is to grant the certification:
- (i) the matters set forth in the items of paragraph (2) are appropriate in light of the guidelines referred to in the preceding paragraph; and
 - (ii) the matters set forth in paragraph (2), item (ii) are expected to be carried out with certainty.

(Alteration to Collaborative Energy-efficiency Plans)

- Article 51 (1) When a business operator that has received the certification referred to in paragraph (1) of the preceding Article intends to alter the collaborative energy-efficiency plan pertaining to that certification, the business operator must receive a certification jointly with another business operator from the Minister of Economy, Trade and Industry pursuant to the provisions of Order of the Ministry 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) When a business operator that has received the certification referred to in paragraph (1) of the preceding Article makes the minor changes specified by Order of the Ministry of Economy, Trade and Industry as referred to in the proviso to the preceding paragraph, the business operator must jointly notify the Minister of Economy, Trade and Industry of the minor changes jointly with another business operator without delay pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.
- (3) If a business operator that has received the certification referred to in paragraph (1) of the preceding Article fails to take the collaborative energy-efficiency measures according to the collaborative energy-efficiency plan (or the altered collaborative energy-efficient plan if the approval of alteration under the provisions of paragraph (1) is given or when the notification of changes under the provisions of the preceding paragraph is submitted) or violates the provisions of the preceding two paragraphs, the Minister of Economy, Trade and Industry may rescind the certification.
- (4) The provisions of paragraph (4) of the preceding Article apply *mutatis mutandis* to the certification referred to in paragraph (1).

(Special Provisions for Regular Reporting on Collaborative Energy-efficiency Plans)

- Article 52 (1) Regarding the application of the provisions of Article 16, paragraph (1) to specified business operators that have received the

certification referred to in Article 50, paragraph (1), the term "consumption" in Article 16, paragraph (1) is replaced with "consumption, the amount of energy used at the relevant factories, etc. pertaining to the collaborative energy-efficiency measures pertaining to the certification referred to in Article 50, paragraph (1), and the amount of energy considered to have been used at those factories, etc. in connection with those collaborative energy-efficiency measures based on the calculation method prescribed in paragraph (2), item (iii) of that Article".

(2) Regarding the application of the provisions of Article 28, paragraph (1) to specified chain business operators that have received the certification referred to in Article 50, paragraph (1), the term "consumption" in Article 28, paragraph (1) is replaced with "consumption, the amount of energy used at those factories, etc. pertaining to the collaborative energy-efficiency measures pertaining to the certification referred to in Article 50, paragraph (1), and the amount of energy considered to have been used at those factories, etc. in connection with those collaborative energy-efficiency measures based on the calculation method prescribed in paragraph (2), item (iii) of that Article".

(3) Regarding the application of the provisions of Article 40, paragraph (1) to certified managing and supervising business operators that have received the certification referred to in Article 50, paragraph (1), the term "consumption" in Article 40, paragraph (1) is replaced with "consumption, the amount of energy used at those factories, etc. pertaining to the collaborative energy-efficiency measures pertaining to the certification referred to in Article 50, paragraph (1), and the amount of energy considered to have been used at those factories, etc. in connection with those collaborative energy-efficiency measures based on the calculation method prescribed in paragraph (2), item (iii) of that Article".

Article 53 Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, every business year, business operators that have received the certification referred to in Article 50, paragraph (1) (excluding specified business operators, specified chain business operators, and certified managing and supervising business operators) must report to the competent minister about the matters specified by Order of the Ministry of Economy, Trade and Industry concerning the amount of energy used at factories, etc. set up by it pertaining to the collaborative energy-efficiency measures pertaining to the certification and the amount of energy considered to have been used at those factories, etc. in connection with those collaborative energy-efficiency measures based on the calculation method prescribed in paragraph (2), item (iii) of that Article and the aspects of execution of other collaborative energy-efficiency measures.

(Investigations)

Article 54 If the Minister of Economy, Trade and Industry finds it to be necessary in order to promote the rationalization of energy use at factories, etc. that is carried out by persons having set up factories, etc. in collaboration with another person, the Minister is to investigate the aspects of the rationalization of energy use that is carried out by a person having set up factories, etc. in collaboration with another person and is to publicize the results of the investigation.

Section 2 Energy Managers

(License for Energy Managers)

Article 55 (1) A license for energy manager is to be issued by the Minister of Economy, Trade and Industry to a person falling under any of the following items:

- (i) a person who has passed a licensure examination for energy managers; or
- (ii) a person certified by the Minister of Economy, Trade and Industry as a person having knowledge and experience equivalent or superior to those of the person set forth in the preceding item.

(2) A procedure for issuing a license for energy manager is prescribed by Order of the Ministry of Economy, Trade and Industry.

(Entrusted Functions of Issuing License)

Article 56 (1) Pursuant to the provisions of Cabinet Order, the Minister of Economy, Trade and Industry may entrust the functions relating to license for energy managers to the designated examining organizations referred to in paragraph (2) of the following Article.

(2) The officers or employees of a designated examining organization with which the functions referred to in the preceding paragraph are entrusted pursuant to the provisions of that paragraph or persons who have held those positions must not divulge any secret they have learned regarding those functions.

(Licensure Examination for Energy Managers)

Article 57 (1) A licensure examination for energy managers is conducted by the Minister of Economy, Trade and Industry.

(2) The Minister of Economy, Trade and Industry may have a person designated by the Minister (hereinafter referred to as a "designated examining organization") perform the work of conducting licensure examination for energy managers (hereinafter referred to as the "work of examinations").

(3) Subjects of a licensure examination for energy managers, the procedure for taking the licensure examination and other details of the licensure

examination for energy managers are prescribed by Order of the Ministry of Economy, Trade and Industry.

(Designation)

Article 58 (1) A person who intends to perform the work of conducting an examination is to file an application for designation referred to in paragraph (2) of the preceding Article pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(2) When the Minister of Economy, Trade and Industry designates a person referred to in paragraph (2) of the preceding Article, the Minister is not to perform the work of conducting an examination.

(Disqualification Clause)

Article 59 A person who falls under any of the following items may not be designated as a person referred to in Article 53, paragraph (2):

(i) a person whose designation has been rescinded pursuant to the provisions of Article 69, paragraph (2) for whom two years have not passed from the date of the rescission; or

(ii) a person for which any of the officers in charge of its business fall under any of the following items:

(a) a person who was sentenced to a punishment for violation of this Act or any disposition under this Act for whom two years have not passed from the date when that person served out the sentence or ceased to be subject to the sentence.

(b) a person who has been dismissed by the order under the provisions of Article 65 for whom two years have not passed from the date of dismissal.

(Standards for Designation)

Article 60 Unless no other person has been designated as a person referred to in Article 57, paragraph (2) and the Minister of Economy, Trade and Industry finds that an application for the designation referred to in that paragraph conforms to all requirements referred to in the following items, the Minister must not designate any person.

(i) the plan for performing the work of conducting examination, regarding personnel, equipment, methods of performing the work of conducting an examination and other matters must be appropriate for performing the work of conducting the examination in an appropriate manner;

(ii) the applicant is to have financial base and the technical capability sufficient to properly carry out the plan for performing the work of conducting the examination referred to in the preceding item;

(iii) the applicant must be a general incorporated association or general

- incorporated foundation; and
- (iv) when the applicant performs the functions other than the work of conducting examination, there is no possibility of causing unfairness in the work of conducting the examination due to the performance of the other functions.

(Operational Rules for Work of Conducting Examinations)

Article 61 (1) A designated examining organization must establish rules for performing the work of conducting examinations (hereinafter referred to as "operational rules for the work of conducting examinations"), and must obtain the approval from the Minister of Economy, Trade and Industry. The same applies when a designated examining body intends to alter the operational rules for the work of conducting examinations.

(2) Matters to be prescribed in the operational rules for work of conducting examination are prescribed by Order of the Ministry of Economy, Trade and Industry.

(3) If the Minister of Economy, Trade and Industry finds that the approved operational rules for work of conducting examinations referred to in paragraph (1) is not appropriate for work of conducting examinations, the Minister may order the designated examining organization to alter the operational rules for work of conducting examinations.

(Suspension or Abolition of Work of Conducting Examinations)

Article 62 A designated examining organization must not suspend or abolish all or part of their work of conducting examinations without the permission of the Minister of Economy, Trade and Industry.

(Business Plan)

Article 63 (1) Prior to the beginning of each business year (or as soon as an examining organization is designated, in the case of a business year of the date on which the organization was designated as referred to in Article 57, paragraph (2)), a designated examining organization must prepare a business plan and a budget for income and expenditure for the business year and must receive the approval from the Minister of Economy, Trade and Industry. The same applies when the body intends to alter those.

(2) Within three months after the passage of each business year, a designated examining organization must prepare a business report and statement of accounts for the business year, and submit them to the Minister of Economy, Trade and Industry.

(Appointment and Dismissal of Officers)

Article 64 The appointment and dismissal of officers of a designated examining organization will not become effective unless it is approved by the Minister of Economy, Trade and Industry.

(Order of Dismissal of Officers)

Article 65 Where any officer of a designated examining organization violates this Act (including dispositions under this Act) or the operational rules for the work of conducting examinations or commits an extremely inappropriate act concerning the work of conducting examinations, the Minister of Economy, Trade and Industry may order the designated examining organization to dismiss the officer.

(Examiners for Certificates for Energy Managers)

Article 66 (1) Designated examining organizations must, when performing the work of conducting an examination, have examiners for certificates for energy managers (hereinafter referred to as "examiners") perform the work regarding determination of whether or not an applicant for a license for energy manager has the knowledge and abilities necessary for an energy manager.

(2) When appointing examiners, a designated examining organization must appoint an examiner from among persons who satisfy the requirements specified by Order of the Ministry of Economy, Trade and Industry.

(3) When having appointed examiners, designated examining organizations 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 where any examiner has been replaced.

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

(Obligation of Confidentiality)

Article 67 (1) Current or former officers or employees (including examiners; hereinafter the same applies in the following paragraph) of a designated examining organization must not divulge secrets that they have learned regarding the work of conducting examinations.

(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 organization who are engaged in the work of conducting examinations are to be deemed to be officials engaged in public services pursuant to laws and regulations.

(Order to Comply)

Article 68 (1) If the Minister of Economy, Trade and Industry finds that a designated examining organization ceases to comply with any of the items of

Article 60 (excluding item (iii); hereinafter the same applies in this paragraph), the Minister may order the designated examining organization to take necessary measures to comply with the items of that Article.

- (2) Beyond what is provided for in the preceding paragraph, when it is found to be necessary in order to enforce this Act, the Minister of Economy, Trade and Industry may give an order necessary for the supervision of the work for conducting examinations to a designated examining organization.

(Rescission of Designation)

Article 69 (1) When a designated examining organization ceases to conform to Article 60, item (iii), the Minister of Economy, Trade and Industry must rescind the designation referred to in Article 57, paragraph (2).

- (2) If a designated examining organization falls under any of the following items, the Minister of Economy, Trade and Industry may rescind the designation referred to in Article 57, paragraph (2) or order the organization to suspend the whole or part of the work of conducting examination affairs for a fixed period of time:

- (i) if the designated examining body violates the provisions of this Section;
- (ii) if the body falls under Article 59, item (ii);
- (iii) if the body performs the work of conducting examinations in a manner that is not in accordance with the approved operational rules for the work of conducting examinations referred to in Article 61, paragraph (1);
- (iv) if the body violates the order under the provisions of Article 61, paragraph (3), Article 65 (including as applied *mutatis mutandis* pursuant to Article 66, paragraph (4)) or the preceding Article; or
- (v) if it turns out that the organization has been designated as the organization referred to in Article 57, paragraph (2) by wrongful means.

(Bookkeeping)

Article 70 (1) A designated examining organization must keep books of accounts and enter the particulars concerning the work of conducting examinations specified by Order of the Ministry of Economy, Trade and Industry.

- (2) The books of accounts referred to in the preceding paragraph must be preserved pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

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

Article 71 (1) When a designated examining organization suspends the whole or part of the work of conducting examinations with the permission referred to in Article 62, or if the Minister of Economy, Trade and Industry orders a designated examining organization to suspend the whole or part of the work of

conducting examinations pursuant to the provisions of Article 69, paragraph (2), or if it becomes difficult for a designated examining body to perform the work of conducting the whole or part of examinations due to a natural disaster or other grounds, the Minister is to perform the work of conducting the whole or part of examinations when the Minister finds it necessary to do so.

(2) A handover of the work of conducting examinations and other necessary matters, if the Minister of Economy, Trade and Industry conducts the whole or part of examination affairs pursuant to the provisions of the preceding paragraph, or if a designated examining organization abolishes the whole or part of the work of conducting examinations with the permission referred to in Article 62 or if the Minister rescinds the designation for a designated examining organization pursuant to the provisions of Article 69, are prescribed by Order of the Ministry of Economy, Trade and Industry.

(Public Notices)

Article 72 The Minister of Economy, Trade and Industry must, in the following cases, issue a public notice of these in an official gazette:

- (i) when the Minister designates the organization referred to in Article 57, paragraph (2);
- (ii) when the Minister gives the permission referred to in Article 62;
- (iii) when the Minister rescinds designation pursuant to the provisions of Article 69 or orders the organization to suspend the whole or part of the work of conducting examinations pursuant to the provisions of paragraph (2) of that Article; and
- (iv) where the Minister performs the work of conducting the whole or part of examinations pursuant to paragraph (1) of the preceding Article, or ceases to perform the work of conducting the whole or part of examinations that the Minister has performed.

Section 3 Designated Training Organizations

(Designation)

Article 73 Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, the organization referred to in Article 9, paragraph (1), item (i) is designated when an application is filed by a person who intends to provide the training referred to in that item, paragraph (2) of that Article, Article 12, paragraph (2), Article 14, paragraph (2), Article 21, paragraph (2), Article 24, paragraph (2), Article 26, paragraph (2), Article 33, paragraph (2), Article 36, paragraph (2), Article 38, paragraph (2), Article 45, paragraph (2), and Article 47, paragraph (2) (hereinafter referred to as "energy management training" in this Section and Article 173).

(Disqualification Clause)

Article 74 A person who falls under any of the following items may not be designated as a person referred to in Article 9, paragraph (1), item (i):

- (i) a person whose designation has been rescinded pursuant to the provisions of Article 81, paragraph (2) for whom two years have not passed from the date of the rescission; or
- (ii) a person among the officers executing their business is sentenced to a punishment for violating this Act or any disposition under this Act for whom two years have not passed from the date on which the officer served out the sentence or ceased to be subject to the sentence.

(Standards for Designation)

Article 75 The Minister of Economy, Trade and Industry must not designate a person unless the Minister finds that an application for the designation referred to in Article 9, paragraph (1), item (i) conforms to all of the following items:

- (i) the plan for carrying out the provision of energy management training regarding personnel, equipment, and the method of carrying out the provision of the energy management training and other matters are appropriate for carrying out the provision of the energy management training in an appropriate manner;
- (ii) the applicant has the financial base and technical capability sufficient to carry out the plan for providing the energy management training referred to in the preceding item;
- (iii) the applicant is a general incorporated association or general incorporated foundation; and
- (iv) in the case where the applicant performs the functions other than the provision of energy management training, there is no possibility of causing unfairness in the provision of energy management training due to the performance of the other function.

(Operational Rules for Energy Management Training)

Article 76 (1) A designated training organization must establish rules for providing the energy management training (hereinafter referred to as "operational rules for providing energy management training") and must obtain the approval from the Minister of Economy, Trade and Industry. The same applies when the organization intends to alter the operational rules.

(2) Matters to be prescribed in the operational rules for energy management training are prescribed by Order of the Ministry of Economy, Trade and Industry.

(3) If the Minister of Economy, Trade and Industry finds that the approved operational rules for energy management training referred to in paragraph (1) become inappropriate for the proper provision of the energy management training, the Minister may order the designated training organization to alter the operational rules for energy management training.

(Suspension or Abolition of Provision of Energy Management Training)

Article 77 When a designated training organization suspends or abolishes the whole or part of the provision of energy management training, the organization must notify the Minister of Economy, Trade and Industry to that effect within a period specified by Order of the Ministry of Economy, Trade and Industry.

(Business Plan)

Article 78 (1) Prior to the beginning of each business year (or as soon as the organization is designated, in a business year of the date on which an organization referred to in Article 9, paragraph (1), item (i) is designated), the designated training organization must prepare a business plan and a budget for income and expenditure for the business year and must obtain the approval from the Minister of Economy, Trade and Industry. The same applies when the organization intends to alter those.

(2) Within three months after the passage of each business year, a designated training organization must prepare a business report and a statement of accounts for the business year and submit them to the Minister of Economy, Trade and Industry.

(Positions of Officers and Employees)

Article 79 With regard to the application of the Penal Code and other penal provisions, officers or employees of a designated training organization who are engaged in the provision of energy management training are deemed to be officials engaged in public services pursuant to laws and regulations.

(Order to Comply)

Article 80 (1) If the Minister of Economy, Trade and Industry finds that a designated training organization ceases to comply with any of the items of Article 75 (excluding item (iii); hereinafter the same applies in this paragraph), the Minister may order the designated training organization to take necessary measures to comply with the items of that Article.

(2) Beyond what is prescribed in the preceding paragraph, the Minister of Economy, Trade and Industry may give an order to a designated training organization necessary for supervising the provision of energy management training, when the Minister finds it to be necessary in order to enforce this Act.

(Rescission of Designation)

- Article 81 (1) When a designated training organization ceases to conform to Article 75, item (iii), the Minister of Economy, Trade and Industry must rescind the designation referred to in Article 9, paragraph (1), item (i).
- (2) If a designated training organization falls under any of the following items, the Minister of Economy, Trade and Industry may rescind the designation referred to in Article 9, paragraph (1), item (i) or order the organization to suspend the whole or part of the provision of energy management training for a fixed period of time:
- (i) if the organization violates the provisions of this Section;
 - (ii) if the organization falls under Article 74, item (ii);
 - (iii) if the organization provides the energy management training in a manner not in accordance with the approved operational rules for energy management training referred to in Article 76, paragraph (1);
 - (iv) if the organization violates the order under the provisions of Article 76, paragraph (3) or the preceding Article; or
 - (v) if it turns out that the organization referred to in Article 9, paragraph (1), item (i) has been designated by wrongful means.

(Maintaining Books of Accounts)

- Article 82 (1) A designated training organization must maintain books of accounts and enter the particulars specified by Order of the Ministry of Economy, Trade and Industry concerning the provisions of energy management training.
- (2) The books of accounts referred to in the preceding paragraph must be preserved pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Public Notice)

- Article 83 In any of the following cases, the Minister of Economy, Trade and Industry must issue a public notice of these in the official gazette:
- (i) when the Minister designates a person referred to in Article 9, paragraph (1), item (i);
 - (ii) when the notification under the provisions of Article 77 is given; and
 - (iii) when the Minister rescinds designation pursuant to the provisions of Article 81 or orders to suspend the whole or part of the provision of energy management training pursuant to the provisions of paragraph (2) of that Article.

Section 4 Registered Investigation Organizations

(Special Provisions When Investigated by Registered Investigation Organizations)

Article 84 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified business operator may undergo an investigation conducted by a person registered by the Minister of Economy, Trade and Industry (hereinafter referred to as a "registered investigation organization") (hereinafter referred to as "validity investigation") regarding energy consumption, other aspects of using energy (including matters concerning efficiency in using energy and the emissions of carbon dioxide discharged by the use of energy), and the aspects of installing, improving and disusing energy consuming equipment and equipment relating to the rationalization of energy use at factories, etc. set up by it; provided, however, that a specified business operator that has received the instructions under the provisions of Article 17, paragraph (1) may not undergo the validity investigation until three years have passed from the date on which the specified business operator received those instructions.

(2) When a registered investigation organization finds that the aspects of the rationalization of energy use at all factories, etc. set up by a specified business operator for which it has conducted a validity investigation conforms to the decision-making criteria prescribed in Article 5, paragraph (1) pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, the organization must issue a document showing the conformity.

(3) When a registered investigation organization issues the document referred to in the preceding paragraph, the organization must report to the competent minister about the results of the validity investigation pertaining to the document issued by it without delay pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(4) The provisions of Article 16, paragraph (1) (including as applied pursuant to the provisions of Article 52, paragraph (1) following the deemed replacement of terms) and Article 17 do not apply to a specified business operator to which the document referred to paragraph (2) has been issued during the year of the issuance date of the document.

(5) When the Minister of Economy, Trade and Industry intends to issue or amend the Order of the Ministry of Economy, Trade and Industry referred to in paragraph (1) (limited to the matters concerning the emissions of carbon dioxide discharged by the use of energy), the Minister must consult with the Minister of the Environment in advance.

Article 85 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified chain business operator (excluding a case

where the specified chain business operator is the certified managing and supervising business operator or management-related business operator; hereinafter the same applies in this paragraph, the following paragraph, and paragraph (4)) may undergo a validity investigation regarding energy consumption, other aspects of using energy (including matters concerning efficiency in using energy and the emissions of carbon dioxide discharged by the use of energy), and the aspects of installing, improving and disusing energy consuming equipment and equipment relating to the rationalization of energy use at factories, etc. set up by it and factories, etc. set up by the franchisee of the chain business operations carried out by the specified chain business operator pertaining to those chain business operations; provided, however, that a specified chain business operator that has received the instructions under the provisions of Article 29, paragraph (1) may not undergo the validity investigation until three years have passed from the receipt date of those instructions.

- (2) When a registered investigation organization finds that the aspects of the rationalization of energy use at all factories, etc. set up by a specified chain business operator for which it has conducted a validity investigation at all factories, etc. set up by the franchisees of the chain business operations carried out by the specified chain business operator and pertaining to those chain business operations conforms to the decision-making criteria prescribed in Article 5, paragraph (1) pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, the organization must issue a document showing the conformity.
- (3) When a registered investigation organization issues the document referred to in the preceding paragraph, the organization must report to the competent minister about the results of the validity investigation pertaining to the document issued by it without delay pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.
- (4) The provisions of Article 28, paragraph (1) (including as applied pursuant to the provisions of Article 52, paragraph (2) following the replacement of terms) and Article 29 do not apply to a specified chain business operator to which the document referred to in paragraph (2) is issued during the year of the issuance date of the document.
- (5) When the Minister of Economy, Trade and Industry intends to issue or amend the Order of the Ministry of Economy, Trade and Industry referred to in paragraph (1) (limited to the matters concerning the emissions of carbon dioxide discharged by the use of energy), the Minister must consult with the Minister of the Environment in advance.

Article 86 (1) Pursuant to the provisions of Order of the Ministry of Economy,

Trade and Industry, a certified managing and supervising business operator may undergo a validity investigation regarding energy consumption, other aspects of using energy (including matters concerning efficiency in using energy and the emissions of carbon dioxide discharged by the use of energy), and the aspects of installing, improving and disusing energy consuming equipment and equipment relating to the rationalization of energy use at factories, etc. set up by it (including factories, etc. set up by the franchisees of the chain business operations carried out by that certified managing and supervising business operator pertaining to those chain business operations when the certified managing and supervising business operator is the specified chain business operator) and factories, etc. set up by its management-related business operator (including factories, etc. set up by the franchisees of the chain business operations carried out by the management-related business operator pertaining to those chain business operations when the management-related business operator is the specified chain business operator); provided, however, that a certified managing and supervising business operator that has received the instructions under the provisions of Article 41, paragraph (1) may not undergo the validity investigation until three years have passed from the receipt date of those instructions.

- (2) When a registered investigation organization finds that the aspects of the rationalization of energy use at all factories, etc. set up by a certified managing and supervising business operator for which it has conducted a validity investigation (including all factories, etc. set up by the franchisees of the chain business operations carried out by the certified managing and supervising business operator pertaining to those chain business operations when the certified managing and supervising business operator is the specified chain business operator) and all factories, etc. set up by the certified managing and supervising business operator's management-related business (including all factories, etc. set up by the franchisees of the chain business operations carried out by the management-related business operator pertaining to those chain business operations when the management-related business operator is the specified chain business operator) conforms to the decision-making criteria prescribed in Article 5, paragraph (1) pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, the organization must issue a document showing the conformity.
- (3) When a registered investigation organization issues the document referred to in the preceding paragraph, the investigation organization must report to the competent minister about the results of the validity investigation pertaining to the document issued by it without delay pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.
- (4) The provisions of Article 40, paragraph (1) (including as applied pursuant to

the provisions of Article 52, paragraph (3) following the replacement of terms) and Article 39 do not apply to a certified managing and supervising business operator to which the document referred to in paragraph (2) has been issued during the year of the issuance date of the document.

- (5) When the Minister of Economy, Trade and Industry intends to issue or amend the Order of the Ministry of Economy, Trade and Industry as referred to in paragraph (1) (limited to the matters concerning the emissions of carbon dioxide discharged by the use of energy), the Minister must consult with the Minister of the Environment in advance.

Article 87 (1) A person who has received the certification referred to in Article 50, paragraph (1) (excluding specified business operators, specified chain business operators and certified managing and supervising business operators; the same applies in the following paragraph and paragraph (4)) may undergo a validity investigation regarding the situation of taking collaborative energy-efficiency measures such as energy consumption at factories, etc. set up by it, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

- (2) When a registered investigation organization finds that the aspects of the rationalization of energy use at the factories, etc. of a person who has received the certification referred to in Article 50, paragraph (1) for whom it has conducted a validity investigation, pertaining to the collaborative energy-efficiency measures pertaining to that certification conforms to the decision-making criteria prescribed in Article 5, paragraph (1) pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, the organization must issue a document showing the conformity.

- (3) When a registered investigation organization issues the document referred to in the preceding paragraph, the organization must report to the competent minister about the results of the validity investigation pertaining to the document issued by it without delay pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

- (4) The provisions of Article 53 do not apply to a person who has received the certification referred to in Article 50, paragraph (1) and to whom the document referred to in paragraph (2) has been issued, during the year of the issuance date of the document.

(Registration)

Article 88 The registration referred to in Article 84, paragraph (1) (hereinafter referred to as "registration" in this Section) is to be applied for by a person who intends to conduct a validity investigation pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Disqualification Clause)

Article 89 A person who falls under any of the following items may not be registered:

- (i) a person who was sentenced to a punishment for violating this Act or any order issued under this Act for whom two years have not passed from the date when the person served out the sentence or ceased to be subject to the sentence;
- (ii) a person whose registration was rescinded pursuant to Article 100 for whom two years have not passed from the date of rescission; or
- (iii) a corporation in which any officer in charge of its business falls under any of the preceding two items.

(Standards for Registration)

Article 90 (1) When a person who has applied for registration pursuant to the provisions of Article 88 satisfies all the following requirements, the Minister of Economy, Trade and Industry must register the person. In this case, the procedure necessary for registration is prescribed by Order of the Ministry of Economy, Trade and Industry.

- (i) validity investigation must be conducted by two or more persons who have a license for energy manager;
- (ii) the following measures must be taken to ensure the reliability of the validity investigations;
 - (a) a dedicated supervisor is assigned to the division that conducts validity investigations;
 - (b) documents are prepared for managing the validity investigation work and ensuring the accuracy therein; and
 - (c) a dedicated division is established for managing the validity investigations and ensuring accuracy therein in accordance with what is described in the documents listed in (b).
- (2) The registration is applied for by providing the following particulars in the registry of the registered investigation organization:
 - (i) the date of registration and registration number; and
 - (ii) the name and address of the person registered, as well as the name of the representative in the case of the judicial person.

(Renewal of Registration)

Article 91 (1) Unless it is renewed at an interval of no less than three years as determined by Cabinet Order, the registration will cease to be effective upon expiration of the period.

(2) The provisions of the preceding three Articles apply mutatis mutandis to the

renewal of registration referred to in the preceding paragraph.

(Obligation to Investigate)

Article 92 (1) Registered investigation organizations must, without delay, conduct a validity investigation when they are requested to do so except where there are justifiable grounds.

(2) Registered investigation organizations must conduct a validity investigation in a fair manner by a means specified by Order of the Ministry of Economy, Trade and Industry.

(3) Registered investigation organizations must not conduct a validity investigation with respect to factories, etc. set up by a person who substantially controls their business or any other business specified by Order of the Ministry of Economy, Trade and Industry as those having a substantial interest in those registered investigation organizations.

(Change of Place of Business)

Article 93 A registered investigation organization must, when intending to change the location of the place of business where a validity investigation is to be conducted, notify the Minister of Economy, Trade and Industry at least two weeks prior to the day when the change is scheduled.

(Operational Rules for Investigation Services)

Article 94 (1) Registered investigation organizations must establish the rules for validity investigation services (referred to as "operational rules for investigation services" in the following paragraph), and must notify the Minister of Economy, Trade and Industry of the rules before commencing the validity investigation services. The same applies when the registered investigation organization intends to alter the rules.

(2) Operational rules for investigation services must provide for a means of conducting a validity investigation, the fees for validity investigations, and other matters specified by Order of the Ministry of Economy, Trade and Industry.

(Suspension or Abolition of Investigation Services)

Article 95 When registered investigation organizations intend to suspend or abolish the whole or part of the validity investigation services, the organizations 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.

(Maintaining Financial Statements and Making Them Available for Public

Inspection)

Article 96 (1) Within three months from the date on which each business year ends, a registered investigation organization must prepare an inventory of assets, a balance sheet and a profit and loss statement or income and expenditure statement, and a business report (including the documents which are prepared in electronic or magnetic records (meaning a record used in computerized information processing that is created in electronic form, magnetic form, or any other form that cannot be perceived by the human senses; hereinafter the same applies in this Article) or, if an electronic or magnetic record was created instead, that electronic or magnetic record: referred to as "financial statements, etc." in the following paragraph and Article 178, item (ii)), and must keep them at its place of business for five years.

(2) Specified business operators, specified chain business operators, or certified managing and supervising business operators or other interested persons may make the following requests at any time during the business hours of registered investigation organizations; provided, however, that they must pay the cost determined by registered investigation organizations for the request referred to in item (ii) or (iv):

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

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

(iii) if the financial statements, etc. are prepared in electronic or magnetic records, a request for public inspection or copy of material that shows the particulars that have been recorded in the electronic or magnetic records through a means specified by Order of the Ministry of Economy, Trade and Industry; or

(iv) a request for provision of the particulars recorded in the electronic or magnetic records referred to in the preceding item through an electronic or magnetic means specified by Order of the Ministry of Economy, Trade and Industry or a request for issuance of documents recording the particulars.

(Duty of Confidentiality)

Article 97 The officers or employees of a registered investigation organization or persons who hold or held those positions must not divulge a secret they have learned regarding the validity investigation services.

(Order to Comply)

Article 98 When the Minister of Economy, Trade and Industry finds that a registered investigation organization ceases to comply with any of the items of

Article 90, paragraph (1), the Minister may order the registered investigation organization to take necessary measures to comply with the items of that paragraph.

(Order to Improve)

Article 99 When the Minister of Economy, Trade and Industry finds that a registered investigation organization is in violation of the provisions of Article 92, paragraph (1) or (2), the Minister may order the registered investigation organization to conduct a validity investigation or to take necessary measures to improve the methods for validity investigation or for providing other services.

(Rescission of Registration)

Article 100 If a registered investigation organization falls under any of the following items, the Minister of Economy, Trade and Industry may rescind the registration or order an investigation organization to suspend the whole or part of validity investigation services for a fixed period:

- (i) if the organization falls under Article 89, item (i) or (iii);
- (ii) if the organization violates the provisions of Article 92, paragraph (3), Article 93, Article 94, paragraph (1), Article 95, Article 96, paragraph (1) or the following Article;
- (iii) if the body refuses the request under the provisions of the items of Article 96, paragraph (2) without legitimate grounds;
- (iv) if the organization violates the order under the provisions of the preceding two Articles; or
- (v) if it turns out that the organization has been registered by wrongful means.

(Entries in Books of Accounts)

Article 101 (1) A registered investigation organization must maintain books of accounts and enter the particulars specified by Order of the Ministry of Economy, Trade and Industry concerning validity investigation services.

(2) The books of accounts referred to in the preceding paragraph must be preserved pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

(Public Notice)

Article 102 In any of the following cases, the Minister of Economy, Trade and Industry must issue a public notice of these in the official gazette:

- (i) when the Minister registers;
- (ii) when the notification under the provisions of Article 93 or 95 is given; and
- (iii) when the Minister rescinds registration or orders an organization to

suspend the whole or part of validity investigation service, pursuant to the provisions of Article 100.

Chapter IV Measures Pertaining to Transportation

Section 1 Measures Pertaining to Freight Transportation

Subsection 1 Measures Pertaining to Freight Carriers

(Decision-making Criteria for Freight Carriers)

Article 103 (1) In order to ensure the appropriate and effective implementation of the rationalization of energy use related to freight transportation, the Minister of Economy, Trade and Industry and the Minister of Land, Infrastructure, Transport and Tourism are to decide and publicize the decision-making criteria for freight carriers (meaning persons that transport their own or others' freight departing from and arriving at locations within Japan, with the use of energy,; the same applies hereinafter), with regard to the following particulars as well as the target for the rationalization of energy use related to freight transportation and measures to be taken systematically to attain the target:

- (i) the use of transportation machinery and equipment with excellent energy consumption performance, etc. as prescribed in Article 149, paragraph (1);
 - (ii) operation or maneuver of transportation machinery and equipment that contributes to the rationalization of energy use;
 - (iii) use of transportation machinery and equipment with high transportation capacity; and
 - (iv) efficient utilization of the transportation capacity of transportation machinery and equipment.
- (2) In order to ensure the appropriate and effective implementation of the shift to non-fossil energy related to freight transportation, the Minister of Economy, Trade and Industry and the Minister of Land, Infrastructure, Transport and Tourism are to decide and publicize the decision-making criteria for freight carriers, with regard to matters concerning the choice of means of transportation that increase the share of non-fossil energy in the amount of energy consumed in freight transportation as well as the target for the shift to non-fossil energy related to freight transportation and measures to be taken systematically to attain the target.
- (3) In order to ensure the appropriate and effective implementation of measures conducive to the optimization of electricity demand related to freight transportation by freight carriers engaged in freight transportation using electricity, the Minister of Economy, Trade and Industry and the Minister of Land, Infrastructure, Transport and Tourism are to establish and publicize guidelines for measures for those freight carriers to take.

- (4) The decision-making criteria prescribed in paragraphs (1) and (2) and the guidelines prescribed in the preceding paragraph are to be established by considering long-term energy supply-demand forecasts, the environment surrounding the supply and demand of electricity and other energy, the technical standards relating to the rationalization of energy use and the shift to non-fossil energy and other circumstances, and are to be amended, if necessary, depending on any changes in these circumstances. The provisions of Article 5, paragraph (2) apply mutatis mutandis to the decision-making criteria prescribed in the preceding paragraph.
- (5) The decision-making criteria prescribed in paragraphs (1) and (2) must be those in which matters concerning the rationalization of energy use and matters concerning the shift to non-fossil energy are harmonized with each other.

(Guidance and Advice)

Article 104 When the Minister of Land, Infrastructure, Transport and Tourism finds it to be necessary in order to secure appropriate implementation of the rationalization of energy use or the shift to non-fossil energy related to freight transportation or the proper implementation of measures conducive to the optimization of electricity demand in freight transportation, the Minister may provide freight carriers with guidance and advice necessary for the implementation of the matters set forth in the items of paragraph (1) of the preceding Article or matters concerning the choice of means of transportation that increase the share of non-fossil energy in the amount of energy consumed in freight transportation, in consideration of the decision-making criteria prescribed in paragraph (1) or (2) of that Article, or may provide freight carriers engaged in freight transportation using electricity with guidance and advice necessary for the implementation of measures conducive to the optimization of electricity demand, in consideration of the guidelines prescribed in paragraph (3) of that Article.

(Designation of Specified Freight Carriers)

Article 105 (1) The Minister of Land, Infrastructure, Transport and Tourism is to designate a freight carrier (excluding certified managing and supervising cargo-passenger carriers (meaning certified managing and supervising cargo-passenger carriers as prescribed in Article 134, paragraph (2); the same applies in paragraph (5) and Article 129, paragraphs (1) and (5)) and management-related cargo-passenger carriers (meaning management-related cargo-passenger carriers as prescribed in Article 134, paragraph (2), item (ii); the same applies in paragraph (5) and Article 129, paragraphs (1) and (5)); the same applies in the following paragraph) whose transportation capacity

- specified by Cabinet Order for each of the categories of freight transportation as specified by Cabinet Order (hereinafter referred to as "freight transportation categories") is greater than or equal the capacity specified by Cabinet Order, as a carrier that is particularly required to promote the rationalization of energy use and the shift to non-fossil energy related to freight transportation, for each of those freight transportation categories.
- (2) When their transportation capacity specified by Cabinet Order under the preceding paragraph as of the last day of the previous business year for the respective freight transportation categories is greater than or equal the capacity specified by Cabinet Order, pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, freight carriers must notify the Minister of Land, Infrastructure, Transport and Tourism of the matters concerning the transportation capacity as specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism for the respective freight transportation categories; provided, however, that this does not apply to a freight carrier designated pursuant to that paragraph (hereinafter referred to as a "specified freight carrier") with respect to the freight transportation category pertaining to the designation.
- (3) A specified freight carrier may, if grounds set forth in any of the following items arise regarding the freight transportation category pertaining to the designation, make a request for rescission of the designation for that freight transportation category to the Minister of Land, Infrastructure, Transport and Tourism pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism:
- (i) if the specified freight carrier has ceased to conduct the freight transportation service; or
 - (ii) if the specified freight carrier's transportation capacity specified by Cabinet Order as referred to in paragraph (1) is no longer expected to be greater than or equal the capacity specified by Cabinet Order as referred to in that paragraph.
- (4) When the request referred to in the preceding paragraph is made, if the Minister of Land, Infrastructure, Transport and Tourism finds there are grounds for the request, the Minister is to rescind the designation under the provision of paragraph (1) without delay. The same applies where there is no request referred to in the preceding paragraph, and it is deemed that grounds set forth in any of the items of that paragraph have arisen.
- (5) When a specified freight carrier becomes a certified management and supervising cargo-passenger carrier or management-related cargo-passenger carrier, the Minister of Land, Infrastructure, Transport and Tourism is to rescind the designation under the provisions of paragraph (1) pertaining to the specified freight carrier.

(Preparation of Medium-to-long-term Plans)

- Article 106 (1) Pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, in each business year following the business year of the date of designation under the provisions of paragraph (1) of the preceding Article, a specified freight carrier must regularly prepare a medium-to-long-term plan for attaining the target for the rationalization of energy use related to freight transportation that is specified in the decision-making criteria prescribed in Article 103, paragraph (1), for each of the freight transportation categories pertaining to the designation, and must submit it to the Minister of Land, Infrastructure, Transport and Tourism.
- (2) Pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, in each business year following the business year of the date of designation under the provisions of paragraph (1) of the preceding Article, a specified freight carrier must regularly prepare a medium-to-long-term plan for attaining the target for the shift to non-fossil energy related to freight transportation that is specified in the decision-making criteria prescribed in Article 103, paragraph (2), for each of the freight transportation categories pertaining to the designation, and must submit it to the Minister of Land, Infrastructure, Transport and Tourism.

(Regular Reporting)

- Article 107 (1) Pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, in each business year following the business year of the date of designation under the provisions of Article 105, paragraph (1), a specified freight carrier must report to the Minister of Land, Infrastructure, Transport and Tourism about the matters specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism concerning energy consumption related to freight transportation, other aspects of using energy related to freight transportation (including matters concerning efficiency in using energy related to freight transportation and the emissions of carbon dioxide discharged by the use of energy related to freight transportation), and the aspects of implementation of necessary measures to rationalize the use of energy related to freight transportation, for each of the freight transportation categories pertaining to the designation.
- (2) When the Minister of Land, Infrastructure, Transport and Tourism intends to issue or amend an Order of the Ministry of Land, Infrastructure, Transport and Tourism referred to in the preceding paragraph (limited to the matters concerning the emissions of carbon dioxide discharged by use of energy related to freight transportation), the Minister must consult hold prior consultation with the Minister of the Environment in advance.

(Recommendations and Orders)

Article 108 (1) If the Minister of Land, Infrastructure, Transport and Tourism finds that the aspects of the rationalization of energy use related to freight transportation are extremely inadequate in light of the decision-making criteria prescribed in Article 103, paragraph (1) regarding the freight transportation category pertaining to the designation under the provisions of Article 105, paragraph (1) for a specified freight carrier, the Minister may recommend that the specified freight carrier take necessary measures to rationalize the use of energy related to the freight transportation pertaining to that freight transportation category, while taking into consideration the technical standards relating to freight transportation carried out by that specified freight carrier using energy, the status of measures taken by the same in accordance with the guidelines prescribed in paragraph (3) of that Article, and other circumstances and showing the grounds for the minister's judgment.

(2) If the Minister of Land, Infrastructure, Transport and Tourism finds that the aspects of the shift to non-fossil energy related to freight transportation are extremely inadequate in light of the decision-making criteria prescribed in Article 103, paragraph (2) regarding the freight transportation category pertaining to the designation under the provisions of Article 105, paragraph (1) for a specified freight carrier, the Minister may recommend that the specified freight carrier take necessary measures for the shift to non-fossil energy related to the freight transportation pertaining to that freight transportation category, while taking into consideration the technical standards relating to freight transportation carried out by that specified freight carrier using energy, the status of measures taken by the same in accordance with the guidelines prescribed in paragraph (3) of that Article, and other circumstances and showing the grounds for the minister's judgment.

(3) If a specified freight carrier that has received the recommendations prescribed in the preceding paragraph fails to follow the recommendations, the Minister of Land, Infrastructure, Transport and Tourism may publicize to that effect.

(4) If a specified freight carrier that has received the recommendations prescribed in paragraph (1) fails to take the measures as recommended without legitimate grounds, the Minister of Land, Infrastructure, Transport and Tourism may order the specified freight carrier to take the measures pertaining to the recommendations after hearing opinions from councils, etc. specified by Cabinet Order.

Subsection 2 Measures Pertaining to Consignors

(Definition of Consignors)

Article 109 In this Subsection, the term "consignor" means the following persons:

- (i) a business operator that has freight carriers continue the transport of goods in connection with its own business (excluding freight transportation business; the same applies in the following item) (excluding a case where the transportation method, etc. for regarding all the freight transportation that business operator has freight carriers continue the transport is are basically decided by the business operator set forth in the same item); and
- (ii) a business operator that satisfies the requirements set by Order of the Ministry of Economy, Trade and Industry for businesses that basically decide the transportation method, etc. concerning the transportation of freight in connection with their own business through an agreement with another business operator or other arrangement to have the other business operator have freight carriers continue the transport of goods.

(Efforts by Consignors and Associate Consignors)

Article 110 (1) Consignors must endeavor to contribute to the rationalization of energy use and the shift to non-fossil energy related to freight transportation that they have freight carriers carry out and must endeavor to contribute to the optimization of electricity demand, by taking the following measures appropriately while giving due consideration to the provisions of the basic policy:

- (i) measures to choose means of transportation with a higher level of performance as evaluated on the basis of the amount of energy consumed in freight transportation under certain conditions;
 - (ii) measures to improve the efficiency in utilizing the transportation capacity that is provided in a fixed quantity;
 - (iii) measures to choose means of transportation that increase the share of non-fossil energy in the amount of energy consumed in freight transportation; and
 - (iv) measures to change the time periods for carrying out freight transportation that had been conducted using electricity based on the time periods for the optimization of electricity demand.
- (2) Associate consignors must endeavor to give the instructions prescribed in the following paragraph appropriately in order to contribute to the rationalization of energy use through the measures taken by consignors set forth in items (i) and (ii) of the preceding paragraph while giving due consideration to the provisions of the basic policy.
- (3) The term "associate consignor" referred to in the preceding paragraph means

a business operator (excluding consignors) that receive or deliver goods transported by freight carriers in connection with its own business (excluding freight transportation business) and that is entitled to give instructions on the date and time of receipt or delivery of those goods and other matters specified by Order of Ministry of Economy, Trade and Industry.

(Decision-making Criteria for Consignors)

- Article 111 (1) In order to ensure the appropriate and effective implementation of the rationalization of energy use related to freight transportation that consignors have freight carriers carry out, the Minister of Economy, Trade and Industry and the Minister of Land, Infrastructure, Transport and Tourism are to decide and publicize the decision-making criteria for consignors regarding the measures set forth in paragraph (1), items (i) and (ii) of the preceding Article as well as the target for the rationalization of energy use related to that freight transportation and measures to be taken systematically to attain the target.
- (2) In order to ensure the appropriate and effective implementation of the shift to non-fossil energy related to freight transportation that consignors have freight carriers carry out, the Minister of Economy, Trade and Industry and the Minister of Land, Infrastructure, Transport and Tourism are to decide and publicize the decision-making criteria for consignors regarding the measures set forth in paragraph (1), item (iii) of the preceding Article as well as the target for the shift to non-fossil energy related to that freight transportation and measures to be taken systematically to attain the target.
- (3) In order to ensure the appropriate and effective implementation of measures to contribute to the optimization of electricity demand relating to freight transportation using electricity that consignors have freight carriers carry out, the Minister of Economy, Trade and Industry and the Minister of Land, Infrastructure, Transport and Tourism are to establish and publicize guidelines for the matters set forth in paragraph (1), item (iv) of the preceding Article and other measures for those consignors to take.
- (4) The provisions of Article 103, paragraph (4) apply mutatis mutandis to the decision-making criteria prescribed in paragraphs (1) and (2) and the guidelines prescribed in the preceding paragraph, and the provisions of paragraph (5) of that Article apply mutatis mutandis to the decision-making criteria prescribed in paragraphs (1) and (2).

(Guidance and Advice)

Article 112 When the competent minister finds it to be necessary in order to secure appropriate implementation of the rationalization of energy use or the shift to non-fossil energy related to freight transportation that consignors have

freight carriers carry out or appropriate implementation of measures to contribute to the optimization of electricity demand, the minister may provide consignors with necessary guidance and advice with regard to implementation of the measures set forth in Article 110, paragraph (1), items (i) and (ii) or in item (iii) of that paragraph, in consideration of the decision-making criteria prescribed in paragraph (1) or (2) of the preceding Article, or may provide consignors that have freight carriers carry out freight transportation using electricity with guidance and advice necessary for the implementation of the measures set forth in Article 110, paragraph (1), item (iv), in consideration of the guidelines prescribed in paragraph (3) of the preceding Article.

(Designation of Specified Consignors)

- Article 113 (1) The Minister of Economy, Trade and Industry is to designate a consignor (excluding certified managing and supervising consignors (meaning certified managing and supervising consignors prescribed in Article 117, paragraph (2); the same applies in paragraph (5)) and management-related consignors (meaning management-related consignors prescribed in paragraph (2), item (ii) of that Article; the same applies in paragraph (5)); the same applies in the following paragraph) whose volume of goods for the business year in which it has freight carriers transport as calculated prescribed by Cabinet Order is greater than or equal the volume specified by Cabinet Order, as a consignor that is particularly required to promote the rational use of energy and the shift to non-fossil energy related to freight transportation that the consignor has freight carriers carry out.
- (2) Consignors must, where its volume of freight transportation consigned to freight carriers for the previous business year as calculated pursuant to the provisions of Cabinet Order referred to in the preceding paragraph is greater than or equal the volume specified by Cabinet Order under that paragraph, notify the Minister of Economy, Trade and Industry, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, of the matters concerning the volume of freight transportation as specified by Order of the Ministry of Economy, Trade and Industry; provided, however, that this does not apply to a consignor designated pursuant to that paragraph (hereinafter referred to as a "specified consignor").
- (3) A specified consignor may make a request for recession of the designation under the provisions of paragraph (1) to the Minister of Economy, Trade and Industry pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, if grounds set forth in any of the following items arise:
- (i) if the specified consignor has ceased to fall under all the items of Article 109; or
 - (ii) if the specified consignor's volume of goods for a business year in which it

has freight carriers transport as calculated pursuant to the provisions of Cabinet Order as referred to in paragraph (1) is no longer expected to be greater than or equal the volume specified by Cabinet Order referred to in that paragraph.

- (4) When the request referred to in the preceding paragraph is made, if the Minister of Economy, Trade and Industry finds that there are grounds for the request, the Minister is to rescind the designation made under the provisions of paragraph (1) without delay. The same applies where there is no request referred to in the preceding paragraph and it is found that grounds set forth in any of the items of that paragraph have arisen.
- (5) When a specified consignor becomes a certified managing and supervising consignor or management-related consignor, the Minister of Economy, Trade and Industry is to rescind the designation under the provisions of paragraph (1) pertaining to the specified consignor.
- (6) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding two paragraphs, the Minister is to notify the minister having jurisdiction over the business of the relevant consignor of the rescission.

(Preparation of Medium-to-long-term Plans)

Article 114 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified consignor must regularly prepare a medium-to-long-term plan for attaining the target for the rational use of energy related to freight transportation that it has freight carriers carry out as specified in the decision-making criteria prescribed in Article 107, paragraph (1) and must submit it to the competent minister.

- (2) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a specified consignor must regularly prepare a medium-to-long-term plan for attaining the target for the shift to non-fossil energy related to freight transportation that it has freight carriers carry out as specified in the decision-making criteria prescribed in Article 111, paragraph (2) and must submit it to the competent minister.

(Regular Reporting)

Article 115 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, in each business year a specified consignor must report to the competent minister about the matters specified by Order of the Ministry of Economy, Trade and Industry concerning the energy consumption related to freight transportation that the specified consignor has freight carriers carry out and other aspects of using energy related to freight transportation (including matters concerning efficiency in using energy related to the freight

transportation and the emissions of carbon dioxide discharged by use of energy related to the freight transportation) as well as the aspects of implementation of measures necessary to rationalize the use of energy related to the freight transportation.

- (2) When the Minister of Economy, Trade and Industry intends to issue or amend an Order of the Ministry of Economy, Trade and Industry referred to in the preceding paragraph (limited to matters concerning the emissions of carbon dioxide discharged by use of energy use related to freight transportation consigned to freight carriers), the Minister must consult with the Minister of the Environment in advance.

(Recommendations and Orders)

Article 116 (1) If the competent minister finds that the aspects of the rational use of energy related to freight transportation that a specified consignor has freight carriers carry out are extremely inadequate in light of the decision-making criteria prescribed in Article 111, paragraph (1), the minister may recommend that the specified consignor take measures necessary to rationalize the use of energy related to the freight transportation, while taking into consideration the aspects of measures taken in accordance with the guidelines prescribed in paragraph (3) of that Article and other circumstances, and showing the grounds for the minister's judgment.

- (2) If the competent minister finds that the aspects of the shift to non-fossil energy related to freight transportation that a specified consignor has freight carriers carry out are extremely inadequate in light of the decision-making criteria prescribed in Article 111, paragraph (2), the minister may recommend that the specified consignor take measures necessary for the shift to non-fossil energy related to the freight transportation, while taking into consideration the status of measures taken in accordance with the guidelines prescribed in paragraph (3) of that Article and other circumstances, and showing the grounds for the minister's judgment.

(3) If a specified consignor that has received the recommendations prescribed in the preceding paragraph fails to follow the recommendations, the competent minister may publicize to that effect.

- (4) If a specified consignor that has received the recommendations prescribed in paragraph (1) fails to take the measures as recommended without legitimate grounds, the competent minister may order the specified consignor to take the measures pertaining to the recommendations after hearing opinions from councils, etc. specified by Cabinet Order.

(Certified Managing and Supervising Consignors)

Article 117 (1) When a consignor promotes the rationalization of energy use and

the shift to non-fossil energy related to freight transportation that it has freight carriers carry out in a united way with a stock company whose total issued shares are held by it or with another business operator that is specified by Order of the Ministry of Economy, Trade and Industry as being closely related to that consignor, and that is a consignor (hereinafter referred to as "closely related consignor" in this paragraph and item (ii) of the following paragraph), pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, the consignor may receive a certification from the Minister of Economy, Trade and Industry regarding conformity with all the following items:

- (i) the consignor must be the person that satisfies the requirements specified by Order of the Ministry of Economy, Trade and Industry as the person that supervises and manages the measures to rationalize the use of energy and to shift to non-fossil energy that are jointly taken by the closely related consignor pertaining to an application for the certification; and
 - (ii) the total of volumes of goods that the consignor and the closely related consignor pertaining to an application for the certification have had freight carriers transport in the preceding business year being calculated as prescribed by Cabinet Order as referred to in Article 113, paragraph (1) is greater than or equal the volume specified by Cabinet Order as referred to in the same paragraph.
- (2) If a business operator that has received the certification referred to in the preceding paragraph (hereinafter referred to as "certified managing and supervising consignor") falls under any of the following items, the Minister of Economy, Trade and Industry may rescind the certification:
- (i) if the certified managing and supervising consignor no longer meets the requirements specified by Order of the Ministry of Economy, Trade and Industry as prescribed in item (i) of the preceding paragraph;
 - (ii) if the total of volumes of goods that the certified managing and supervising consignor and the closely related consignor pertaining to its certification (hereinafter referred to as "management-related consignor") have freight carriers transport for a business year, that is calculated as prescribed by Cabinet Order as referred to in Article 113, paragraph (1) is no longer expected to be greater than or equal the volume specified by Cabinet Order as referred to in that paragraph; or
 - (iii) if it turns out that the certified managing and supervising consignor has received the certification referred to in the preceding paragraph by wrongful means.
- (3) When the Minister of Economy, Trade and Industry rescinds a designation under the provisions of paragraph (1) or a designation under the provisions of the preceding paragraph, the Minister is to notify the minister having

jurisdiction over the business of the relevant consignor of the rescission.

(Preparation of Medium-to-long-term Plans)

Article 118 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a certified managing and supervising consignor must regularly prepare a medium-to-long-term plan for attaining the target for the rationalization of energy use related to freight transportation that it has freight carriers carry out as specified in the decision-making criteria prescribed in Article 111, paragraph (1), and must submit it to the competent minister.

(2) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, a certified managing and supervising consignor must regularly prepare a medium-to-long-term plan for attaining the target for the shift to non-fossil energy related to freight transportation that it has freight carriers carry out as specified in the decision-making criteria prescribed in Article 111, paragraph (2), and must submit it to the competent minister.

(Regular Reporting)

Article 119 (1) Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, in each business year a certified managing and supervising consignor must report to the competent minister on the matters specified by Order of the Ministry of Economy, Trade and Industry concerning energy consumption related to the freight transportation that relevant certified managing and supervising consignor and its management-related consignor have freight carriers carry out, other aspects of using energy related to that freight transportation (including the matters concerning efficiency in using energy related to the freight transportation and the emissions of carbon dioxide discharged by the use of energy related to the freight transportation), and the aspects of implementation of measures necessary to rationalize the use of energy related to the freight transportation.

(2) When the Minister of Economy, Trade and Industry intends to issue or amend an Order of the Ministry of Economy, Trade and Industry referred to in the preceding paragraph (limited to the matters concerning the emissions of carbon dioxide discharged by the use of energy related to freight transportation that consignors have freight carriers carry out), the Minister must consult with the Minister of the Environment in advance.

(Recommendations and Orders)

Article 120 (1) If the competent minister finds that the aspects of the rationalization of energy use related to freight transportation that a certified managing and supervising consignor and its management-related consignor

have freight carriers carry out are extremely inadequate in light of the decision-making criteria prescribed in Article 111, paragraph (1), the minister may recommend that the certified managing and supervising consignor take measures necessary to rationalize the use of energy related to that freight transportation, while taking into consideration the status of measures taken in accordance with the guidelines prescribed in paragraph (3) of that Article and other circumstances, and showing the grounds for the minister's judgment.

- (2) If the competent minister finds that the aspects of the shift to non-fossil energy related to freight transportation that a certified managing and supervising consignor and its management-related consignor have freight carriers carry out are extremely inadequate in light of the decision-making criteria prescribed in Article 111, paragraph (2), the minister may recommend that the certified managing and supervising consignor take measures necessary for the shift to non-fossil energy related to that freight transportation, while taking into consideration the status of measures taken in accordance with the guidelines prescribed in paragraph (3) of that Article and other circumstances, and showing the grounds for the minister's judgment.
- (3) If a certified managing and supervising consignor that has received the recommendation prescribed in either of the preceding paragraphs fails to follow the recommendation, the competent minister may publicize to that effect.
- (4) If a certified managing and supervising consignor that has received the recommendation prescribed in paragraph (1) fails to take the measures pertaining to the recommendation without legitimate grounds, the competent minister may order that certified managing and supervising consignor to take the measures pertaining to the recommendation after hearing opinions from councils, etc. specified by Cabinet Order.

(Approval of Consignors' Collaborative Plan for Energy Efficiency)

Article 121 (1) When a consignor promotes the rationalization of energy use related to freight transportation that it has freight carriers carry out in collaboration with other consignors, the consignor may jointly prepare a plan for measures for the rationalization of energy use to be taken in collaboration with those other consignors (hereinafter referred to as "consignors' collaborative measures for energy efficiency ") (hereinafter referred to as "consignors' collaborative plan for energy efficiency") and, by submitting it to the Minister of Economy, Trade and Industry, may receive a certification for the appropriateness of the consignors' collaborative plan for energy efficiency, pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.

- (2) The following matters must be incorporated into a consignors' collaborative plan for energy efficiency:

- (i) the target for consignors' collaborative measures for energy efficiency;
 - (ii) the details and implementation period of consignors' collaborative measures for energy efficiency; and
 - (iii) in freight transportation that business operators taking consignors' collaborative measures for energy efficiency have freight carriers carry out (including freight transportation that their management-related consignor has freight carriers carry out when those business operators are certified managing and supervising consignors), the method of calculating energy consumption related to freight transportation that each of them is considered to have had freight carriers carry out in connection with those consignors' collaborative measures for energy efficiency.
- (3) In order to contribute to appropriate preparation of consignors' collaborative plans for energy efficiency, the Minister of Economy, Trade and Industry is to establish and publicize necessary guidelines.
- (4) When an application for the certification referred to in paragraph (1) is filed, if the Minister of Economy, Trade and Industry finds that the consignors' collaborative plan for energy efficiency pertaining to the application conforms to all the following items, the Minister is to approve the plan:
- (i) the matters set forth in the items of paragraph (2) are appropriate in light of the guidelines referred to in the preceding paragraph; and
 - (ii) the matters set forth in paragraph (2), item (ii) are expected to be carried out with certainty.

(Alteration to Consignors' Collaborative Plan for Energy Efficiency)

- Article 122 (1) When a person who has obtained the approval referred to in paragraph (1) of the preceding Article intends to alter the consignors' collaborative plan for energy efficiency pertaining to the approval, the person must jointly obtain the approval jointly with another person from the Minister of Economy, Trade and Industry pursuant to the provisions of Order of the Ministry 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) When a person that has received the certification referred to in paragraph (1) of the preceding Article makes the minor changes specified by Order of the Ministry of Economy, Trade and Industry referred to in the proviso to the preceding paragraph, the person must jointly notify the Minister of Economy, Trade and Industry of the minor changes jointly with another person without delay pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry.
- (3) If a business operator that has received the certification referred to in paragraph (1) of the preceding Article fails to take the consignors' collaborative

measures for energy efficiency according to the consignors' collaborative plan for energy efficiency (or the altered plan, in the case of the alteration under the provisions of paragraph (1) has been approved or the notification of changes under the provisions of the preceding paragraph has been given) or violates the provisions of the preceding two paragraphs, the Minister of Economy, Trade and Industry may rescind the approval.

(4) The provisions of paragraph (4) of the preceding Article apply mutatis mutandis to the approval referred to in paragraph (1).

(Special Provisions for Regular Reporting on Consignors' Collaborative Plans for Energy Efficiency)

Article 123 (1) With regard to the application of the provisions of Article 115, paragraph (1) to a certified specified consignor referred to in Article 121, paragraph (1), the term "consumption" in Article 111, paragraph (1) is replaced with "consumption, energy consumption related to freight transportation that the relevant specified consignor pertaining to the consignors' collaborative measures for energy efficiency pertaining to the certification referred to in Article 117, paragraph (1) has freight carriers carry out, and the energy consumption related to freight transportation that the specified consignor is considered to have had freight carriers carry out in connection with those consignors' collaborative measures for energy efficiency based on the calculation method prescribed in paragraph (2), item (iii) of that Article."

(2) With regard to the application of the provisions of Article 119, paragraph (1) to a certified managing and supervising consignor that has received the certification referred to in Article 121, paragraph (1), the term a "management-related consignor" in Article 119, paragraph (1) is replaced with a "management-related consignor (hereinafter referred to as "certified managing and supervising consignor, etc." in this paragraph)," and the term "consumption" is replaced with "consumption, energy consumption related to freight transportation that the relevant certified managing and supervising consignor, etc. pertaining to the consignors collaborative measures for energy efficiency pertaining to the certification referred to in Article 121, paragraph (1) has freight carriers carry out, and energy consumption related to freight transportation that the certified managing and supervising consignor, etc. is considered to have had freight carriers carry out in connection with those consignors collaborative measures for energy efficiency based on the calculation method prescribed in paragraph (2), item (iii) of that Article."

Article 124 Pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry, in each business year a certified person referred to in Article 121, paragraph (1) (excluding specified consignors and certified

managing and supervising consignors) must report to the competent minister on the matters specified by Order of the Ministry of Economy, Trade and Industry concerning energy consumption related to freight transportation that the relevant consignor pertaining to the consignors collaborative measures for energy efficiency pertaining to the certification has freight carriers carry out and energy consumption related to freight transportation that the relevant consignor is considered to have had freight carriers carry out in connection with those consignors collaborative measures for energy efficiency based on the calculation method prescribed in paragraph (2), item (iii) of that Article and other aspects related to taking the consignors collaborative measures for energy efficiency.

(Investigations)

Article 125 If the Minister of Economy, Trade and Industry finds it to be necessary in order to promote the rationalization of energy use related to freight transportation that the consignor has freight carriers carry out in collaboration with another consignor, the Minister is to investigate the aspects of the rationalization of energy use by a consignor in collaboration with another consignor and is to publicize the results of the investigation.

(Opinions of the Minister of Land, Infrastructure, Transport and Tourism)

Article 126 The Minister of Land, Infrastructure, Transport and Tourism may give their opinion to the competent minister regarding operation of the provisions of Article 112, 116, or 120 when the Minister finds it particularly necessary to do so, in order to secure appropriate implementation of the rationalization of energy use or the shift to non-fossil energy related to freight transportation by freight carriers or appropriate implementation of measures to contribute to the optimization of electricity demand by freight carriers that transport goods by using electricity.

Section 2 Measures Pertaining to Passenger Transportation

(Decision-making Criteria for Passenger Carriers)

Article 127 (1) In order to ensure the appropriate and effective implementation of the rationalization of energy use related to passenger transportation, the Minister of Economy, Trade and Industry and the Minister of Land, Infrastructure, Transport and Tourism are to decide and publicize the decision-making criteria for passenger carriers (meaning persons that provide services to transport passengers, with the use of energy, departing from and arriving at locations within Japan; the same applies hereinafter), with regard to the following matters as well as the target for the rationalization of energy use

related to passenger transportation and the measures to be taken systematically to achieve the target:

- (i) the use of transportation machinery and equipment with excellent energy consumption performance, etc. as prescribed in Article 149, paragraph (1);
 - (ii) operation or maneuver of transportation machinery and equipment that contributes to the rationalization of energy use; and
 - (iii) reduction of the distance of driving or flying without passengers.
- (2) In order to ensure the appropriate and effective implementation of the shift to non-fossil energy related to passenger transportation, the Minister of Economy, Trade and Industry and the Minister of Land, Infrastructure, Transport and Tourism are to decide and publicize the decision-making criteria for passenger carriers, with regard to matters concerning the choice of means of transportation that increase the share of non-fossil energy in the amount of energy consumed in passenger transportation as well as the target for the shift to non-fossil energy related to passenger transportation and the measures to be taken systematically to achieve the target.
- (3) In order to ensure the appropriate and effective implementation of measures to contribute to the optimization of electricity demand related to passenger transportation by passenger carriers that transport passengers by using electricity, the Minister of Economy, Trade and Industry and the Minister of Land, Infrastructure, Transport and Tourism are to establish and publicize guidelines for measures for those passenger carriers to take.
- (3) The provisions of Article 103, paragraph (4) apply mutatis mutandis to the decision-making criteria prescribed in paragraphs (1) and (2) and the guidelines prescribed in the preceding paragraph, and the provisions of paragraph (5) of that Article apply mutatis mutandis to the decision-making criteria prescribed in paragraphs (1) and (2).

(Guidance and Advice)

Article 128 The Minister of Land, Infrastructure, Transport and Tourism may, when they find it to be necessary in order to secure appropriate implementation of the rationalization of energy use or the shift to non-fossil energy related to passenger transportation or appropriate implementation of measures to contribute to the optimization of electricity demand, provide passenger carriers with guidance and advice necessary for the implementation of the matters set forth in the items of paragraph (1) of the preceding Article or matters concerning the choice of means of transportation that increase the share of non-fossil energy in the amount of energy consumed in passenger transportation, in consideration of the decision-making criteria prescribed in paragraph (1) or (2) of that Article, or may provide passenger carriers that transport passengers by using electricity with guidance and advice necessary

for the implementation of measures to contribute to the optimization of electricity demand, in consideration of the guidelines prescribed in paragraph (3) of that Article.

(Designation of Specified Passenger Carriers)

- Article 129 (1) The Minister of Land, Infrastructure, Transport and Tourism is to designate a passenger carrier (excluding certified managing and supervising cargo-passenger carriers and management-related cargo-passenger carriers; the same applies in the following paragraph) whose transportation capacity specified by Cabinet Order for each of the categories of passenger transportation as specified by Cabinet Order (hereinafter referred to as "passenger transportation categories") is greater than or equal the capacity specified by Cabinet Order, as a person particularly required to promote the rationalization of energy use and the shift to non-fossil energy related to passenger transportation, for each of those passenger transportation categories.
- (2) When their transportation capacity specified by Cabinet Order referred to in the preceding paragraph as of the last day of the previous business year for each of passenger transportation categories is greater than or equal the capacity specified by Cabinet Order referred to in that paragraph, passenger carriers must notify the Minister of Land, Infrastructure, Transport and Tourism, pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, of the matters concerning the transportation capacity specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism for each of passenger transportation categories; provided, however, that this does not apply to a passenger carrier that is designated pursuant to the provisions of that paragraph (hereinafter referred to as a "specified passenger carrier") with respect to the passenger transportation category pertaining to the designation.
- (3) If grounds set forth in any of the following items arise regarding the passenger transportation category pertaining to the designation, a specified passenger carrier may make a request for recession of the designation for the passenger transportation category to the Minister of Land, Infrastructure, Transport and Tourism pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism:
- (i) if the specified passenger carrier has ceased to provide the passenger transportation service; or
 - (ii) if the specified passenger carrier's transportation capacity specified by Cabinet Order referred to in paragraph (1) is no longer expected to be greater than or equal the capacity specified by Cabinet Order referred to in that paragraph.
- (4) When the request referred to in the preceding paragraph is made, if the

Minister of Land, Infrastructure, Transport and Tourism finds there are grounds for the request, the Minister is to rescind the designation under the provisions of paragraph (1) without delay. The same applies where there is no request referred to in the preceding paragraph, and it is found that grounds set forth in any of the items of the same paragraph have arisen.

- (5) When a specified passenger carrier becomes a certified managing and supervising cargo-passenger carrier or management-related cargo-passenger carrier, the Minister of Land, Infrastructure, Transport and Tourism is to rescind the designation under the provisions of paragraph (1) pertaining to the specified passenger carrier.

(Preparation of Medium-to-long-term Plans)

Article 130 (1) Pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, in each business year following the business year of the date of designation under the provisions of paragraph (1) of the preceding Article, a specified passenger carrier must regularly prepare a medium-to-long-term plan for attaining the target for each of the passenger transportation categories pertaining to the designation regarding the target for the rationalization of energy use related to passenger transportation as specified in the decision-making criteria prescribed in Article 127, paragraph (1) and must submit it to the Minister of Land, Infrastructure, Transport and Tourism.

- (2) Pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, in each business year following the business year of the date of designation under the provisions of paragraph (1) of the preceding Article, a specified passenger carrier must regularly prepare a medium-to-long-term plan for attaining the target for each of the passenger transportation categories pertaining to the designation regarding the target for the shift to non-fossil energy related to passenger transportation as specified in the decision-making criteria prescribed in Article 127, paragraph (2) and must submit it to the Minister of Land, Infrastructure, Transport and Tourism.

(Regular Reporting)

Article 131 (1) In each business year following the business year of the date on which a specified passenger carrier under the provisions of Article 129, paragraph (1) was designated, the specified passenger carrier must report to the Minister of Land, Infrastructure, Transport and Tourism on the matters specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism concerning energy consumption related to passenger transportation, other aspects of energy use related to passenger transportation (including matters concerning efficiency in using energy related to passenger

transportation and the emissions of carbon dioxide discharged by the use of energy related to passenger transportation), and the aspects of implementation of measures necessary to rationalize the use of energy related to passenger transportation, for each of the passenger transportation categories pertaining to that designation, pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism.

- (2) When the Minister of Land, Infrastructure, Transport and Tourism intends to issue or amend the Order of the Ministry of Land, Infrastructure, Transport and Tourism referred to in the preceding paragraph (limited to the matters concerning the emissions of carbon dioxide discharged by the use of energy related to passenger transportation), the Minister must consult with the Minister of the Environment in advance.

(Recommendations and Orders)

- Article 132 (1) If the Minister of Land, Infrastructure, Transport and Tourism finds that the aspects of the rationalization of energy use related to passenger transportation are extremely inadequate in light of the decision-making criteria prescribed in Article 127, paragraph (1), regarding the passenger transportation category pertaining to the designation under the provisions of Article 129, paragraph (1) for a specified passenger carrier, the Minister may recommend the specified passenger carrier to take necessary measures to rationalize the use of energy related to passenger transportation pertaining to that passenger transportation category, while taking into consideration the technical standards relating to passenger transportation carried out by that specified passenger carrier using energy and the status of measures taken by the same in accordance with the guidelines prescribed in paragraph (3) of that Article and other aspects, and showing the grounds for the Minister's judgment.
- (2) If the Minister of Land, Infrastructure, Transport and Tourism finds that the aspects of the shift to non-fossil energy related to passenger transportation are extremely inadequate in light of the decision-making criteria prescribed in Article 127, paragraph (2), regarding the passenger transportation category pertaining to the designation under the provisions of Article 129, paragraph (1) for a specified passenger carrier, the Minister may recommend the specified passenger carrier to take necessary measures for the shift to non-fossil energy related to passenger transportation pertaining to that passenger transportation category, while taking into consideration the technical standards relating to passenger transportation carried out by that specified passenger carrier using energy and the status of measures taken by the same in accordance with the guidelines prescribed in paragraph (3) of that Article and other aspects, and showing the grounds for the Minister's judgment.
- (3) If a specified passenger carrier that has received the recommendation

prescribed in the preceding paragraph fails to follow the recommendation, the Minister of Land, Infrastructure, Transport and Tourism may publicize to that effect.

- (4) If a specified passenger carrier that has received the recommendation prescribed in paragraph (1) fails to take the measures pertaining to the recommendation without legitimate grounds, the Minister of Land, Infrastructure, Transport and Tourism may order that specified passenger carrier to take the measures pertaining to the recommendation after hearing opinions from councils, etc. specified by Cabinet Order.

(Efforts by Business Operators)

Article 133 Business Operators must endeavor to contribute to the rationalization of energy use and the shift to non-fossil energy related to transportation and must endeavor to contribute to the optimization of electricity demand, by properly encouraging their employees to commute by public transport, choosing means of transportation that increase the share of non-fossil energy in the amount of energy consumed in transportation, and implementing other measures while giving due consideration to the provisions of the basic policy.

**Section 3 Measures Pertaining to Certified Managing and Supervising
Cargo-passenger Carriers
Subsection 1 Measures Pertaining to Certified Managing and
Supervising Cargo-passenger Carriers**

(Certified Managing and Supervising Cargo-passenger Carriers)

Article 134 (1) When a freight carrier or passenger carrier (hereinafter referred to as a "cargo-passenger carrier") promotes the rationalization of energy use and the shift to non-fossil energy related to freight or passenger transportation in a united way with a stock company whose total issued shares are held by it or with another person who is specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism as being closely related to that cargo-passenger carrier, and who is a cargo-passenger carrier (hereinafter referred to as a "closely related cargo-passenger carrier" in this paragraph and item (ii) of the following paragraph), pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, the cargo-passenger carrier may receive certification for meeting the requirements in the respective following items from the Minister of Land, Infrastructure, Transport and Tourism:

- (i) the person must meet the requirements specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism as the person who supervises and manages the measures to rationalize the use of energy and to shift to

- non-fossil energy that are taken in a united way jointly with the closely related cargo-passenger carrier pertaining to an application for the certification; and
- (ii) the total of the transportation capacity specified by Cabinet Order of the cargo-passenger carrier and the closely related cargo-passenger carrier pertaining to an application for the certification is greater than or equal the capacity specified by Cabinet Order.
- (2) If a person that has received the certification referred to in the preceding paragraph (hereinafter referred to as a "certified managing and supervising cargo-passenger carrier") falls under any of the following items, the Minister of Land, Infrastructure, Transport and Tourism may rescind the certification:
- (i) if the certified managing and supervising cargo-passenger carrier no longer meets the requirements specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism prescribed in item (i) of the preceding paragraph;
 - (ii) if the total of the transportation capacity specified by Cabinet Order of the certified managing and supervising cargo-passenger carrier and the closely related cargo-passenger carrier pertaining to the certification (hereinafter referred to as a "management-related cargo-passenger carrier") referred to in item (ii) of the preceding paragraph is no longer expected to be greater than or equal the capacity specified by Cabinet Order as referred to in that item; or
 - (iii) if it turns out that the certified managing and supervising cargo-passenger carrier has received the certification referred to in the preceding paragraph by wrongful means.

(Preparation of Medium-to-long-term Plans)

- Article 135 (1) Pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, a certified managing and supervising cargo-passenger carrier must regularly prepare a medium-to-long-term plan for attaining the target for the rationalization of energy use related to freight or passenger transportation as specified in the decision-making criteria prescribed in Article 103, paragraph (1) or Article 127, paragraph (1) and must submit it to the Minister of Land, Infrastructure, Transport and Tourism.
- (2) Pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, a certified managing and supervising cargo-passenger carrier must regularly prepare a medium-to-long-term plan for attaining the target for the shift to non-fossil energy related to freight or passenger transportation as specified in the decision-making criteria prescribed in Article 103, paragraph (2) or Article 127, paragraph (2) and must submit it to the Minister of Land, Infrastructure, Transport and Tourism.

(Regular Reporting)

Article 136 (1) Pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, a certified managing and supervising cargo-passenger carrier must report to the Minister of Land, Infrastructure, Transport and Tourism in each business year on the matters specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism concerning energy consumption related to freight or passenger transportation carried out by the certified managing and supervising cargo-passenger carrier and its management-related cargo-passenger carrier, aspects of other energy use related to freight or passenger transportation (including matters concerning efficiency in using energy related to freight or passenger transportation and the emissions of carbon dioxide discharged by the use of energy related to freight or passenger transportation), and the aspects of implementation of necessary measures to rationalize the use of energy related to freight or passenger transportation.

(2) When the Minister of Land, Infrastructure, Transport and Tourism intends to issue or amend the Order of the Ministry of Land, Infrastructure, Transport and Tourism as referred to in the preceding paragraph (limited to the matters concerning the emissions of carbon dioxide discharged by the use of energy related to freight or passenger transportation), the Minister must consult with the Minister of the Environment in advance.

(Recommendations and Orders)

Article 137 (1) If the Minister of Land, Infrastructure, Transport and Tourism finds that the aspects of the rationalization of energy use related to freight or passenger transportation by a certified managing and supervising cargo-passenger carrier and its management-related cargo-passenger carrier are extremely inadequate in light of the decision-making criteria as prescribed in Article 103, paragraph (1) or Article 127, paragraph (1), the Minister may recommend that the certified managing and supervising cargo-passenger carrier take necessary measures to rationalize the use of energy related to freight or passenger transportation, while taking into consideration the technical standards relating to freight or passenger transportation carried out by that certified managing and supervising cargo-passenger carrier and its management-related cargo-passenger carrier using energy and the status of measures taken by the same in accordance with the guidelines prescribed in Article 103, paragraph (3) or Article 127, paragraph (3) and other aspects, and showing the grounds for the Minister's judgment.

(2) If the Minister of Land, Infrastructure, Transport and Tourism finds that the aspects of the shift to non-fossil energy related to freight or passenger

transportation by a certified managing and supervising cargo-passenger carrier and its management-related cargo-passenger carrier are extremely inadequate in light of the decision-making criteria as prescribed in Article 103, paragraph (2) or Article 127, paragraph (2), the Minister may recommend that the certified managing and supervising cargo-passenger carrier take necessary measures for the shift to non-fossil energy related to freight or passenger transportation, while taking into consideration the technical standards relating to freight or passenger transportation carried out by that certified managing and supervising cargo-passenger carrier and its management-related cargo-passenger carrier using energy and the status of measures taken by the same in accordance with the guidelines prescribed in Article 103, paragraph (3) or Article 127, paragraph (3) and other aspects, and showing the grounds for the Minister's judgment.

- (3) If a certified managing and supervising cargo-passenger carrier that has received the recommendation prescribed in the preceding paragraph fails to follow the recommendation, the Minister of Land, Infrastructure, Transport and Tourism may publicize to that effect.
- (4) If a certified management supervising cargo-passenger carrier that has received the recommendation prescribed in paragraph (1) fails to take the measures pertaining to the recommendation without legitimate grounds, the Minister of Land, Infrastructure, Transport and Tourism may order that certified managing and supervising cargo-passenger carrier to take the measures pertaining to the recommendation after hearing opinions from councils, etc. specified by Cabinet Order.

Subsection 2 Collaborative Plans for Energy Efficiency in Cargo-Passenger Transportation

(Approval of Collaborative Plans for Energy Efficiency in Cargo-Passenger Transportation)

Article 138 (1) When a cargo-passenger carrier promotes the rationalization of energy use related to freight or passenger transportation in collaboration with other cargo-passenger carriers, the cargo-passenger carrier may jointly prepare a plan for measures for the rationalization of energy use to be taken in collaboration with other cargo-passenger carriers (hereinafter referred to as "collaborative measures for energy efficiency in cargo-passenger transportation") (hereinafter referred to as "collaborative plan for energy efficiency in cargo-passenger transportation") and, by submitting it to the Minister of Land, Infrastructure, Transport and Tourism, may receive a certification for the appropriateness of the collaborative plan for energy efficiency in cargo-passenger transportation, pursuant to the provisions of

Order of the Ministry of Land, Infrastructure, Transport and Tourism.

- (2) The following matters must be incorporated into a collaborative plan for energy efficiency in cargo-passenger transportation:
- (i) the target for collaborative measures for energy efficiency in cargo-passenger transportation;
 - (ii) the details and implementation period for collaborative measures for energy efficiency in cargo-passenger transportation; and
 - (iii) in freight or passenger transportation carried out by persons taking collaborative measures for energy efficiency in cargo-passenger transportation (including freight or passenger transportation carried out by their management-related cargo-passenger carrier if those persons are certified managing and supervising cargo-passenger carriers), the method of calculating the amount of energy considered to have been used by each of them in connection with the collaborative measures for energy efficiency in cargo-passenger transportation.
- (3) In order to contribute to appropriate preparation of collaborative plans for energy efficiency in cargo-passenger transportation, the Minister of Land, Infrastructure, Transport and Tourism is to establish and publicize necessary guidelines.
- (4) When an application for the approval referred to in paragraph (1) is filed, if the Minister of Land, Infrastructure, Transport and Tourism finds that the collaborative plan for energy efficiency in cargo-passenger transportation pertaining to the application conforms to all the following items, the Minister is to grant the approval:
- (i) the matters set forth in the items of paragraph (2) are appropriate in light of the guidelines referred to in the preceding paragraph; and
 - (ii) the matters set forth in paragraph (2), item (ii) are expected to be carried out with certainty.

(Alteration to Collaborative Plans for Energy Efficiency in Cargo-passenger Transportation)

Article 139 (1) When a person that has received the approval referred to in paragraph (1) of the preceding Article intends to alter the collaborative plan for energy efficiency in cargo-passenger transportation pertaining to the approval, the person must jointly obtain the approval jointly with another person from the Minister of Land, Infrastructure, Transport and Tourism pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism; provided, however, that this does not apply to minor changes as specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism.

(2) When a person that has received the approval referred to in paragraph (1) of

the preceding Article has made the minor changes specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism referred to in the proviso to the preceding paragraph, the person must jointly notify the Minister of Land, Infrastructure, Transport and Tourism of the minor changes jointly with another person without delay pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism.

- (3) If a person that has received the approval referred to in paragraph (1) of the preceding Article fails to take collaborative measures for energy efficiency in cargo-passenger transportation according to the collaborative plan for energy efficiency in cargo-passenger transportation (or the altered collaborative plan when the approval for alteration under the provisions of paragraph (1) is given or when the notification of changes under the provisions of the preceding paragraph is given) or violates the provisions of the preceding two paragraphs, the Minister of Land, Infrastructure, Transport and Tourism may rescind the approval.
- (4) The provisions of paragraph (4) of the preceding Article apply mutatis mutandis to the approval referred to in paragraph (1).

(Special Provisions for Regular Reporting on Collaborative Plans for Energy Efficiency in Cargo-passenger Transportation)

- Article 140 (1) With regard to the application of the provisions of Article 107, paragraph (1) to a specified freight carrier that has received the approval referred to in Article 138, paragraph (1), the phrase "each business year following the business year that contains the date of designation under the provisions of Article 105, paragraph (1)" in Article 107, paragraph (1) is replaced with "each business year," and the term "consumption" is replaced with "consumption, energy consumption related to freight transportation carried out by the specified freight carrier pertaining to the collaborative measures for energy efficiency in cargo-passenger transportation pertaining to the approval referred to in Article 138, paragraph (1), and the amount of energy considered to have been used in freight transportation carried out by the specified freight carrier in connection with the collaborative measures for energy efficiency in cargo-passenger transportation based on the calculation method prescribed in paragraph (2), item (iii) of that Article," and the term the "designation" is replaced with the "designation under the provisions of Article 105, paragraph (1)."
- (2) With regard to the application of the provisions of Article 131, paragraph (1) to a specified passenger carrier that has received the approval referred to in Article 138, paragraph (1), the phrase "each business year following the business year of the date of designation under the provisions of Article 129, paragraph (1)" in Article 131, paragraph (1) is replaced with "each business

year," and the term "consumption" is replaced with "consumption, energy consumption related to passenger transportation carried out by that specified passenger carrier pertaining to the collaborative measures for energy efficiency in cargo-passenger transportation pertaining to the approval referred to in Article 138, paragraph (1), and the amount of energy considered to have been used in passenger transportation carried out by the specified passenger carrier in connection with the collaborative measures for energy efficiency in cargo-passenger transportation based on the calculation method prescribed in paragraph (2), item (iii) of that Article," and the term the "designation" is replaced with the "designation under the provisions of Article 129, paragraph (1)."

- (3) With regard to the application of the provisions of Article 136, paragraph (1) to a certified managing and supervising cargo-passenger carrier that has received the approval referred to in Article 138, paragraph (1), the term a "management-related cargo-passenger carrier" in Article 136, paragraph (1) is replaced with a "management-related cargo-passenger carrier (hereinafter referred to as a "certified managing and supervising cargo-passenger carrier, etc." in this paragraph)," and the term "consumption" is replaced with "consumption, energy consumption related to freight or passenger transportation carried out by the certified managing and supervising cargo-passenger carrier, etc. pertaining to the collaborative measures for energy efficiency in cargo-passenger transportation pertaining to the approval referred to in Article 138, paragraph (1), and the amount of energy considered to have been used in freight or passenger transportation carried out by the certified managing and supervising cargo-passenger carrier, etc. in connection with the collaborative measures for energy efficiency in cargo-passenger transportation based on the calculation method prescribed in paragraph (2), item (iii) of that Article."

Article 141 Pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, a person who has received the approval referred to in Article 138, paragraph (1) (excluding specified freight carriers, specified passenger carriers, and certified managing and supervising cargo-passenger carriers) must report to the Minister of Land, Infrastructure, Transport and Tourism in each business year on the matters specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism concerning energy consumption related to freight or passenger transportation carried out by the relevant cargo-passenger carrier pertaining to the collaborative measures for energy efficiency in cargo-passenger transportation pertaining to the approval and the amount of energy considered to have been used in freight or passenger transportation carried out by the cargo-passenger carrier in

connection with the collaborative measures for energy efficiency in cargo-passenger transportation based on the calculation method prescribed in paragraph (2), item (iii) of that Article and the aspects of taking other collaborative measures for energy efficiency in cargo-passenger transportation.

(Investigations)

Article 142 If the Minister of Land, Infrastructure, Transport and Tourism finds it to be necessary in order to promote the rationalization of energy use related to freight or passenger transportation carried out by cargo-passenger carriers in collaboration with other cargo-passenger carriers, the Minister is to investigate the aspects of the rationalization of energy use by cargo-passenger carriers in collaboration with other cargo-passenger carriers and is to publicize the results of the investigation.

Section 4 Special Provisions for Air Transportation

(Special Provisions for Air Carriers)

Article 143 (1) The Minister of Land, Infrastructure, Transport and Tourism is to designate air carriers (meaning business operators that provide services to transport, by aircraft, freight or passengers departing from and arriving at locations within Japan; the same applies hereinafter), whose transportation capacity specified by Cabinet Order is greater than or equal the capacity specified by Cabinet Order, as an air carrier that is particularly required to promote the rationalization of energy use and the shift to non-fossil energy related to freight or passenger transportation.

(2) The provisions of Articles 105 and 129 and the preceding Section do not apply to air carriers.

(3) When its transportation capacity specified by Cabinet Order under paragraph (1) as of the last day of the previous business year is greater than or equal the capacity specified by Cabinet Order under that paragraph, pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, an air carrier must notify the Minister of Land, Infrastructure, Transport and Tourism of the matters concerning the transportation capacity as specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism; provided, however, that this does not apply to an air carrier designated pursuant to the provisions of that paragraph (hereinafter referred to as a "specified air carrier").

(4) A specified air carrier may file a request for recession of the designation under the provisions of paragraph (1) to the Minister of Land, Infrastructure, Transport and Tourism pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, if grounds set forth in any of the

following items arise:

- (i) if the specified air carrier has ceased to conduct the freight or passenger transportation service; or
 - (ii) if the specified air carrier's transportation capacity specified by Cabinet Order referred to in paragraph (1) is no longer expected to be greater than or equal the capacity specified by Cabinet Order referred to in that paragraph.
- (5) When the request referred to in the preceding paragraph is made, if the Minister of Land, Infrastructure, Transport and Tourism finds that there are grounds for the request, the Minister is to rescind the designation of an air carrier under the provisions of paragraph (1) without delay. The same applies where there is no request referred to in the preceding paragraph and it is found that grounds set forth in any of the items have arisen.

(Preparation of Medium-to-long-term Plans)

- Article 144 (1) Pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, in each business year following the business year of the date of designation under the provisions of paragraph (1) of the preceding Article, a specified air carrier must regularly prepare a medium-to-long-term plan for attaining the target for the rationalization of energy use related to freight or passenger transportation that is specified in the decision-making criteria prescribed in Article 103, paragraph (1) and Article 127, paragraph (1), and must submit it to the Minister of Land, Infrastructure, Transport and Tourism.
- (2) Pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism, in each business year following the business year of the date of designation under the provisions of paragraph (1) of the preceding Article, a specified air carrier must regularly prepare a medium-to-long-term plan for attaining the target for the shift to non-fossil energy related to freight or passenger transportation that is specified in the decision-making criteria prescribed in Article 103, paragraph (2) and Article 127, paragraph (2), and must submit it to the Minister of Land, Infrastructure, Transport and Tourism.

(Regular Reporting)

- Article 145 (1) In each business year following the business year of the date of designation under the provisions of Article 143, paragraph (1), a specified air carrier must report to the Minister of Land, Infrastructure, Transport and Tourism in each business year on the matters specified by Order of the Ministry of Land, Infrastructure, Transport and Tourism concerning energy consumption related to freight or passenger transportation, other aspects of using energy related to freight or passenger transportation (including matters concerning efficiency in using energy related to freight or passenger

transportation and the emissions of carbon dioxide discharged by the use of energy related to freight or passenger transportation), and the aspects of implementation of measures necessary to rationalize the use of energy related to freight or passenger transportation, pursuant to the provisions of Order of the Ministry of Land, Infrastructure, Transport and Tourism.

- (2) When the Minister of Land, Infrastructure, Transport and Tourism intends to issue or amend the Order of the Ministry of Land, Infrastructure, Transport and Tourism referred to in the preceding paragraph (limited to the matters concerning the emissions of carbon dioxide discharged by the use of energy related to freight or passenger transportation), the Minister must consult with the Minister of the Environment in advance.

(Recommendations and Orders)

Article 146 (1) If the Minister of Land, Infrastructure, Transport and Tourism finds that the aspects of the rationalization of energy use related to freight or passenger transportation by a specified air carrier are extremely inadequate in light of the decision-making criteria prescribed in Article 103, paragraph (1) and Article 127, paragraph (1), the Minister may recommend the specified air carrier to take measures necessary to rationalize the use of energy related to freight or passenger transportation, while taking into consideration the technical standards relating to freight or passenger transportation carried out by that specified air carrier using energy and the status of measures taken by the same in accordance with the guidelines prescribed in Article 103, paragraph (3) and Article 127, paragraph (3), and showing the grounds for the Minister's judgment.

- (2) If the Minister of Land, Infrastructure, Transport and Tourism finds that the aspects of the shift to non-fossil energy related to freight or passenger transportation by a specified air carrier are extremely inadequate in light of the decision-making criteria prescribed in Article 103, paragraph (2) and Article 127, paragraph (2), the Minister may recommend the specified air carrier to take measures necessary for the shift to non-fossil energy related to freight or passenger transportation, while taking into consideration the technical standards relating to freight or passenger transportation carried out by that specified air carrier using energy and the status of measures taken by the same in accordance with the guidelines prescribed in Article 103, paragraph (3) and Article 127, paragraph (3), and showing the grounds for the Minister's judgment.

(3) If a specified air carrier that has received the recommendation prescribed in the preceding paragraph fails to follow the recommendation, the Minister of Land, Infrastructure, Transport and Tourism may publicize to that effect.

(4) If a specified air carrier that has received the recommendation prescribed in

paragraph (1) fails to take the measures pertaining to the recommendation without legitimate grounds, the Minister of Land, Infrastructure, Transport and Tourism may order that specified air carrier to take the measures pertaining to the recommendation after hearing opinions from councils, etc. specified by Cabinet Order.

Chapter V Measures Pertaining to Buildings

Article 147 While giving due consideration to the provisions of the basic policy, the following persons must endeavor to contribute to the rationalization of energy use and the shift to non-fossil energy related to buildings by properly implementing the measures to prevent heat loss through exterior walls, windows, etc. of buildings and realize the efficient utilization of energy for air conditioning systems or other building equipment specified by Cabinet Order that are installed in buildings (hereinafter referred to as "air conditioning systems, etc." in item (iv)) and measures to increase the share of non-fossil energy in the amount of energy consumed in buildings, and must endeavor to contribute to the optimization of electricity demand by properly implementing the measures to ensure the utilization of electricity to contribute to the optimization of electricity demand in relation to electricity-consuming machinery and equipment installed in buildings:

- (i) a person who intends to construct a building;
- (ii) the owner of a building (in the case of a building managed by a person other than the owner, the manager of the building);
- (iii) a person who intends to repair or redecorate the roofs, walls or floors of a building that are directly exposed to the outside (including windows or other openings to be installed therein); or
- (iv) a person who intends to install air conditioning systems, etc. in a building or refurbish the air conditioning systems, etc. installed in a building.

Chapter VI Measures Pertaining to Machinery, Equipment, etc.

Section 1 Measures Pertaining to Machinery and Equipment

(Efforts by Manufacturers of Energy Consuming Equipment)

Article 148 (1) A person who manufactures or imports energy consuming equipment, etc. (meaning energy consuming equipment (meaning machinery and equipment that consumes energy; the same applies hereinafter) or related equipment (meaning machinery and equipment used as components of energy consuming equipment or used exclusively in combination with energy consuming equipment, which has an effect on the amount of energy consumed in the use of the energy consuming equipment; the same applies hereinafter));

the same applies hereinafter) (hereinafter referred to as "manufacturers of energy consuming equipment, etc.") must endeavor to contribute to the rationalization of energy use related to energy consuming equipment, etc., by improving the energy consumption performance (meaning the performance evaluated on the basis of the amount of energy consumed in the use of energy consuming equipment under certain conditions; the same applies hereinafter) or the energy consumption related performance (meaning the performance of the related equipment affecting the energy-consumption performance of the energy consuming equipment involving the related equipment; the same applies hereinafter) of the energy consuming equipment, etc. that they manufacture or import, while giving due consideration to the provisions of the basic policy.

- (2) A person who manufactures or imports energy consuming equipment, etc. must endeavor to contribute to the shift to non-fossil energy related to energy consuming equipment, by manufacturing or importing machinery and equipment that use non-fossil energy and implementing other measures, while giving due consideration to the provisions of the basic policy.
- (3) A person who manufactures or imports electricity-consuming machinery and equipment (limited to those for which it is technically and economically possible to add a function to contribute to the optimization of electricity demand; hereinafter the same applies in this paragraph) must endeavor to contribute to the optimization of electricity demand related to electricity-consuming machinery and equipment, by improving the performance in relation to the optimization of electricity demand of the electricity-consuming machinery and equipment that they manufacture or import, while giving due consideration to the provisions of the basic policy.

(Decision-making Criteria for Manufacturers of Energy Consuming Equipment)
Article 149 (1) Among energy consuming machinery, etc., including automobiles (limited to those specified by Cabinet Order as those which are particularly required to improve their energy consumption performance; the same applies hereinafter) and other energy consuming machinery used in quantity in Japan that are consuming a considerable amount of energy in their use, and that are specified by Cabinet Order as machinery that is particularly required to improve their energy consumption performance (hereinafter referred to as "specified energy consuming equipment") and related energy consuming machinery used in quantity in Japan that are consuming a considerable amount of energy in their use, and that are specified by Cabinet Order as machinery that is particularly required to improve their energy consumption related performance (hereinafter referred to as "specified related equipment"), the Minister of Economy, Trade and Industry (or the Minister of Economy,

Trade and Industry and the Minister of Land, Infrastructure, Transport and Tourism for automobiles and specified related equipment thereto; hereinafter the same applies in this Chapter and Article 166, paragraph (10)) is to decide and publicize decision-making criteria for manufacturers, etc. of energy consuming equipment, etc. concerning improvement of their energy consumption performance or energy consumption related performance (hereinafter referred to as "energy consumption performance, etc.") for each of specified energy consuming equipment and specified related equipment (hereinafter referred to as "specified energy consuming equipment, etc.").

- (2) The decision-making criteria standards of judgment prescribed in the preceding paragraph are to be established by considering the highest level of energy-consumption performance, etc. of the respective specified energy consuming equipment, etc., future prospects for technological development related to the respective specified energy consuming equipment, etc. and other aspects, and are to be revised if necessary depending on changes in these aspects.

(Recommendations and Orders to Improve Performance)

Article 150 (1) If the Minister of Economy, Trade and Industry finds it necessary, in light of the decision-making criteria prescribed in paragraph (1) of the preceding Article, to improve the energy-consumption performance, etc. to a considerable extent with respect to the specified energy consuming equipment, etc. which are manufactured or imported by a manufacturer of energy consuming equipment, etc. whose production or import volume of the specified energy consuming equipment, etc. manufactured or imported thereby satisfies the requirements specified by Cabinet Order, the Minister may recommend that the manufacturer of energy consuming equipment, etc. improve the energy-consumption performance, etc. of the specified energy consuming equipment, etc. which are manufactured or imported thereby, by indicating the targets for the improvement.

- (2) If a manufacturer of energy consuming equipment, etc. that has received recommendations prescribed in the preceding paragraph fails to follow the recommendations, the Minister of Economy, Trade and Industry may publicize to that effect.

- (3) If a manufacturer of energy consuming equipment, etc. that has received recommendations prescribed in paragraph (1) fails to take the measures as recommended without legitimate grounds and the Minister of Economy, Trade and Industry finds that it significantly harms the rationalization of energy use for the specified energy consuming equipment, etc., the Minister may order the manufacturer of energy consuming equipment, etc. to take the measures pertaining to the recommendations after hearing opinions from councils, etc.

specified by Cabinet Order.

(Indications)

Article 151 The Minister of Economy, Trade and Industry is to specify the following particulars for each of the specified energy consuming equipment, etc. (excluding the equipment that falls under the category of household goods prescribed in Article 2, paragraph (1), item (i) of the Household Goods Quality Labeling Act (Act No. 104 of 1962); hereinafter the same applies in this Article and the following Article), and make these particulars known to the public:

(i) particulars specified in (a) or (b) below according to the respective categories of specified energy consuming equipment, etc. set forth therein:

(a) specified energy consuming equipment: particulars to be indicated by manufacturers of energy consuming equipment, etc. with regard to the energy consumption efficiency (meaning the value calculated pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry (or in the case of automobiles, Order of the Ministry of Economy, Trade and Industry and Order of the Ministry of Land, Infrastructure, Transport and Tourism) which represent the energy-consumption performance of specified energy consuming equipment; the same applies hereinafter); or

(b) specified related equipment: particulars to be indicated by manufacturers of energy consuming equipment, etc. with regard to the contribution rate (meaning the value calculated pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry (or in the case of automobiles, Order of the Ministry of Economy, Trade and Industry and Order of the Ministry of Land, Infrastructure, Transport and Tourism) which represent the energy-consumption performance of specified related equipment; the same applies hereinafter); and

(ii) the indication method and other matters to be observed by manufacturers of energy consuming equipment, etc. when indicating the energy consumption efficiency or contribution rate.

(Recommendations and Orders Given for Indication)

Article 152 (1) If the Minister of Economy, Trade and Industry finds that a manufacturer of energy consuming equipment, etc. fails to indicate the energy consumption efficiency or contribution rate of the specified energy consuming equipment, etc., in accordance with the public notice referred to in the preceding Article, the Minister may recommend that the manufacturer of energy consuming equipment, etc. indicate the energy consumption efficiency or contribution rate of the specified energy consuming equipment, etc. manufactured or imported thereby.

(2) If a manufacturer of energy consuming equipment, etc. that has received the

recommendations prescribed in the preceding paragraph fails to follow the recommendations, the Minister of Economy, Trade and Industry may publicize to that effect.

- (3) If a manufacturer of energy consuming equipment, etc. that has received the recommendations prescribed in paragraph (1) fails to take the measures as recommended without legitimate grounds and the Minister of Economy, Trade and Industry finds that it significantly hampers the rationalization of energy use related to the specified energy consuming equipment, etc., the Minister may order the manufacturer of energy consuming equipment, etc. to take the measures pertaining to the recommendations after hearing opinions from council, etc. specified by Cabinet Order.

Section 2 Measures for Building Materials That Prevent Heat Loss

(Efforts by Manufacturers of Building Materials That Prevent Heat Loss)

Article 153 Manufacturers, processors or importers of building materials used for the prevention of heat loss through exterior walls, windows, etc. of buildings (those materials are hereinafter referred to as "building materials that prevent heat loss" and those business operators are hereinafter referred to as "manufacturers, etc. of building materials that prevent heat loss") must endeavor to contribute to the rationalization of energy use related to building materials that prevent heat loss, by improving the heat loss prevention performance of the building materials that prevent heat loss that they manufacture, process or import, while giving due consideration to the provisions of the basic policy.

(Decision-making Criteria for Manufacturers of Building Materials That Prevent Heat Loss)

- Article 154 (1) Among building materials that prevent heat loss, including those that are used in quantity in Japan and are mainly used in the parts of buildings through which a considerable amount of heat is lost, which are specified by Cabinet Order as those which are particularly required to improve their performance prescribed in the preceding Article (hereinafter referred to as "specified building materials that prevent heat loss"), the Minister of Economy, Trade and Industry is to decide and publicize the decision-making criteria for manufacturers, etc. of building materials that prevent heat loss, with regard to the improvement of the performance for each of the specified building materials that prevent heat loss.
- (2) The decision-making criteria prescribed in the preceding paragraph are to be established by considering the highest level of the performance prescribed in the preceding Article of the respective specified building materials that prevent

heat loss, future prospects for technological development related to the respective specified building materials that prevent heat loss, and other aspects, and are to be revised if necessary depending on the changes in these aspects.

(Recommendations and Orders Given for Improvement of Performance)

Article 155 (1) Concerning a manufacturer, etc. of building materials that prevent heat loss whose production quantity or import volume of specified building materials that prevent heat loss manufactured, processed or imported thereby satisfies the requirements specified by Cabinet Order, regarding a specified building material that prevent heat loss that are manufactured, processed or imported by the manufacturer, etc. of building materials that prevent heat loss, if the Minister of Economy, Trade and Industry finds that it is necessary to improve the performance prescribed in Article 153 to a considerable extent in light of the decision-making criteria prescribed in paragraph (1) of the preceding Article, the Minister may recommend that the manufacturer, etc. of building materials that prevent heat loss improve the performance of the specified building material that prevent heat loss that are manufactured, processed or imported thereby, by indicating the targets for the improvement.

(2) If a manufacturer, etc. of building materials that prevent heat loss that has received the recommendation prescribed in the preceding paragraph fails to follow the recommendation, the Minister of Economy, Trade and Industry may publicize to that effect.

(3) If a manufacturer, etc. of building materials that prevent heat loss that has received the recommendation prescribed in paragraph (1) fails to take the measures pertaining to the recommendation without legitimate grounds and the Minister of Economy, Trade and Industry finds that it causes extreme harm to the rationalization of energy use related to the relevant specified building material that prevent heat loss, the Minister may order the manufacturer, etc. of building materials that prevent heat loss to take the measures pertaining to the recommendation.

(Indication)

Article 156 The Minister of Economy, Trade and Industry is to specify the following particulars for the respective specified building materials that prevent heat loss, and make these known to the public:

(i) particulars to be indicated by the manufacturer, etc. of building materials that prevent heat loss with regard to the heat loss prevention performance of specified building materials that prevent heat loss (meaning the value calculated pursuant to the provisions of Order of the Ministry of Economy,

Trade and Industry, which represent the heat loss prevention performance of specified building materials that prevent heat loss; the same applies hereinafter); and

- (ii) the indication method and other matters to be observed by manufacturers, etc. of building materials that prevent heat loss when indicating the heat loss prevention performance.

(Recommendations and Orders Given for Indications)

- Article 157 (1) If the Minister of Economy, Trade and Industry finds that a manufacturer, etc. of building materials that prevent heat loss fails to indicate heat loss prevention performance on specified building materials that prevent heat loss as informed by the public notice pursuant to the provisions of the preceding Article, the Minister may recommend that the manufacturer, etc. of building materials that prevent heat loss indicate heat loss prevention performance on specified building materials that prevent heat loss that are manufactured, processed or imported thereby, etc. as informed by public notice.
- (2) If a manufacturer, etc. of building materials that prevent heat loss, that has received the recommendation prescribed in the preceding paragraph fails to follow the recommendation, the Minister of Economy, Trade and Industry may publicize to that effect.
 - (3) If a manufacturer, etc. of building materials that prevent heat loss, that has received the recommendation prescribed in paragraph (1) fails to take the measures pertaining to the recommendation without legitimate grounds and the Minister of Economy, Trade and Industry finds that it causes extreme harm to the rationalization of energy use related to the relevant specified building material that prevent heat loss, the Minister may order that the manufacturer, etc. of building materials that prevent heat loss to take the measures relating pertaining to the recommendation after hearing opinions from councils, etc. specified by Cabinet Order.

Chapter VII Measures for Electricity Providers

(Disclosure)

- Article 158 When an electricity provider (meaning the general electricity provider prescribed in Article 2, paragraph (1), item (ii) of the Electricity Business Act (Act No. 170 of 1964), the specified electricity provider specified in item (vi) of that paragraph, or the specified-scale electricity provider specified in item (viii) of that paragraph; the same applies hereinafter) is requested by a person who uses electricity supplied thereby to disclose information that is specified by Order of the Ministry of Economy, Trade and Industry as information concerning the aspects of use of electricity related to

the person who uses electricity and that is retained by the electricity provider (excluding the retained personal data prescribed in Article 2, paragraph (7) of the Act on the Protection of Personal Information (Act No. 57 of 2003)), without delay, the electricity provider must disclose the information to the person who uses electricity (including those designated by the person who uses electricity), by using a method specified by Order of the Ministry of Economy, Trade and Industry; provided, however, that in the case specified by Order of the Ministry of Economy, Trade and Industry where the disclosure is likely to significantly hinder the proper implementation of the business by the electricity provider, the electricity provider may keep the information undisclosed in whole or in part.

(Preparation and Publication of Plans)

Article 159 (1) While giving due consideration to the provisions of the basic policy, an electricity provider (excluding those that meet the requirements specified by Order of the Ministry of Economy, Trade and Industry; the same applies in the following paragraph) must prepare a plan concerning the implementation of the following measures and other measures to contribute to the efforts of persons who use electricity to help optimize electricity demand effectively and efficiently:

- (i) improvement of the electricity rates and other supply conditions for encouraging persons who use electricity supplied by the electricity provider to make efforts to contribute to the optimization of electricity demand;
- (ii) improvement of equipment with the function to enable the acquisition of information on the changes in the amount of electricity used in a given period of time by persons who use electricity supplied by the electricity provider and other useful information specified by Order of the Ministry of Economy, Trade and Industry for the persons involved in making efforts to contribute to the optimization of electricity demand, and the provision of the information to the persons who use electricity (including those designated by the persons who use electricity); and
- (iii) beyond what is listed in the preceding item, improvement of an environment for providing information on the supply and demand results and forecasts for the electricity supplied by the electricity utility.

(2) When they have prepared a plan pursuant to the provisions of the preceding paragraph, electricity utilities must publicize the plan without delay. The same applies where the electricity utility has revised the plan.

Chapter VIII Miscellaneous Provisions

(Fiscal Measures)

Article 160 The State must endeavor to take fiscal, financial and taxation measures necessary to promote the rationalization of energy use and the shift to non-fossil energy, etc.

(Advancement of Science and Technology)

Article 161 With the aim of achieving the advancement of science and technology that will contribute to the promotion of the rationalization of energy use and the shift to non-fossil energy, etc., the State must endeavor to take measures to promote research and development and disseminate the results thereof and other necessary measures.

(Measures to Increase Public Understanding)

Article 162 The State must, through educational and publicity activities, endeavor to increase the public understanding of the rationalization of energy use and the shift to non-fossil energy, etc. and to ask for public cooperation for the implementation thereof.

(Consideration Given for the Enforcement of this Act)

Article 163 For the purpose of promoting the rationalization of energy use and the shift to non-fossil energy, etc. in the nation overall, the Minister of Economy, Trade and Industry must, in enforcing this Act, give due consideration so as to encourage the voluntary efforts of business operators to contribute to promoting the rationalization of energy use and the shift to non-fossil energy, etc. of other persons by providing technology, giving advice, conducting business coordination, and supporting introduction of machinery and equipment having a high level of energy consumption performance, etc.

(Consideration Given to Educational Activities by Local Governments)

Article 164 When carrying out educational and publicity activities, local governments are to give as much consideration as possible to help increase local residents' understanding of the rationalization of energy use and the shift to non-fossil energy, etc.

(Providing Information to General Consumers)

Article 165 (1) A person who provides energy to general consumers, a person who is a retailer of energy consuming equipment, etc. and building materials that prevent heat loss, and other business operators capable of supporting the general consumers' efforts towards the rationalization of energy use and the shift to non-fossil energy through their business activities must endeavor to give notifications on the aspects of use of energy by consumers, give indications of the energy-consumption performance, etc., give indications of the heat loss

prevention performance of building materials that prevent heat loss, and provide other information that may help the rationalization of energy use and the shift to non-fossil energy by general consumers.

- (2) A person engaged in selling or renting buildings, a retailer of electricity-consuming machinery and equipment, and other business operators capable of supporting the optimization of electricity demand by general consumers through their business activities must endeavor to give indications of the performance required for buildings to realize the utilization of electricity conducive to the optimization of electricity demand in relation to electricity-consuming machinery and equipment installed in buildings, give indications of the functions conducive to the optimization of electricity demand incorporated in electricity-consuming machinery and equipment (limited to machinery and equipment for which it is technically and economically possible to add a function conducive to the optimization of electricity demand), and provide other information that helps the implementation of measures conducive to the optimization of electricity demand taken by general consumers.

(Reports and On-site Inspections)

Article 166 (1) To the extent necessary for the enforcement of the provisions of Article 7, paragraphs (1) and (5), Article 10, paragraphs (1) and (3), Article 13, paragraphs (1) and (3), Article 19, paragraphs (1) and (4), Article 22, paragraphs (1) and (3), Article 25, paragraphs (1) and (3), Article 34, paragraphs (1) and (3), Article 37, paragraphs (1) and (3), Article 43, paragraphs (1) and (3), and Article 46, paragraphs (1) and (3), the Minister of Economy, Trade and Industry may have a person conducting business by using energy at factories, etc. report to the Minister the aspects of operations at factories, etc. set up by it or may have officials of the Ministry of Economy, Trade and Industry enter the factories, etc. and inspect energy consuming equipment, books of accounts, documents and other items, pursuant to the provisions of Cabinet Order.

- (2) To the extent necessary for the enforcement of the provisions of Article 8, paragraph (1), Article 9, paragraph (1), Article 11, paragraph (1), Article 12, paragraph (1), Article 14, paragraph (1), Article 20, paragraph (1), Article 21, paragraph (1), Article 23, paragraph (1), Article 24, paragraph (1), Article 26, paragraph (1), Article 32, paragraph (1), Article 33, paragraph (1), Article 35, paragraph (1), Article 36, paragraph (1), Article 38, paragraph (1), Article 44, paragraph (1), Article 45, paragraph (1), and Article 47, paragraph (1), the Minister of Economy, Trade and Industry may have a specified business operator, specified chain business operator, certified managing and supervising business operator or management-related business operator report to the Minister on the aspects of operations at factories, etc. set up by it or may have

officials of the Ministry of Economy, Trade and Industry enter the factories, etc. and inspect energy consuming equipment, books of accounts, documents and other items, pursuant to the provisions of Cabinet Order.

- (3) To the extent necessary for the enforcement of the provisions of Chapter III, Section 1 (excluding Article 7, paragraphs (1) and (5), Article 8, paragraph (1), Article 9, paragraph (1), Article 10, paragraphs (1) and (3), Article 11, paragraph (1), Article 12, paragraph (1), Article 13, paragraphs (1) and (3), Article 14, paragraph (1), Article 19, paragraphs (1) and (4), Article 20, paragraph (1), Article 21, paragraph (1), Article 22, paragraphs (1) and (3), Article 23, paragraph (1), Article 24, paragraph (1), Article 25, paragraphs (1) and (3), Article 26, paragraph (1), Article 32, paragraph (1), Article 33, paragraph (1), Article 34, paragraphs (1) and (3), Article 35, paragraph (1), Article 36, paragraph (1), Article 37, paragraphs (1) and (3), and Article 38, paragraph (1), Article 43, paragraphs (1) and (3), Article 44, paragraph (1), Article 45, paragraph (1), Article 46, paragraphs (1) and (3), Article 47, paragraph (1), and Article 54)), the competent minister may have a specified business operator, specified chain business operator, certified managing and supervising business operator, management-related business operator or person that has received the certification referred to in Article 50, paragraph (1) (excluding specified business operators, specified chain business operators, certified managing and supervising business operators, and management-related business operators) report to the minister on the aspects of operations at factories, etc. set up by it (for a specified chain business operator, including factories, etc. set up by the franchisees of the chain business operations carried out by that specified chain business operator and pertaining to those chain business operations) or may have officials of the relevant ministry enter those factories, etc. and inspect energy consuming equipment, books of accounts, documents and other items, pursuant to the provisions of Cabinet Order; provided, however, that in the case of entry into factories, etc. set up by a franchisee of the chain business operations carried out by the specified chain business operator pertaining to those chain business operations, prior consent must be obtained from the franchisee.
- (4) To the extent necessary for the enforcement of the provisions of Chapter III, Section 2 and Section 3, the Minister of Economy, Trade and Industry may have a designated examining organization or designated training organization report the aspects of their business or accounting, or have officials of the Ministry enter the offices of a designated examining organization or designated training organization and inspect books of accounts, documents and other items.
- (5) To the extent necessary for the enforcement of the provisions of Chapter III, Section 4, the Minister of Economy, Trade and Industry may have a registered

investigation organization report on the aspects of its business or accounting, or have officials of the Ministry of the Economy, Trade and Industry enter the offices of a registered investigation organization and inspect books of accounts, documents and other items.

- (6) To the extent necessary for the enforcement of the provisions of Article 105, paragraphs (1) and (4), Article 129, paragraphs (1) and (4), and Article 143, paragraphs (1) and (5), the Minister of Land, Infrastructure, Transport and Tourism may have a freight carrier, passenger carrier or air carrier (hereinafter simply referred to as a "carrier" in this paragraph) report to the Minister on the aspects of operations relating to freight or passenger transportation or may have officials of the Ministry of Land, Infrastructure, Transport and Tourism enter the carrier's office or other workplace, place at which transportation machinery and equipment are placed or transportation machinery and equipment and inspect transportation machinery and equipment, books of accounts, documents and other items, pursuant to the provisions of Cabinet Order.
- (7) To the extent necessary for the enforcement of the provisions of Chapter IV (excluding Article 105, paragraphs (1) and (4), Section 1, Subsection 2, Article 129, paragraphs (1) and (4), Article 142, and Article 143, paragraphs (1) and (5)), the Minister of Land, Infrastructure, Transport and Tourism may have a specified freight carrier, specified passenger carrier, certified managing and supervising cargo-passenger carrier, management-related cargo-passenger carrier, cargo-passenger carrier that has received the approval referred to in Article 138, paragraph (1) (excluding specified freight carriers, specified passenger carriers, certified managing and supervising cargo-passenger carriers, and management-related cargo-passenger carriers) or specified air carrier (hereinafter simply referred to as a "specified carrier, etc." in this paragraph) report to the Minister on the aspects of operations relating to freight or passenger transportation or may have officials of the Ministry of Land, Infrastructure, Transport and Tourism enter its office or other workplace, place at which transportation machinery and equipment are placed or transportation machinery and equipment of the specified carrier, etc. and inspect the transportation machinery and equipment, books of accounts, documents and other items, pursuant to the provisions of Cabinet Order.
- (8) To the extent necessary for the enforcement of the provisions of Article 113, paragraphs (1) and (4), the Minister of Economy, Trade and Industry may have a consignor (meaning a consignor specified in Article 109; hereinafter the same applies in this paragraph and the following paragraph and Article 171, paragraph (3)) report on the aspects of operations relating to freight transportation that it has freight carriers carry out or may have officials of the Ministry of Economy, Trade and Industry enter the consignor's office or other

workplace and inspect books of accounts, documents and other items, pursuant to the provisions of Cabinet Order.

- (9) To the extent necessary for the enforcement of the provisions of Chapter IV, Section 1, Subsection 2 (excluding Article 113, paragraphs (1) and (4) as well as Article 125), the competent minister may have a specified consignor, certified managing and supervising consignor, management-related consignor or consignor that has received the certification referred to in Article 121, paragraph (1) (excluding specified consignors, certified managing and supervising consignors, and management-related consignors) (hereinafter referred to as a "specified consignor, etc." in this paragraph) report to the minister on the aspects of operations relating to freight transportation that it has freight carriers carry out or may have officials of the minister enter the offices of the specified consignor, etc. or other workplace and inspect books of accounts, documents and other items, pursuant to the provisions of Cabinet Order.
- (10) To the extent necessary for the enforcement of the provisions of Chapter VI, the Minister of Economy, Trade and Industry may, pursuant to the provisions of Cabinet Order, have manufacturers of energy consuming equipment, etc. or manufacturers, etc. of building materials that prevent heat loss report on the aspects of their business pertaining to the specified energy consuming equipment, etc. or specified building materials that prevent heat loss, or have officials of the Ministry enter offices, factories or warehouses of manufacturers, etc. of energy consuming equipment, etc. or manufacturers, etc. of building materials that prevent heat loss and inspect the specified energy consuming equipment, etc. or specified building materials that prevent heat loss, books of accounts, documents and other items.
- (11) The officials who conduct on-site inspection pursuant to the preceding paragraphs must carry an identification card and present it to a person concerned.
- (12) The authority to conduct on-site inspections under paragraphs (1) through (10), must not be construed as being granted for criminal investigation.

(Fees)

Article 167 (1) A person who intends to participate in the trainings referred to in Article 9, paragraph (1), item (i) (excluding those provided by a designated training organization), person who intends to participate in the trainings referred to in paragraph (2) of that Article (excluding those provided by a designated training organization), person who intends to participate in the trainings referred to in Article 12, paragraph (2) (excluding those provided by a designated training organization), person who intends to participate in the trainings referred to in Article 14, paragraph (2) (excluding those provided by a

designated training organization), person who intends to participate in the trainings referred to in Article 21, paragraph (2) (excluding those provided by a designated training organization), person who intends to participate in the trainings referred to in Article 24, paragraph (2) (excluding those provided by a designated training organization), person who intends to participate in the trainings referred to in Article 26, paragraph (2) (excluding those provided by a designated training organization), person who intends to participate in the trainings referred to in Article 33, paragraph (2) (excluding those provided by a designated training organization), person who intends to participate in the trainings referred to in Article 36, paragraph (2) (excluding those provided by a designated training organization), person who intends to participate in the trainings referred to in Article 38, paragraph (2) (excluding those provided by a designated training organization), person who intends to participate in the trainings referred to in Article 45, paragraph (2) (excluding those provided by a designated training organization), person who intends to participate in the trainings referred to in Article 47, paragraph (2) (excluding those provided by a designated training organization), person who intends to take a licensure examination for energy managers, person who intends to receive the certification under the provisions of Article 55, paragraph (1), item (ii) or person who intends to obtain a license for energy manager or intends to obtain the reissued license must pay a fee specified by Cabinet Order in consideration of the actual cost.

- (2) The fee referred to in the preceding paragraph, which is paid by a person who intends to receive a license for energy manager or the reissued license for which a designated examining organization performs the work of conducting the licensure examination for energy managers that are entrusted to it pursuant to the provisions of Article 56, paragraph (1), and paid by a person who intends to take a licensure examination for energy managers for which a designated examining organization performs the work of conducting the examination, is deemed to be the national revenue.

(Special Provisions for Hearings)

Article 168 (1) Proceedings on the date of the hearing pertaining to the disposition under the provisions of Article 65 (including as applied *mutatis mutandis* pursuant to Article 66, paragraph (4)) or Article 69, 81 or 100 must be open to the public.

- (2) An officer presiding the hearing referred to in the preceding paragraph must, if an interested party to the disposition files a request to participate in the hearing procedure pursuant to the provisions of Article 17, paragraph (1) of the Administrative Procedure Act (Act No. 88 of 1993), permit the person to participate in the hearing procedure.

(Appeals Against Dispositions by Designated Examining Organizations)

Article 169 Any person who is dissatisfied with a disposition by a designated examining organization on the work of conducting examination (excluding those for the examination results) or its inaction may file a request for administrative review to the Minister of Economy, Trade and Industry pursuant to the Administrative Appeal Act (Act No. 160 of 1962).

(Measures Governed by Orders Given for Transitional Measures)

Article 170 When enacting, amending or repealing an order pursuant to this Act, necessary transitional measures (including transitional measures concerning penal provisions) may be provided for by the order, to the extent it is considered reasonably necessary for the enactment, amendment or repeal.

(Competent Ministers)

Article 171 (1) The competent ministers, referred to in Chapter III, Section 1 (excluding Article 5, paragraph (1)) and Section 4, and Article 166, paragraph (3) are the Minister of Economy, Trade and Industry and the minister who has jurisdiction over factories, etc. set up by the relevant person and the business pertaining to the chain business operations carried out by the relevant person.

(2) The competent ministers referred to in Article 5, paragraph (1) are, for the part pertaining to the target that should be achieved by a business type for which the rationalization of energy use is found to be particularly necessary, the Minister of Economy, Trade and Industry and the minister who has jurisdiction over that business type, and for other parts, the Minister of Economy, Trade and Industry.

(3) The competent ministers referred to in Chapter IV, Section 1, Subsection 2 and Article 166, paragraph (9) are to be the Minister of Economy, Trade and Industry and the minister who has jurisdiction over the business of the relevant consignor.

(4) The Prime Minister delegates the authority under this Act (limited to the authority under jurisdiction of the Financial Services Agency, and excluding the authority specified by Cabinet Order) to the Commissioner of the Financial Services Agency.

(5) The authority under this Act may be delegated to the head of a local branch bureau pursuant to the provisions of Cabinet Order.

(6) The Commissioner of the Financial Services Agency may, pursuant to the provisions of Cabinet Order, delegate part of their authority that has been delegated to them pursuant to the provisions of paragraph (4), to the head of a Regional Finance Bureau or the head of a Regional Finance Bureau Office.

Chapter IX Penal Provisions

Article 172 (1) A person who divulges a secret they have learned regarding their duties in violation of the provisions of Article 56, paragraph (2) or Article 67, paragraph (1) is punished by imprisonment with work for not more than one year or a fine of not more than 1,000,000 yen.

(2) In any of the following cases, the person that has committed the violation is punished by imprisonment with work for not more than one year or a fine of not more than 1,000,000 yen:

(i) if a person divulges a secret they have learned regarding their duties in violation of the provisions of Article 97; or

(ii) if a person violates the order to suspend the validity investigation service under the provisions of Article 100.

Article 173 When violating the order to suspend the work of conducting examination or the provision of energy management training under the provisions of Article 69, paragraph (2) or Article 81, paragraph (2), the officers or employees of the designated examining organization or designated training organization that has committed the violation are punished by imprisonment with work for not more than one year or a fine of not more than 1,000,000 yen.

Article 174 In any of the following cases, the person that has committed the violation is punished by a fine of not more than 1,000,000 yen:

(i) if a person fails to appoint a person, in violation of the provisions of Article 8, paragraph (1), Article 9, paragraph (1), Article 11, paragraph (1), Article 12, paragraph (1), Article 14, paragraph (1), Article 20, paragraph (1), Article 21, paragraph (1), Article 23, paragraph (1), Article 24, paragraph (1), Article 26, paragraph (1), Article 32, paragraph (1), Article 33, paragraph (1), Article 35, paragraph (1), Article 36, paragraph (1), Article 38, paragraph (1), Article 44, paragraph (1), Article 45, paragraph (1), or Article 47, paragraph (1); or

(ii) if a person violates an order under the provisions of Article 17, paragraph (5), Article 29, paragraph (5), Article 41, paragraph (5), Article 108, paragraph (4), Article 116, paragraph (4), Article 120, paragraph (4), Article 132, paragraph (4), Article 137, paragraph (4), Article 146, paragraph (4), Article 150, paragraph (4), Article 152, paragraph (3), Article 155, paragraph (3), or Article 157, paragraph (3).

Article 175 In any of the following cases, the person that falls under any of the following items is punished by a fine of not more than 500,000 yen:

(i) if the person fails to give the notification under the provisions of Article 7, paragraph (3), Article 19, paragraph (2), Article 105, paragraph (2), Article

- 113, paragraph (2), Article 129, paragraph (2), or Article 143, paragraph (3) or gives a false notification;
- (ii) if a person fails to submit a document under the provisions of Article 15, paragraph (1) or (2), Article 27, paragraph (1) or (2), Article 39, paragraph (1) or (2), or Article 106, paragraph (1) or (2), Article 114, paragraph (1) or (2), Article 118, paragraph (1) or (2), Article 130, paragraph (1) or (2), Article 135, paragraph (1) or (2), or Article 144, paragraph (1) or (2);
 - (iii) if a person refuses, prevents or evades the inspection under the provisions of Article 16, paragraph (1) (including as applied pursuant to the provisions of Article 52, paragraph (1) following the deemed replacement of terms), Article 28, paragraph (1) (including as applied pursuant to the provisions of Article 52, paragraph (2) following the deemed replacement of terms), Article 40, paragraph (1) (including as applied pursuant to the provisions of Article 52, paragraph (3) following the deemed replacement of terms), Article 53, Article 107, paragraph (1) (including as applied pursuant to the provisions of Article 140, paragraph (1) following the deemed replacement of terms), Article 115, paragraph (1) (including as applied pursuant to the provision of Article 123, paragraph (1) following the deemed replacement of terms), Article 119, paragraph (1) (including as applied pursuant to the provisions of Article 123, paragraph (2) following the deemed replacement of terms), Article 124, Article 131, paragraph (1) (including as applied pursuant to the provisions of Article 140, paragraph (2) following the deemed replacement of terms), Article 136, paragraph (1) (including as applied pursuant to the provisions of Article 140, paragraph (3) following the deemed replacement of terms), Article 141, Article 145, paragraph (1), or Article 166, paragraphs (1) through (3) or paragraphs (5) through (10);
 - (iv) if a person suspends or abolishes the whole or part of the person's services without giving the notification under the provisions of Article 95 or gives a false notification; or
 - (v) if a person fails to maintain books of accounts or make entries in the books, or makes a false entry in the books in violation of the provisions of Article 101, paragraph (1), or fails to preserve books in violation of the provisions of paragraph (2) of that Article.

Article 176 In any of the following cases, the officer or employee of the designated examining organization or designated training organization that has committed the violation is punished by a fine of not more than 500,000 yen:

- (i) if a person abolishes the entirety of the work of conducting examination without gaining the permission referred to in Article 62;
- (ii) if a person fails to maintain the books of accounts or make entries in the books, or makes a false entry in the books in violation of the provisions of

Article 70, paragraph (1) or Article 82, paragraph (1), or fails to preserve the books in violation of the provisions of Article 70, paragraph (2) or Article 82, paragraph (2);

- (iii) if a person fails to give the notification under the provisions of Article 77 or gives a false notification; or
- (iv) if a person fails to make the report under the provisions of Article 166, paragraph (4) or makes a false report or refuses, prevents or evades the inspection under the provisions of the same paragraph.

Article 177 If the representative of a judicial person, or an agent, employee or other worker of a judicial person or an individual commits a violation referred to in Article 172, item (ii) or (iii) or Article 174 or 175 in connection with the business of the judicial person or individual, the offender is subject to punishment, and also the judicial person or individual is subjected to the fine referred to in the relevant Article.

Article 178 A person who falls under any of the following items is punished by a civil fine of not more than 200,000 yen:

- (i) a person who fails to give the notification under the provisions of Article 8, paragraph (3), Article 9, paragraph (3), Article 11, paragraph (2), Article 12, paragraph (3), Article 14, paragraph (3), Article 20, paragraph (3), Article 21, paragraph (3), Article 23, paragraph (2), Article 24, paragraph (3), Article 26, paragraph (3), Article 32, paragraph (3), Article 33, paragraph (3), Article 35, paragraph (2), Article 36, paragraph (3), Article 38, paragraph (3), Article 44, paragraph (2), Article 45, paragraph (3), or Article 47, paragraph (3) or who gives a false notification; or
- (ii) a person who fails to maintain the financial statements, etc. or to enter particulars to be entered in the financial statements, etc. or makes false entries in the financial statements, etc. in violation of the provisions of Article 96, paragraph (1) or who refuses the request under the provisions of the items of paragraph (2) of that Article without legitimate grounds.

Supplementary Provisions

(Effective Date)

- (1) This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding nine months from the date of its promulgation; provided, however, that the provisions of Article 8 comes into effect as of the date of its promulgation.

(Reviews)

(2) The government is to conduct a review on the provisions of this Act, in accordance with the domestic and international energy situation and other changes in the economic and social environment, and take necessary measures based on the results of the review.

(Repeal of the Heat Management Act)

(3) The Heat Management Act (Act No. 146 of 1951) has been repealed.

(Transitional Measures for the Repeal of the Heat Management Act)

(4) A license for heat manager granted pursuant to Article 12 of the Heat Management Act prior to the repeal under the provisions of the preceding paragraph is deemed to be a license for heat manager granted pursuant to the provisions of Article 8, paragraph (1).

(5) Prior laws continue to govern the application of penal provisions to conduct in which a person engages prior to the enforcement of this Act.

(Partial Amendment to the Act for Establishment of the Ministry of International Trade and Industry)

(6) Part of the Act for Establishment of the Ministry of International Trade and Industry (Act No. 275 of 1952) is amended as follows.

The following item is added after Article 36-6, item (x).

(x)-2 matters concerning the enforcement of the Act on the Rationalization of Energy Use (Act No. 49 of 1979)

(Partial Amendment to the Act for Establishment of the Ministry of Construction)

(7) Part of the Act for Establishment of the Ministry of Construction (Act No. 113 of 1948) is amended as follows.

In Article 3, item (xxii)-6 is changed to item (xxii)-7, items (xxii)-2 through (xxii)-5 are changed to items (xxiii)-2 through (xxiii)-5 respectively, and the following item is added after item (xxii).

(xxii)-2 administer the functions concerning the enforcement of the Act on the Rationalization of Energy Use (Act No. 49 of 1979).

The phrase "items (xxii)-2 through (xxii)-5" is replaced with "items (xxii)-3 through (xxii)-6" in Article 4, paragraph (3); in paragraph (7) of that Article, the phrase the "functions specified in item (xix) of that Article, the functions specified in item (xx) of that Article, items (xxi), item (xxii), item (xxii)-6... of that Article" is replaced with "items (xix) through (xxii)-2, item (xxii)-7... of that Article" in paragraph (7) of that Article.

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

(Effective Date)

Article 1 This Act comes into effect as of the date of its promulgation; provided, however, that the provisions listed in the following items come into effect as of the dates specified 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 the provisions to amend 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 day specified by Cabinet Order within a period not exceeding three months from the date of its promulgation.

(Transitional Measures for Other Dispositions and Applications)

Article 14 With respect to dispositions including permission, etc. and other acts conducted prior to the enforcement of this Act (or the relevant provisions listed in the items of Article 1 of the Supplementary Provisions; hereinafter the same applies in this Article and Article 16), pursuant to the relevant Acts prior to the amendment of this Act (hereinafter referred to as "acts including dispositions" in this Article) or filing of application for certificate or permission, etc. and other acts conducted prior to the enforcement of this Act, pursuant to the relevant Acts prior to the amendment of this Act (hereinafter referred to as "acts including filing of applications" in this Article), if administrative functions pertaining to these acts come under the jurisdiction of different persons on the date of enforcement of this Act, these acts, except those specified in Article 2 to the preceding Article in the Supplementary Provisions or in the provisions of the relevant Acts amended by this Act (including orders issued thereunder) concerning transitional measures, are deemed, with regard to the application of the relevant Acts amended by this Act after the date of enforcement of this Act, acts including dispositions and other acts or filing of an application are deemed to have been implemented pursuant to the relevant provisions of the respective Acts amended by this Act.

(Transitional Measures for Penal Provisions)

Article 16 Prior laws continue to govern the application of penal provisions to conduct in which a person engages prior to the enforcement of this Act and conduct in which a person engages after the enforcement of Article 17, Article 22, Article 36, Article 37 or Article 39, if it is continued to be governed by prior laws 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. 17 of March 31, 1993] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 1993; provided, however, that the provisions of Article 1 (excluding the provisions revising the table of contents of the Act on the Rationalization of Energy Use (limited to the part amending the phrase "Chapter IV Measures Pertaining to Machinery and Equipment (Articles 17 to 21)" to "Chapter IV Measures Pertaining to Machinery and Equipment Chapter IV-2 Business for Rationalization of Energy Use by the New Energy and Industrial Technology Development Organization (Article 21-2 and Article 21-3)") and the provisions amending that Act by adding one chapter following Chapter IV) and the provisions of Article 8 of the Supplementary Provisions come into effect as of the day specified by Cabinet Order within a period not exceeding six months from the date of its promulgation.

(Transitional Measures for Penal Provisions)

Article 4 Prior laws continue to govern the application of penal provisions to conduct in which a person engages prior to the enforcement of this Act.

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 for Adverse Dispositions Following Appeal)

Article 2 Where, prior to the enforcement of this Act, an appeal or other request has been filed 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, prior laws continue to govern the procedures to implement adverse dispositions pertaining to the appeal or request, notwithstanding the provisions of the relevant Acts amended by this Act.

(Transitional Measures for Penal Provisions)

Article 13 Prior laws continue to govern the application of penal provisions to conduct in which a person engages prior to the enforcement of this Act.

(Transitional Measures for Consolidation of Provisions Concerning Hearings)

Article 14 Procedures for hearing, questioning or hearing session (excluding those concerning adverse dispositions) implemented pursuant to the provisions of the Acts prior to the enforcement of this Act or procedures for these are deemed to have been implemented pursuant to the relevant provisions of the relevant Acts amended by this Act.

(Provisions Governed by Cabinet Orders)

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

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

(Effective Date)

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

(Transitional Measures for Partial Amendment to the Act on the Rationalization of Energy Use)

Article 9 Prior laws continue to govern the notification of an appointment, death or dismissal of a type 1 energy manager prior to the enforcement of the provisions of Article 8.

(Transitional Measures for Penal Provisions)

Article 17 Prior laws continue to govern the application of penal provisions to conduct in which a person engages prior to the enforcement of this Act and conduct in which a person engages after the enforcement of this Act if it is governed by prior laws pursuant to the Supplementary Provisions of this Act.

(Provisions Governed by Cabinet Order)

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

Supplementary Provisions [Act No. 96 of June 5, 1998]

(Effective Date)

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

(Transitional Measures for Designation of Factories)

Article 2 Factories that have been designated pursuant to the provisions of Article 6, paragraph (1) of the Act on the Rationalization of Energy Use prior to the amendment of this Act (hereinafter referred to as the "former Act") prior to the enforcement of this Act are deemed to have been designated pursuant to the provisions of Article 6, paragraph (1) of the Act on the Rationalization of Energy Use amended by this Act (hereinafter referred to as the "new Act").

(Effect of Dispositions)

Article 3 Beyond what is provided for in the preceding Article, any dispositions, procedures or other acts conducted pursuant to the provisions of the Former Act are deemed to have been conducted under the relevant provisions of the New Act.

(Transitional Measures for Penal Provisions)

Article 4 Prior laws continue to govern the application of penal provisions to conduct in which a person engages prior to the enforcement of this Act.

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. 59 of June 7, 2002]

(Effective Date)

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

(Transitional Measures Concerning Reports)

Article 2 Prior laws continue to govern the matters on which a report that has been requested pursuant to the provisions of Article 25, paragraph (4) of the Act on the Rationalization of Energy Use prior to the amendment by this Act, and the report has not yet been made prior to the enforcement of this Act.

(Transitional Measures Concerning Penal Provisions)

Article 3 Prior laws continue to govern the application of penal provisions to conduct in which a person engages prior to the enforcement of this Act and conduct in which a person engages after the enforcement of this Act if it is governed by prior laws pursuant to the provisions of the preceding Article.

(Delegation to Cabinet Order)

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

Supplementary Provisions [Act No. 145 of December 11, 2002] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date of its promulgation; provided, however, that the provisions of Articles 15 to 19, Article 26, and Article 27, and the provisions of Articles 6 to 34 of the Supplementary Provisions come into effect as of October 1, 2003.

(Transitional Measures Concerning Penal Provisions)

Article 34 Prior laws continue to govern the application of penal provisions to conduct in which a person engages prior to the enforcement of this Act (or the provisions prescribed in the proviso to Article 1 of the Supplementary Provisions; hereinafter the same applies in this Article) and conduct in which a person engages after the enforcement of this Act with respect to the matters which is governed by prior laws pursuant to the Supplementary Provisions.

(Provisions Governed by Cabinet Order)

Article 35 Beyond what is provided for in the Supplementary Provisions, any transitional measures necessary for the establishment of the NEDO (New Energy and Industrial Technology Development Organization) and any other measures necessary for the enforcement of this Act are specified by Cabinet Order.

Supplementary Provisions [Act No. 61 of June 17, 2005] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2006; provided, however, that the provisions of Article 3 of the Supplementary Provisions come into effect as of January 1, 2006.

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

This Act comes into effect as of the date of enforcement of the Companies Act.

Supplementary Provisions [Act No. 93 of August 10, 2005] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2006; provided, however, that the provisions of Article 16 of the Supplementary Provisions come into effect as of the date of promulgation of this Act or the date of promulgation of the Act for Partial Amendment to the Act on Promotion of Measures to Cope with Global Warming (Act No. 61 of 2005), whichever is later.

(Transitional Measures Concerning the Appointment of Type 1 Energy Managers)

Article 2 With regard to the application of the provisions of Article 8, paragraph (1) of the Act on the Rationalization of Energy Use amended by this Act (hereinafter referred to as the "New Act") to Type 1 Specified Business Operators specified in Article 7, paragraph (3) of the New Act, for the period until March 31, 2011, the phrase "from among persons who have a license for energy manager" in Article 8, paragraph (1) of the New Act is replaced with "from among persons who have a license for energy manager or persons specified by Cabinet Order in accordance with the criteria established by Cabinet Order."

(Special Provisions Concerning License for Heat Managers and License for Electricity Managers)

Article 3 Persons who have, prior to the enforcement of this Act, obtained a license for heat manager pursuant to the provisions of Article 8, paragraph (1) of the Act on the Rationalization of Energy Use prior to the amendment by this Act (hereinafter referred to as the "Former Act") and also obtained a license for electricity manager pursuant to the provisions of that paragraph are deemed to have obtained a license for energy manager pursuant to the provisions of Article 9, paragraph (1) of the New Act.

(Special Provisions Concerning Licensure Examinations for Energy Managers)

Article 4 A licensure examination for energy managers specified in Article 10, paragraph (1) of the New Act, taken by a person who has obtained a license for heat manager or a license for electricity manager prior to the enforcement of this Act pursuant to Article 8, paragraph (1) of the Former Act are conducted by exempting those persons from some subjects of the examination pursuant to the provisions of Order of the Ministry of Economy, Trade and Industry provisions.

(Transitional Measures Concerning Appointment of Type 1 Energy Management Assistants)

Article 5 (1) With regard to the application of the provisions of Article 13, paragraph (1) of the New Act to type 1 designated business operators prescribed in Article 8, paragraph (1) of the New Act (hereinafter referred to as "type 1 designated business operators"), for the period until March 31, 2009, the phrase "from among the following persons" in Article 13, paragraph (1) of the New Act is replaced with "from among the following persons or persons specified by Order of the Ministry of Economy, Trade and Industry."

(2) The provisions of the preceding paragraph apply mutatis mutandis to type 2 specified business operators specified in Article 17, paragraph (3) of the New Act. In this case, the phrase "Article 13, paragraph (1)" in that paragraph is deemed to be replaced with "Article 13, paragraph (1) of the New Act as applied mutatis mutandis pursuant to Article 18, paragraph (1)."

(Transitional Measures Concerning Participation in Preparing Medium-Term and Long-Term Plans)

Article 6 With regard to the application of the provisions of Article 14, paragraph (2) of the New Act to type 1 designated business operators, for the period until March 31, 2011, the phrase "persons who have a license for energy manager" in that paragraph is replaced with "persons who have a license for energy manager or persons who have obtained a license for heat manager and a license for electricity manager under the provisions of Article 8, paragraph (1) of the Act on the Rationalization of Energy Use prior to the amendment by the Act, prior to the enforcement of the Act for Partial Amendment to the Act on the Rationalization of Energy Use (Act No. 93 of 2005)."

(Transitional Measures Concerning Consignors)

Article 7 The provisions of Articles 61 to 64 of the New Act (including the penal provisions relating to these provisions) do not apply until March 31, 2007.

(Transitional Measures Concerning Notification of Buildings)

Article 8 A person who has given a notification under the provisions of Article 15-2, paragraph (1) of the Former Act prior to the enforcement of this Act is deemed, with regard to the application of the provisions of Article 75, paragraph (4) of the New Act, to have given a notification pursuant to the provisions of Article 75, paragraph (1) of the New Act.

(Transitional Measures Concerning Rationalization Plans)

Article 9 Prior laws continue to govern the instructions under the provisions of Article 12, paragraph (2) and paragraph (3) of the Former Act given to the type 1 specified business operators that have received instructions under the provisions of paragraph (1) of that Article prior to the enforcement of this Act,

the publication under the provisions of paragraph (4) of that Article, the order under the provisions of paragraph (5) of that Article, as well as the reports and on-site inspections under the provisions of Article 25, paragraph (2) pertaining to the instructions, publication and order.

(Effect of Dispositions)

Article 10 Any dispositions, procedures or other acts conducted pursuant to the provisions of the Former Act are deemed to have been conducted under the relevant provisions of the New Act, except those otherwise provided for by the Supplementary Provisions.

(Transitional Measures Concerning Penal Provisions)

Article 11 Prior laws continue to govern the application of penal provisions to conduct in which a person engages prior to the enforcement of this Act and conduct in which a person engages after the enforcement of this Act if it is governed by prior laws pursuant to the Supplementary Provisions of this Act.

(Delegation to Cabinet Order)

Article 12 Beyond what is provided for in Article 2 through the preceding Article in the Supplementary Provisions, any transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

(Review)

Article 13 When five years have elapsed since the enforcement of this Act, while taking into account the status of enforcement of the New Act, the government is to conduct a review on the provisions of the New Act and take any necessary measures based on the results of the review where it finds it necessary.

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

(Effective Date)

(1) This Act comes into effect as of the date of enforcement of the Act on General Associations and Foundations.

Supplementary Provisions [Act No. 47 of May 30, 2008] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2009; provided, however, that the provisions of Article 5 of the Supplementary Provisions come into effect as of the date of promulgation of this Act, and the provisions of Article 2 and the following Article and the provisions of Article 3, Article 8 and Article 9 of the

Supplementary Provisions come into effect as of April 1, 2010.

(Transitional Measures for Amendment Under the Provisions of Article 2)

Article 2 With regard to the application of the provisions of Article 8, paragraph (1) of the Act on the Rationalization of Energy Use amended by this Act under the provisions of Article 2 (hereinafter referred to as the "Act Amended by this Act under Article 2") to type 1 specified business operators specified in Article 7-4, paragraph (2) of the Act amended by this Act under Article 2, for the period until March 31, 2011, the phrase "from among persons who have a license for energy manager" in Article 8, paragraph (1) of that Act is replaced with "from among persons who have a license for energy manager or persons specified by Cabinet Order in accordance with the criteria established by Cabinet Order."

(Transitional Measures Concerning Specified Buildings)

Article 3 A person who has given a notification pursuant to the provisions of Article 75, paragraph (1) of the Act on the Rationalization of Energy Use prior to the amendment by this Act under the provisions of Article 2, prior to the enforcement of the provisions of Article 2, is deemed to have given a notification pursuant to the provisions of Article 75, paragraph (1) or Article 75-2, paragraph (1) of the Act amended by this Act under the provisions of Article 2, pursuant to the provisions of Cabinet Order.

(Transitional Measures Concerning Penal Provisions)

Article 4 Prior laws continue to govern the application of penal provisions to conduct in which a person engages prior to the enforcement of this Act.

(Provisions Governed by Cabinet Order)

Article 5 Beyond what is provided for in the preceding three Articles, any transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

(Reviews)

Article 6 When five years have elapsed since the enforcement of this Act, while taking into account the status of enforcement of the Act on the Rationalization of Energy Use amended by this Act (hereinafter referred to as the "New Act"), the government is to conduct a review on the provisions of the New Act and take any necessary measures based on the results of the review where it finds it necessary.

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 its promulgation.

Supplementary Provisions [Act No. 25 of May 31, 2013] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding one year and three months from the date of its promulgation; provided, however, that the provisions of Article 2 and of Articles 3 through 5, Article 9, Article 11 (limited to the provisions amending Articles 12 through 16 of the Supplementary Provisions of the Act on the New Energy and Industrial Technology Development Organization (Act No. 145 of 2002)), and Article 12 of the Supplementary Provisions come into effect as of the date of its promulgation.

(Transitional Measures for Partial Amendment to the Act on the Rationalization of Energy)

Article 2 (1) Prior laws continue to govern the instructions given to a specified business operator or specified chain business operator to submit a rationalization plan under the provisions of Article 16, paragraph (1) of the Act on the Rationalization of Energy Use prior to the amendment by this Act (hereinafter referred to as the "Former Rationalization Act" in this Article) (including as applied mutatis mutandis pursuant to Article 19-2, paragraph (1) of the Former Rationalization Act) before this Act comes into effect, the instructions, publication and order to properly implement the rationalization plan, and the reports and on-site inspections related to these instructions, publication and order.

(2) Prior laws continue to govern the publication and order related to the recommendations given to a specified freight carrier, specified passenger carrier, specified air carrier or specified consignor that has received recommendations under the provisions of Article 57, paragraph (1) of the Former Rationalization Act (including as applied mutatis mutandis pursuant to Article 69 and Article 71, paragraph (6) of the Former Rationalization Act) or Article 64, paragraph (1) of that Act before this Act comes into effect, and the reports and on-site inspections related to these recommendations, publication and order.

(3) Prior laws continue to govern the publication and order related to the recommendations given to a manufacturer, etc. specified in Article 79, paragraph (1) of the Former Rationalization Act (referred to as a

"manufacturer, etc." in the following paragraph) that has received recommendations under the provisions of the same paragraph before this Act comes into effect, and the reports and on-site inspections related to the recommendations, publication and order.

(4) Prior laws continue to govern the publication and order related to the recommendations given to a manufacturer, etc. that has received recommendations under the provisions of Article 81, paragraph (1) of the Former Rationalization Act before this Act comes into effect, and the reports and on-site inspections related to these recommendations, publication and order.

(Transitional Measures Concerning the Application of Penal Provisions)

Article 4 Prior laws continue to govern the application of penal provisions to conduct in which a person engages before this Act (or the provisions of the proviso to Article 1 of the Supplementary Provisions; hereinafter the same applies in this Article) comes into effect, and conduct in which a person engages after this Act comes into effect if it is governed by prior laws pursuant to the Supplementary Provisions.

(Provisions Governed by Cabinet Orders)

Article 5 Beyond what is provided for in the preceding three Articles, any transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

(Reviews)

Article 6 When five years have elapsed since this Act came into effect, while taking into account the aspects of enforcement of the Act on Rationalizing Energy Use amended by this Act (hereinafter referred to as the "New Rationalization Act" in this Article), the government is to conduct a review on the provisions of the New Rationalization Act and take any necessary measures based on the results of the review where it finds it necessary.

Supplementary Provisions [Act No. 69 of June 13, 2014] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date on which the Administrative Complaint Review Act (Act No. 68 of 2014) comes into effect.

(Principle of Transitional Measures)

Article 5 Unless otherwise provided for in these Supplementary Provisions, prior laws continue to govern appeals against dispositions or other acts or inaction of

administrative authorities that pertain to dispositions or other acts of administrative authorities that have implemented or taken before this Act comes into effect or to inaction of administrative authorities based on applications filed before this Act comes into effect.

(Transitional Measures Concerning Litigation)

- Article 6 (1) Prior laws continue to govern the filing of an action with regard to matters for which an action may be filed only after a determination, decision or any other act is filed by an administrative authority in relation to an appeal pursuant to the provisions of the Act amended by this Act and for which the statutes of limitation for filing an action has expired before this Act comes into effect while no appeal has been filed (if this appeal may be filed only after a determination, decision or any other act is filed by an administrative authority in relation to another appeal, including matters for which the statute of limitations for filing an action has expired before this Act comes into effect while no other appeal has been filed).
- (2) Prior laws continue to govern the filing of an action for revocation of a disposition or any other act against which an objection has been filed pursuant to the provisions of the Act prior to amendment under the provisions of this Act (including cases governed by prior laws pursuant to the provisions of the preceding Article) and for which an action for revocation may be filed only after a determination on a request for administrative review is filed pursuant to the provisions of the Act amended by this Act under the provisions of this Act.
- (3) Prior laws continue to govern an action for revocation of an administrative determination, decision made or any other act taken by an administrative authority in relation to an appeal, where the action has been filed before this Act comes into effect.

(Transitional Measures Concerning the Application of Penal Provisions)

Article 9 Prior laws continue to govern the application of penal provisions to conduct in which a person engages before this Act comes into effect and conduct in which a person engages after this Act comes into effect in cases if it is governed by prior laws pursuant to the provisions of Article 5 and the two preceding Articles of the Supplementary Provisions.

(Delegation of Other Transitional Measures to Cabinet Orders)

Article 10 Beyond what is provided for in Article 5 through the preceding Article of the Supplementary Provisions, any transitional measures necessary for the enforcement of this Act (including transitional measures concerning penal provisions) are specified by Cabinet Order.

Supplementary Provisions [Act No. 72 of June 18, 2014] [Extract]

(Effective Date)

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

Supplementary Provisions [Act No. 53 of July 8, 2015] [Extract]

(Effective Date)

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

- (i) the provisions of Article 10 of the Supplementary Provisions: the date of promulgation; and
- (ii) the provisions of Articles 8 through 10, Chapter III, Article 30, paragraphs (8) and (9), Chapter VI, Article 63, Article 64, Articles 67 through 69, Article 70, item (i) (excluding the part concerning Article 38, paragraph (1)), Article 70, items (ii) and (iii), Article 71 (excluding item (i)), Article 73 (limited to the parts concerning Article 67, item (ii), Article 68, Article 69, Article 70, item (i) (excluding the part concerning Article 38, paragraph(1)), Article 70, items (ii) and (iii), and Article 71 (excluding (i))), and Article 74, and the following Article, and the provisions of Article 3 and Articles 5 through 9 of the Supplementary Provisions: the date specified by Cabinet Order within a period not exceeding two years from the date of its promulgation.

(Transitional Measures upon Partial Amendment of the Act on Rationalizing Energy Use)

Article 7 (1) Prior laws continue to govern the instructions, publication and order related to notification given to a type 1 specified construction client, etc. under the provisions of Article 75, paragraph (1) of the Act on Rationalizing Energy Use prior to the amendment under the provisions of the preceding Article (hereinafter referred to as the "Former Act on the Rationalization of Energy Use" in this Article) before the date of partial enforcement, and the reports and on-site inspections related to these instructions, publication and order. In this case, the provisions of Chapter III, Sections 1 and 2, and the provisions of Article 3 of the Supplementary Provisions do not apply to the new construction, renovation or extension related to the notification that falls within specified acts of construction or any of the acts listed in the items of Article 19, paragraph (1).

- (2) Prior laws continue to govern the recommendation related to the notification given to a type 2 specified construction client under the provisions of Article 75-2, paragraph (1) of the Former Act on the Rationalization of Energy Use before the date of partial enforcement, and the reports and on-site inspections related to the recommendations. In this case, the provisions of Chapter III, Sections 1 and 2 and the provisions of Article 3 of the Supplementary Provisions do not apply to the new construction, renovation or extension related to the notification that falls within specified acts of construction or any of the acts listed in the items of Article 19, paragraph (1).
- (3) The recommendations made under the provisions of Article 76-6, paragraph (1) of the Former Act on the Rationalization of Energy Use before the date of partial enforcement are deemed to be recommendations made under the provisions of Article 28, paragraph (1).

(Transitional Measures Concerning the Application of Penal Provisions)

Article 9 Prior laws continue to govern the application of penal provisions to conduct in which a person engages before the provisions listed in Article 1, item (ii) of the Supplementary Provisions come into effect and conduct in which a person engages after the provisions listed in that item come into effect if it is governed by prior laws pursuant to Article 7 of the Supplementary Provisions.

(Provisions Governed by Cabinet Order)

Article 10 Beyond what is provided for in these Supplementary Provisions, any transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

Supplementary Provisions [Act No. 65 of September 9, 2015] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding two years from the date of its promulgation.

Supplementary Provisions [Act No. 45 of June 13, 2018] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the day specified by Cabinet Order within a period not exceeding six months from the date of its promulgation; provided, however, that the provisions of Article 3 and Article 8 of the Supplementary Provisions come into effect as of the date of its promulgation.

(Application of the Provisions Concerning Notification Related to Consignors)

Article 2 The provisions of Article 109, paragraph (2) of the New Act apply to a person falling within under the consignors specified in Article 105 of the Act on Rationalizing Energy Use on the Rational Use of Energy amended by this Act (hereinafter referred to as the "New Act") prior to the enforcement of this Act (excluding a person falling under a consignor prescribed in Article 58 of the Act on the Rational Use of Energy prior to the amendment by this Act (hereinafter referred to as the "Former Act")), as of the day specified by Cabinet Order within a period not exceeding two years from the date on which this Act comes into effect.

(Preparatory Actions)

Article 3 A person who intends to receive the certification referred to in Article 29, paragraph (1), Article 46, paragraph (1), Article 113, paragraph (1), Article 117, paragraph (1), Article 130, paragraph (1), or Article 134, paragraph (1) of the New Act may file an application for the certification therefor in accordance with pursuant to these provisions even prior to the enforcement of this Act.

(Transitional Measures Concerning Designation of Designated Training Organization)

Article 4 The designation pertaining to a designated training organization referred to in Article 13, paragraph (1), item (i) of the Former Act, Article 13, paragraph (1), item (i) of the Former Act as applied mutatis mutandis pursuant to Article 18, paragraph (1) of the Former Act following the deemed replacement of terms, Article 13, paragraph (1), item (i) of the Former Act as applied mutatis mutandis pursuant to Article 19-2, paragraph (1) of the Former Act, Article 13, paragraph (1), item (i) of the Former Act as applied mutatis mutandis pursuant to Article 19-2, paragraph (1) as applied mutatis mutandis pursuant to paragraph (2) of that Article is deemed to be the designated training organization referred to in Article 9, paragraph (1), item (i) of the New Act, that has been designated prior to the enforcement of this Act.

(Transitional Measures Concerning Designation of Factories Set up by Specified Chain Business Operators)

Article 5 (1) Type 1 designated energy management factories, etc. that have been designated, prior to the enforcement of this Act, pursuant to the provisions of Article 7-4, paragraph (1) of the Former Act as applied mutatis mutandis pursuant to Article 19-2, paragraph (1) of the Former Act are deemed to be type 1 designated chain energy management factories, etc. that has been designated pursuant to the provisions of Article 21, paragraph (1) of the New Act.

(2) Type 2 designated energy management factories, etc. that have been

designated, prior to the enforcement of this Act, pursuant to the provisions of Article 17, paragraph (1) of the Former Act as applied mutatis mutandis pursuant to Article 19-2, paragraph (1) of the Former Act are deemed to be type 2 designated chain energy management factories, etc. that have been designated pursuant to the provisions of Article 24, paragraph (1) of the New Act.

(Effect of Dispositions)

Article 6 Beyond what is provided for in the preceding two Articles, any dispositions implemented, procedures followed or other acts taken pursuant to the provisions of the Former Act are deemed to have been implemented, followed or taken under the relevant provisions of the New Act.

(Transitional Measures Concerning the Application Penal Provisions)

Article 7 Prior laws continue to govern the application of penal provisions to conduct in which a person engages prior to the enforcement of this Act.

(Provisions Governed by Cabinet Order)

Article 8 Beyond what is provided for in the Supplementary Provisions, any transitional measures necessary for the enforcement of this Act are specified by Cabinet Order.

(Reviews)

Article 9 When five years have elapsed since this Act came into effect, the government is to conduct a review on the provisions of the New Act while taking into account the aspects of enforcement of the New Act, and take any necessary measures based on the results of the review the review results where it finds it necessary.

Supplementary Provisions [Act No. 49 of June 12, 2020] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2022.

Supplementary Provisions [Act No. 37 of May 19, 2021] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of September 1, 2021; provided, however, that the provisions listed in the following items come into effect as of the dates specified in the respective items:

(i) the provisions of Article 27 (limited to the provisions amending appended

tables 1 through 5 of the Residential Basic Book Act), Articles 45 and 47, and Article 55 (limited to the provisions amending appended tables 1 and 2 of the Act on the Use of Numbers to Identify a Specific Individual in Administrative Procedures (excluding the provisions amending row (27) of appended table 2)) and the provisions of Article 8, paragraph (1), Articles 59 through 63, Article 67, and Articles 71 through 73 of the Supplementary Provisions: the date of promulgation;

(ii) and (iii) Omitted

(iv) the provisions of Articles 17, 35, 44, 50, and 58 and the following Article, and the provisions of Articles 3, 5, and 6, Article 7 (excluding paragraph (3)), Articles 13 and 14, Article 18 (limited to the provisions amending Article 129 of the Family Register Act (excluding the part adding "an original and" before "a duplicate of a family register")), Articles 19 through 21, Articles 23, 24, and 27, Article 29 (excluding the provisions amending Article 30-15, paragraph (3) of the Residential Basic Book Act), Articles 30 and 31, Articles 33 through 35, Articles 40 and 42, Articles 44 through 46, Article 48, Articles 50 through 52, Article 53 (excluding the provisions amending Article 45-2, paragraphs (1), (5), (6), and (9) of the Act on the Use of Numbers to Identify a Specific Individual in Administrative Procedures and Article 52-3 of that Act), Article 55 (excluding the provisions amending Article 35 of the Act on Promotion of Cancer Registry (Act No. 111 of 2013) (limited to the part deleting "(including prefectural and municipal ordinances)")), Articles 56, 58, 64, 65, 68, and 69 of the Supplementary Provisions: the dates specified by Cabinet Order for the respective provisions within a period not exceeding one year from the date of promulgation.

(Transitional Measures for Penal Provisions)

Article 71 Prior laws continue to govern the application of penal provisions to conduct in which a person engages before this Act (or the provisions set forth in the items of Article 1 of the Supplementary Provisions; hereinafter the same applies in this Article) comes into effect, and conduct in which a person engages after this Act comes into effect if it is governed by prior laws pursuant to the Supplementary Provisions.

Supplementary Provisions [Act No. 46 of May 20, 2022] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of April 1, 2023; provided, however, that the provisions listed in the following items come into effect as of the dates specified in the respective items:

(i) the provisions of Article 32 of the Supplementary Provisions: the date of

promulgation; and

(ii) in Article 2, the provisions amending Article 2, paragraph (6) of the Act on the Promotion of Use of Non-fossil Energy Sources and Effective Use of Fossil Energy Materials by Energy Suppliers, the provisions of Article 3, in Article 6, the provisions amending Article 27-27, paragraph (3) of the Electricity Business Act, the provisions changing that paragraph to paragraph (4) of that Article and adding one paragraph after paragraph (2) of that Article, the provisions amending Article 33-3 of that Act (limited to the part revising "Japan Oil, Gas and Metals National Corporation" to "Japan Organization for Metals and Energy Security"), and the provisions amending Article 128, item (i) of that Act, and the following Article, and the provisions of Articles 5 through 9 and Articles 12 and 15 of the Supplementary Provisions, in Article 16 of the of the Supplementary Provisions, the provisions amending Article 28, paragraph (1), item (iii), Article 57-4, paragraph (5), item (iii), and Article 66-11, paragraph (1), item (iii) of the Act on Special Measures Concerning Taxation (Act No. 26 of 1957), and the provisions of Articles 17 and 18, Articles 24 through 26, and Article 28 of the Supplementary Provisions: the date specified by Cabinet Order within a period not exceeding six months from the date of promulgation.

(Effect of Dispositions)

Article 2 Any dispositions implemented, procedures followed or other acts taken before this Act (or the provisions set forth in item (ii) of the preceding Article; hereinafter the same applies in this Article and Article 12 of the Supplementary Provisions) comes into effect pursuant to the provisions of the respective Acts (including orders thereunder; hereinafter the same applies in this Article) prior to being amended by this Act are deemed to have been implemented, followed or taken under the corresponding provisions of the respective Acts amended by this Act if the amended Acts contain corresponding provisions, unless otherwise provided for in these Supplementary Provisions.

(Transitional Measures for Penal Provisions)

Article 12 Prior laws continue to govern the application of penal provisions to conduct in which a person engages before this Act comes into effect, and conduct in which a person engages after this Act comes into effect if it is governed by prior laws pursuant to Article 5 of the Supplementary Provisions.

(Reviews)

Article 13 Approximately five years after this Act comes into effect, the government is to conduct a review on the aspects of enforcement of the provisions amended by this Act, and take any necessary measures based on the

results of the review.

(Delegation to Cabinet Order)

Article 32 Beyond what is provided for in these Supplementary Provisions, necessary transitional measures (including transitional measures for penal provisions) connected with the coming into effect of this Act are specified by Cabinet Order.