

Overview of the Act on the Securing of Safety and the Optimization of Transactions of Liquefied Petroleum Gas

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1. Introduction

1-1. Background of the Establishment of the Act on the Securing of Safety and the Optimization of Transaction of Liquefied Petroleum Gas

In the 1960s, the amount of domestically consumed liquefied petroleum gas (hereinafter referred to as “LPG”) increased greatly along with the number of LPG accidents. The statutory measures at the time were to regulate under the (then) High Pressure Gas Control Law and the Liquefied Petroleum Gas Safety Ordinance for the time being; provided, however, that, the High Pressure Gas Control Law did not contain sufficient ordinances necessary to prevent accidents in the process of domestic consumption of LPG. For instance, active efforts by Dealers, such as education of consumers, play a significant role in the prevention of accidents in the consumption process; however, the High Pressure Gas Control Law did not have ordinance on such matters. In addition, transactions of LPG were not regulated either. (Problems related to collection of residual gas and the quality of gases were common.)

As a result, the Act on the Securing of Safety and the Optimization of Transactions of Liquefied Petroleum Gas (hereinafter referred to as “the LPG Act”) was issued in 1967.

1-2. Regulatory Division for Liquefied Petroleum Gas

The LPG Act stipulates the ordinance with regards to the sale of LPG to General Consumers, etc., sales locations, and the Safety Operations thereof.

Although related to LPG, matters such as LPG terminals and filling plants, storage tanks for consumption, structural standards for containers, and distribution (transport) of containers are regulated by the High Pressure Gas Safety Act.

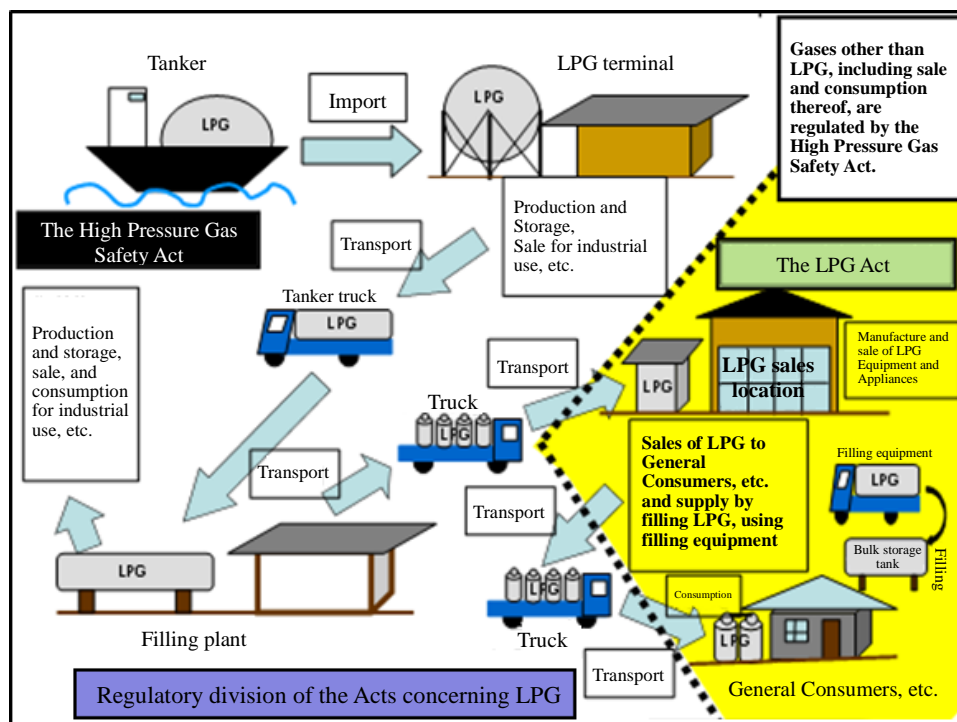


Diagram 1: Regulatory division of the Acts concerning LPG

<The structure of the Act on the Securing of Safety and the Optimization of Transaction of Liquefied Petroleum Gas>

Chapter I	General Provisions
Chapter II	Sales Business of Liquefied Petroleum Gases
Chapter III	Safety Operations
Chapter III-2	Accreditation of Liquefied Petroleum Gas Dealers
Chapter IV	Storage Facilities and Equipment for Filling
Chapter IV-2	Liquefied Petroleum Gas Equipment Installation
Chapter V	Liquefied Petroleum Gas Equipment and Appliances
Chapter VI	Miscellaneous Provisions
Chapter VII	Penal Provisions

1) About Dealers:

Chapter II stipulates that Dealers shall submit a notification report of business to a government office, appoint LPG Operations Chiefs holding the certificate, and maintain storage equipment and supply equipment in conformity with the technical standards. Chapter III prescribes the obligation for Dealers to execute Safety Operations. Chapter III-2 provides the accreditation system of Dealers who have achieved a more advanced consumer safety system.

2) About filling equipment (bulk lorry):

Chapter IV prescribes that permission shall be obtained from a government office for filling equipment, that the filling equipment and the filling methods shall conform to the technical standards, and that a Safety Inspection shall be conducted.

3) About LPG Equipment Installation:

Chapter IV-2 stipulates that LPG Equipment Installations shall, in principle, be performed by qualified personnel and that notification thereof shall be submitted. In addition, an indication of specified items shall be displayed for LPG Equipment Installations under certain conditions.

4) About Liquefied Petroleum Gas Equipment and Appliances (equipment and appliances, etc., used for LPG consumption):

Chapter V prescribes that a person who engages in the business of producing or importing Liquefied Petroleum Gas Equipment and Appliances (hereinafter referred to as “LPG Equipment and Appliances”) shall submit a notification of his/her business, and that certain LPG Equipment and Appliances shall undergo a Conformity Inspection conducted by a third-party inspection body, registered by the Minister of METI. It is also stated that the LPG Equipment and Appliances that conform to the standards shall be marked and that the sale of LPG Equipment and Appliances without such marking is restricted.

2. Overview of the Act on the Securing of Safety and the Optimization of Transactions of Liquefied Petroleum Gas

2-1. General Provisions (Chapter I)

Article 1 Purpose

The purpose of the LPG Act is 1) to prevent disasters stemming from LPG and 2) to effect proper transactions (purchase and sale) of LPG in order to advance the public welfare.

*Public welfare means the safety of people and property as well as the cultural and comfortable lives of people.

Article 2 Definitions of Terms

- Liquefied petroleum gas (LPG) subject to the LPG Act is liquefied gases mainly composed of propane, butane, and propylene (hydrocarbons).
- General Consumers, etc., refer to the following consumers of LPG:
 - (1) General consumers who consume LPG as fuel in their daily lives (except as fuel for automobiles); and
 - (2) Consumers of LPG whose modes of consumption are similar to those of general consumers, and who use LPG as fuel for the following:
 - 1) Commercial fuel for heating and cooling (except in ships, trains, and aircraft);
 - 2) Commercial fuel for cooking food and drinks (except in ships, trains, and aircraft);
 - 3) Fuel for generating steams in the service industry (cleaning business, etc.); and
 - 4) Fuel for raising water temperature in the service industry (bath houses, hair salons, beauty salons, etc.)
- LPG Sales Business is a business of selling LPG to General Consumers, etc.
- Supply equipment refers to equipment and pipes running from storage equipment to a gas meter.
- Consumption equipment refers to equipment and pipes from a gas meter outlet to combusting equipment at the end.

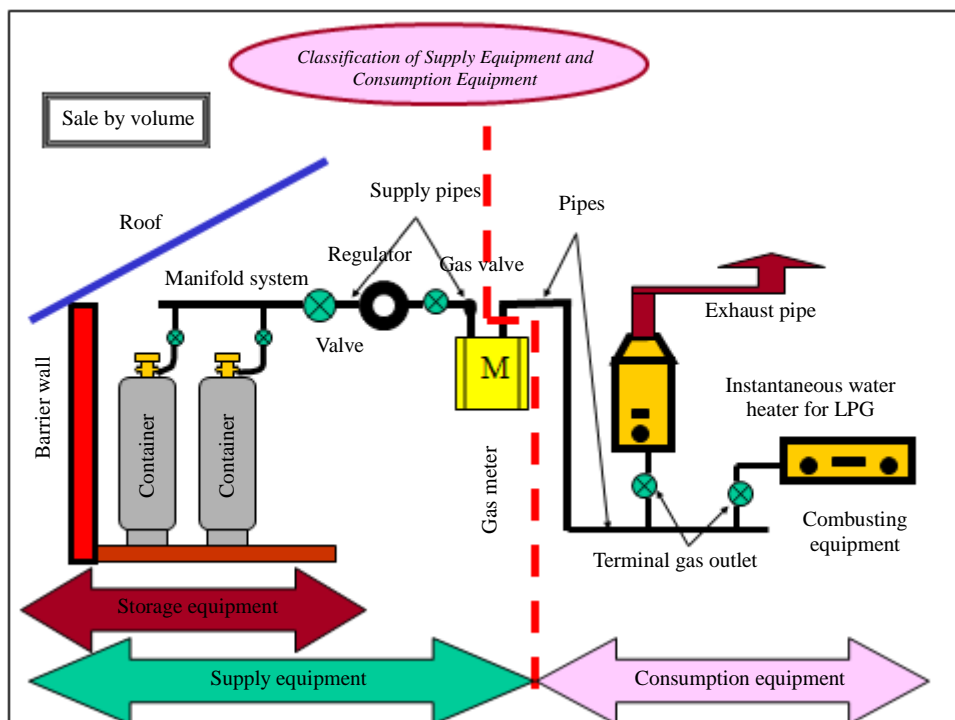


Diagram 2: Classification of supply equipment and consumption equipment

- LPG Installation Engineer is a person who is capable of performing specified installation tasks, such as screw threading, and connection and removal of pipes, in the process of equipment installation for LPG consumption by General Consumers, etc. Completion of a national examination or a specified training course is required for obtaining the qualification.

2-2. Sales Business of Liquefied Petroleum Gas (Chapter II)

Article 3 Registration of Business

(Article 14 (1) of the Cabinet Order and Article 4 (1) of the Ordinance for Enforcement)
A Dealer (the representative of the head office) who intends to engage in the business of selling LPG to General Consumers, etc., shall (in advance) register with the specified administrative agency. There are approximately 20,000 registered Dealers nationwide.

- Items to be entered on the application form for registration:
 - 1) Name or title of the Dealer (name of the representative for a corporation) and his/her address;
 - 2) Names and addresses of all the sales locations;
 - 3) Location and construction of storage facilities (Reasons for not having such facilities, in cases where the Dealer has no storage facilities);
 - 4) Name or title and the address of the Safety Agency (office) that performs the Safety Operations; and
 - 5) Measures to compensate General Consumers, etc., for damage (Damage liability insurance).
- Administrative agency with which a Dealer shall register:
 - 1) A Dealer, who has sales location(s) within only one prefectural area, shall register with the prefectural governor who has jurisdiction over the sales location(s);
 - 2) A Dealer, who has sales locations in two or more prefectural areas within the jurisdictional district of one Regional Bureau of Economy, Trade and Industry, shall register with the Director-General of the Regional Bureau of Economy, Trade and Industry and the Director-General of the Regional Industrial Safety and Inspection Department; or
 - 3) A Dealer, who has sales locations in the jurisdictional districts of two or more Regional Bureaus of Economy, Trade and Industry, shall register with the Minister of Economy, Trade and Industry.

Article 7 Posting of Signs

A registered Dealer shall display a prescribed sign at a place accessible to the public in each sales location for easy recognition of such sales locations for General Consumers, etc.

Liquefied Petroleum Gas Dealer License	
Registration Number	0000
Date of Registration	YYYY/MM/DD
Name or Title	XX LP Gas Inc.
Name of Representative	Taro Koatsugasu
Name and Address of the Sales Location	X-X, XX City, XX Prefecture

Diagram 3: LPG Dealer License (the sign)

Article 11 Storage Facilities

In order to supply or deliver LPG to the General Consumers, etc., continuously without shortages, a Dealer shall, in principle, own or possess a storage facility of no less than 3 m² and shall store filled containers at his/her sales location. A storage facility with a storage capacity of 3,000 kg or more is subject to permission of the prefectural governor.

Article 13 Prohibition of Sales of LPG Which Does Not Conform with Standards (Article 12 of the Ordinance for Enforcement)

LPGs to be sold to the General Consumers, etc., by a Dealer shall conform to the specified standards therefor. (Diagram 4)

LPG Standards Specified in an ordinance of METI				
Specifications	Composition	Propane + Propylene	Ethane + Ethylene	Butadiene
	No. 1	80% or more	5% or less	0.5% or less
	No. 2	60% of more, less than 80%	5% or less	0.5% or less
	No. 3	Less than 60%	5% or less	0.5% or less

[Note] Content ratio: molar ratio Pressure: 1.53 MPa or less at 40°C

None of Nos. 1, 2, and 3 shall have concentration of mercury that may cause corrosion on supply equipment.

Diagram 4: LPG standards

Article 14 Delivery of Documents from a Dealer to General Consumers, etc.
(Article 13 of the Ordinance for Enforcement)

A Dealer shall deliver a document indicating the sales methods, safety management of equipment, etc., upon the conclusion of a LPG sales contract with General Consumers, etc., for prevention of disasters and optimization of transactions.

Article 16 Requirement for Storage Facilities to Conform with Standards
(Article 14 of the Ordinance for Enforcement)

A Dealer shall maintain his/her storage facilities used for the Sales Business in conformity with the technical standards.

Article 16-2 Requirement for Supply Equipment to Conform with Standards
(Articles 18 and 19 of the Ordinance for Enforcement)

A Dealer shall maintain his/her supply equipment in conformity with the technical standards.

Article 18 Safety Training for the Employees of a Dealer

A Dealer shall provide his/her employees with safety training.

The High Pressure Gas Safety Institute of Japan has made the Guidelines for the Preparation of the Safety Training Program for LPG Dealers (KHK S1701) available for the public, in order to comply with the provision, stating that the High Pressure Gas Safety Institute of Japan shall prepare guidelines as the basis for Dealers to provide safety training and shall make them public.



Diagram 5: Guidelines for the Preparation of the Safety Training Program for LPG Dealers

Article 19 Operations Chiefs

- Appointment of an Operations Chief

A Dealer shall appoint an Operations Chief for each sales location and shall assign him/her duties to maintain safety pertaining to the sales of LPG. An Operations Chief shall be a holder of a Type 2 Sales Safety Chief Certificate (national examination), who has experience in LPG sales for a period of 6 months or longer. Details of the qualification of the Type 2 Sales Safety Chief are not prescribed in this Act but are provided for in the High Pressure Gas Safety Act.


- Notification of appointment or dismissal

A notification report shall be submitted to the public administration with which the Dealer has been registered.

- Participation in training course

Operations Chiefs shall take the training course given by the High Pressure Gas Safety Institute of Japan or a Designated Training Agency on the prevention of LPG accidents.

Sales Safety Chief Certificate



Type of Certificate	Type 2 Sales
Certificate Number	○○○○○
Name	Taro Koatsugasu
Date of Birth	YYYY/MM/DD

This certificate has been issued pursuant to the provisions of
Article 29 of the High Pressure Gas Safety Act


YYYY/MM/DD Governor of XX Prefecture 

Diagram 6: Sales Safety Chief Certificate (Type 2 Sales)

Article 20 Duties of the Operations Chief

- 1) Oversee notifications of changes to the registered Sales Business;
- 2) Prepare documents or give guidance of preparation thereof;
- 3) Monitor the status of conformity with the standards for sales methods;
- 4) Monitor the status of conformity with the standards for storage facilities;
- 5) Monitor the status of conformity with the standards for supply equipment;
- 6) Plan, implement, or oversee the Safety Training Program;
- 7) Perform the Safety Operations and confirm the results thereof;
- 8) Oversee the procedures to apply for permission for changes to storage facilities or Designated Supply Equipment and to undergo a Completion Inspection therefor;
- 9) Oversee the procedures to apply for a permission of filling equipment and to undergo a Completion Inspection and a Safety Inspection therefor; and
- 10) Oversee the bookkeeping and details of the reports.

The employees at each sales location shall observe instructions given by an Operations Chief to ensure the enforcement of this Act.

Article 21 Deputies for the Operations Chief

- Appointment of a deputy for an Operations Chief
A Dealer shall appoint in advance a deputy for an Operations Chief to act on behalf of the Operations Chief when he/she is prevented from performing his/her duties on account of a trip, sickness, or any other incident. The deputy of an Operations Chief shall be a person who has experience in sales of LPG for a period of 6 months or longer and who satisfies any of the following:
 - 1) A holder of the Type 2 Sales Safety Chief Certificate; or
 - 2) A person who is 18 years of age or older and who has completed the training course given by the High Pressure Gas Safety Institute of Japan on the prevention of LPG accidents (the training course for the deputies of Operations Chiefs).

- Notification of appointment or dismissal

As for the case with Operations Chiefs, appointment or dismissal of a deputy shall be notified without delay to the administrative agency with which the Dealer has been registered.

Article 22 Order to Dismiss Operations Chiefs and Their Deputies

The Minister of Economy, Trade and Industry, etc., may order a Dealer to dismiss an Operations Chief or a deputy when such personnel falls under any of the following:

- (1) Violated any provision of the LPG Act or the High Pressure Gas Safety Act;
- (2) Violated any order of a Minister, etc., pursuant to the LPG Act or the High Pressure Gas Safety Act; or
- (3) When the Minister, etc., finds that the assignment of duties to said personnel is inappropriate for the maintenance of public safety, etc.

Article 23 Notification Report of Abolition of Sales Business

A Dealer shall notify the discontinuation of the registered LPG Sales Business without delay to the administrative agency with which he/she has registered his/her business, if said registered business is discontinued.

2-3. Safety Operations (Chapter III)

Article 27 Obligation to Execute the Safety Operations

A Dealer shall execute the Safety Operations in order to ensure the maintenance of safety of LPG for General Consumers, etc.

A Dealer may entrust the whole or a part of the Safety Operations to an accredited Safety Agency, if needed, instead of performing these duties themselves.

A Dealer who intends to perform even a part of the Safety Operations themselves shall receive an accreditation as a Safety Agency. In fact, many registered Dealers are also accredited as a Safety Agency.

Article 29 Accreditation of Safety Agencies

(Article 29 of the Ordinance for Enforcement)

A person who intends to perform the Safety Operations shall receive an accreditation by the Minister of METI, etc., according to the categories of Safety Operations that he/she intends to perform. There are approximately 20,000 accredited Safety Agencies nationwide. The majority of them are registered Dealers. Safety Agencies that are not registered as a Dealer include persons who carry out operations such as LPG delivery, centralized monitoring, and inspection/survey.

- Categories of Safety Operations

- 1) Inspection/survey at the start of supply (Inspect supply equipment and survey consumption equipment when starting the supply of LPG or survey consumption equipment on the first delivery (in the case of LPG sale by weight));
- 2) Inspection of supply equipment at the time of container exchange, etc. (Inspect supply equipment when exchanging containers or at least once a month);
- 3) Periodical inspection of supply equipment (Inspect supply equipment at least once a year, once every 2 years, or once every 4 years);
- 4) Periodical survey of consumption equipment (Survey consumption equipment at least once a year or once every 4 years and conduct a follow-up survey after

a month but within 6 months of an incompatibility notification, or survey consumption equipment at least once a month other than a month that a container is not delivered (in case of sale by weight)).

- 5) Dissemination (Disseminate information necessary for the prevention of LPG disasters to General Consumers, etc.)
- 6) Emergency response (Respond to an LPG disaster or take measures to prevent disasters)
- 7) Emergency communication (Measures to respond to an LPG disaster or emergency situation without physically attending to the situation themselves)

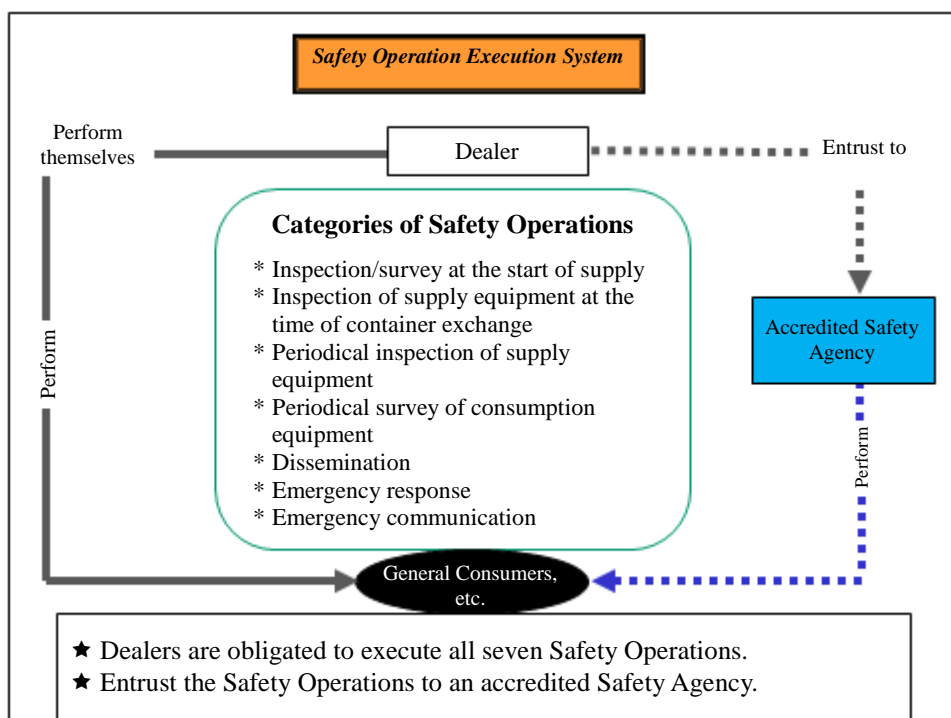


Diagram 7: System for executing Safety Operations

Article 31 Accreditation Criteria of Safety Agencies

- 1) Technical capability (qualified personnel and instrument for Safety Operations)
- 2) Ability to compensate for damages (damage liability insurance contract)
- 3) Members of a corporation
- 4) Scope of concurrent business (work of the concurrent business may not interfere with the executions of the Safety Operations)

Article 32 Renewal of the Accreditation of Safety Agencies

The accreditation shall cease to be effective unless it is renewed by the end of every five years.

Article 34 Duties, etc., of the Safety Agencies

Safety Operations may be exempt if the owner or possessor of the place, at which the Safety Operations shall be carried out, does not give an approval to enter such place (A Safety Agency has an obligation but has no right to perform the operations).

Safety Operations entrusted by a Dealer may not be re-entrusted.

Article 35 Service Code for Safety Operations

A Safety Agency shall establish its Service Code for the Safety Operations and shall have them approved by the administrative agency from which it has received the accreditation. The same shall apply in the case of changes to the Service Code.

Article 35-5 Order for Conformity to Standards for Consumption Equipment

(Article 44 of the Ordinance for Enforcement)

A prefectural governor may, when he/she finds that consumption equipment does not conform to the technical standards, order the owner or possessor to repair or alter the consumption equipment to ensure conformity to the technical standards, or to relocate them.

2-4. Accreditation of Liquefied Petroleum Gas Dealers (Chapter III-2)

Articles 35-6 to 35-10 Accreditation of LPG Dealers

(Article 45 of the Ordinance for Enforcement)

A Dealer may receive an accreditation as an Accredited Liquefied Petroleum Gas Dealer from the administrative agency with which he/she is registered, in cases where he/she installs and properly maintains the Safety Protection Devices in order to sufficiently ensure safety of the General Consumers, etc., with whom the Dealer has concluded the LPG sales contract and to whom he/she supplies LPG, and in cases where the number of General Consumers, etc., with such devices exceeds a specified ratio. When said accreditation is obtained, special provisions are granted with respect to the appointment methods of Operations Chiefs and the Safety Operations. About 200 Dealers are accredited as Accredited LPG Dealers nationwide, comprising approximately 1% of all Dealers.

- Safety Protection Devices

- 1) A gas meter with a flow rate sensor and shutoff functions
- 2) A transmission device of specific safety information (telephone line, etc.)
- 3) A device that can display specific safety information and block LPG flow
- 4) Gas leak alarms, low pressure hoses, and high pressure hoses with joints and connectors

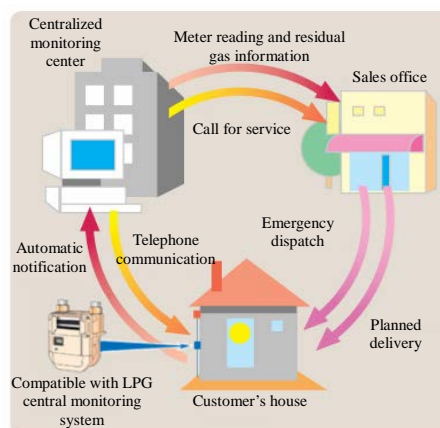


Diagram 8: Centralized monitoring system

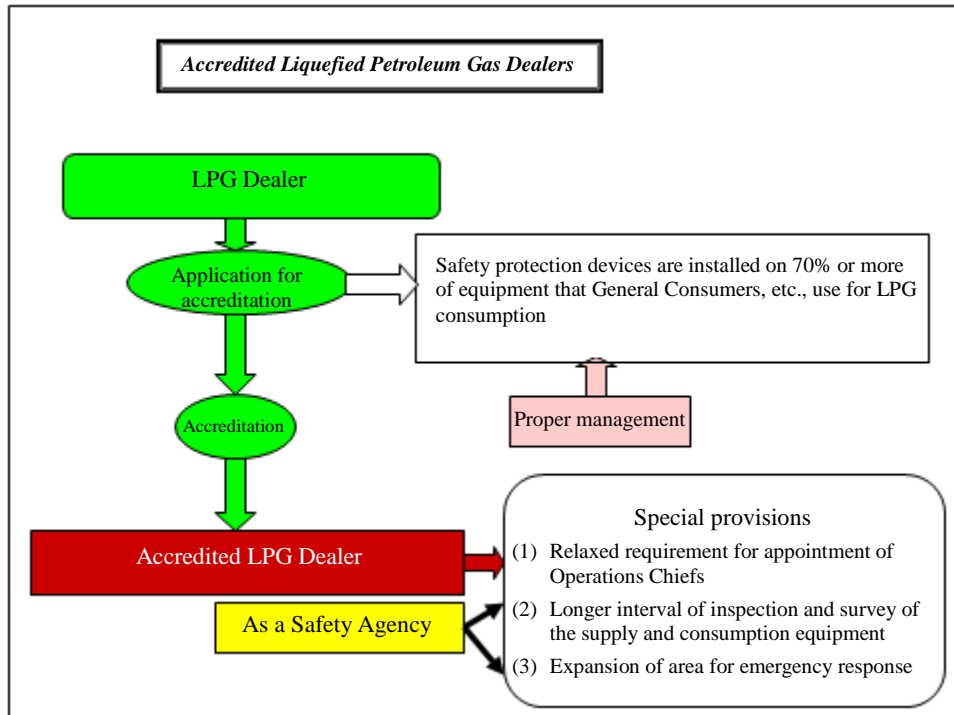


Diagram 9: Accredited LPG Dealers

2-5. Storage Facilities and Equipment for Filling (Chapter IV)

Articles 36 to 37, and 37-2 Permission for Establishment of Storage Facilities, etc.
 A Dealer who intends to establish the following storage facilities or Designated Supply Equipment shall in advance obtain permission of the prefectural governor who has jurisdiction over the location of each storage facility or Designated Supply Equipment.

- A storage facility capable of storing 3,000 kg or more of LPG.
- Designated Supply Equipment
 - 1) Supply equipment, capable of storing 3,000 kg or more in containers or bulk containers.
 - 2) Supply equipment, capable of storing 1,000 kg or more in storage tanks or bulk storage tanks.

Implementation of any changes requires permission of the prefectural governor, from whom the permission for establishment was obtained. The standards for permission are according to the technical standards provided in the Ordinance for Enforcement.

Article 37-3 Completion Inspection of Storage Facilities and Designated Supply Equipment

Upon completion of a new establishment or changes permitted by the prefectural governor, a storage facility or designated supply equipment shall be subjected to a Completion Inspection by the prefectural governor and shall not be used until found to be in conformity with the technical standards therefor. (However, this shall not apply to the case where said storage facility or designated supply equipment has undergone a Completion Inspection by the High Pressure Gas Safety Institute of Japan or a Designated Completion Conformity Inspection Body and where the notification thereof has been submitted to the prefectural governor who has provided the permission for establishment or change.)

Article 37-4 Permission for Filling Equipment

The bulk lorries that fill LPG into bulk storage tanks or bulk containers for bulk supply and (normal) storage tanks or containers at the installed locations thereof are referred to as “filling equipment.”

(This filling equipment may fill LPG into industrial LPG equipment if permission as mobile production equipment is obtained, pursuant to Article 5 of the High Pressure Gas Safety Act.)

A person who intends to fill supply equipment with LPG using the filling equipment shall in advance obtain permission of the prefectural governor, who has jurisdiction over the base of such filling equipment (a garage) for each unit of filling equipment. There are approximately 900 LPG Filling Business Operators nationwide with about 2,200 units of permitted filling equipment.

The garage of a unit of filling equipment is subject to the technical standards for storage facilities (except for the standards related to the roof and fire extinguishing equipment), pursuant to Article 16, paragraph (1) of the LPG Act (Article 14 of the Ordinance for Enforcement).

Procedures to obtain permission for change and to receive a Completion Inspection are the same for filling equipment, as with the storage facilities and Designated Supply Equipment.

Article 37-5 LPG Filling Operations, etc.

A filling operator shall comply with the technical standards for filling operations (Article 72 of the Ordinance for Enforcement) when filling supply equipment with LPG.

- Required qualification for a filling operator:
 - 1) A person who has completed the training course provided by the High Pressure Gas Safety Institute of Japan; or
 - 2) A person who has completed the training course at a designated training school for filling operators.

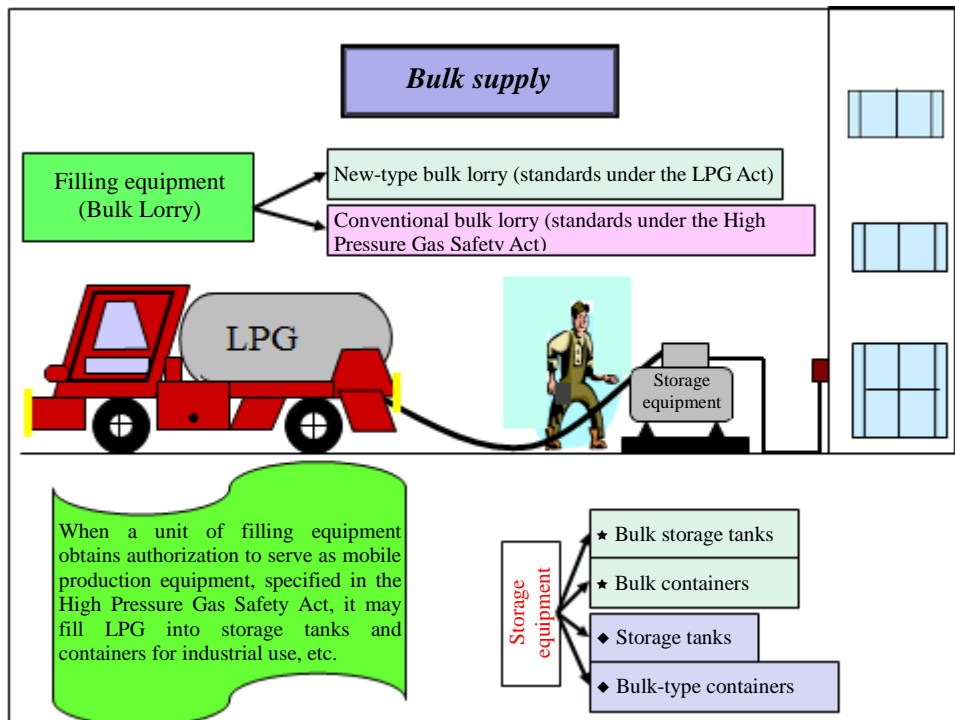


Diagram 10: Bulk supply

Article 37-6 Safety Inspection

A Filling Business Operator shall subject his/her filling equipment to a Safety Inspection, conducted by the prefectural governor once a year, to determine whether or not it conforms with the technical standards under paragraph (2) of Article 37-4. (However, the Safety Inspection by the prefectural governor is exempt in the case where said filling equipment has undergone a Safety Inspection by the High Pressure Gas Safety Institute of Japan or a Designated Safety Conformity Inspection Body and where the prefectural governor has been notified of its result.)

*A Designated Safety Conformity Inspection Body refers to a company, etc., that is authorized by the Minister of METI, a Director-General, or a prefectural governor in accordance with the provisions of Article 58-30-3 of the High Pressure Gas Safety Act and that engages in the business of conducting a Safety Inspection.

2-6. Liquefied Petroleum Gas Equipment Installation (Chapter IV-2)

Article 38-3 Notification of LPG Equipment Installation (pubic facilities, etc.)

(Articles 86 and 87 of the Ordinance for Enforcement)

A person who has executed the specified LPG Equipment Installation shall submit a notification report thereof to the prefectural governor who has jurisdiction over the location of the facility or building at which the installation took place.

- Facilities and buildings for which the notification is required:
 - 1) Facilities visited by many and unspecified people, such as theaters, movie theaters, entertainment halls, public halls, etc.;
 - 2) Facilities visited by unspecified people, such as cabarets, amusement centers, etc.;
 - 3) Facilities visited by unspecified people, such as rental rooms, restaurants, etc.

- 4) Facilities visited by unspecified people, such as department stores, markets, etc.;
- 5) Inns, hotels, dormitories, and apartment houses;
- 6) Hospitals, clinics, and birthing centers;
- 7) Elementary schools, Junior high schools, senior high schools, colleges of technology, universities, schools for the blind, schools for the deaf, schools for the handicapped, kindergartens, miscellaneous schools, etc., where many people gather;
- 8) Libraries, museums, art galleries, etc., where many people gather;
- 9) Public bath houses used by many people as part of their everyday lives;
- 10) Stations and terminals or ports for vessels or aircraft that are used for boarding or waiting by many and unspecified people;
- 11) Shrines, temples, churches, etc., where many people gather; and
- 12) Offices with total floor size of 1,000 m² or more.

Article 38-4 LPG Installation Engineer Certificate

Persons who may receive the LPG Installation Engineer Certificate are as follows:

- 1) A person who has passed the LPG Installation Engineer Examination; or
- 2) A person who has completed the training course provided by the High Pressure Gas Safety Institute of Japan or by a designated training school for LPG Installation Engineers.

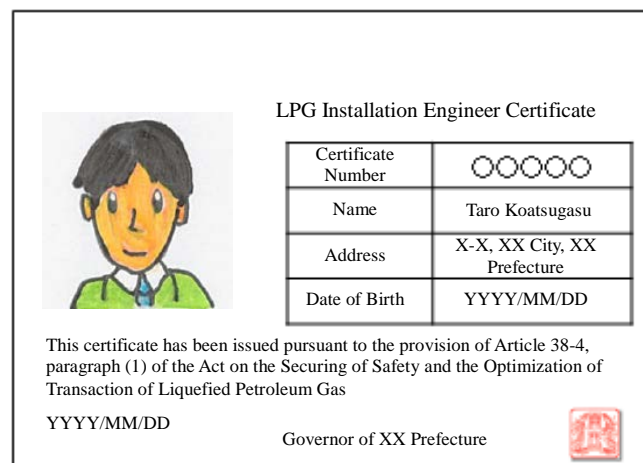


Diagram 11: LPG Installation Engineer Certificate

Article 38-7 Restrictions on LPG Equipment Installation Work (Article 108 of the Ordinance for Enforcement)

In the installation process of LPG equipment, only LPG Installation Engineers may carry out the tasks that are specified to be executed only by the personnel who possesses special knowledge and skills.

- Example of tasks allowed to be executed only by the LPG Installation Engineers:
 - 1) Dimensioning and screw threading of rigid pipes;
 - 2) Connection and removal of a regulator to and from a rigid pipe;
 - 3) Connection and removal of a gas meter to and from a rigid pipe;
 - 4) Connection and removal of valves to and from a rigid pipe; and
 - 5) Leakage test.

These tasks are normally carried out during installation of LPG equipment at an ordinary house or apartment. Therefore, those persons who engage in the business of LPG Equipment Installation require, in principle, the qualification as an LPG Installation Engineer.

Article 38-8 Duties of LPG Installation Engineers

- 1) LPG Equipment Installation shall be executed in conformity with each technical standard; and
- 2) The LPG Installation Engineer Certificate shall be carried during LPG Equipment Installation.

Article 38-9 Obligations for LPG Installation Engineers to Take Training Courses (Article 109 of the Ordinance for Enforcement)

After receiving the certificate, LPG Installation Engineers shall periodically take training courses given by the High Pressure Gas Safety Institute of Japan or a training agency designated by the Minister of METI on the prevention of LPG accidents pertaining to LPG Equipment Installation, supply equipment, and consumption equipment. (Once every five years, or once every three years after the first issuance of the certificate)

Article 38-10 Notification of Specified LPG Equipment Installation Business (Articles 111 and 112 of the Ordinance for Enforcement)

- Examples of Specified LPG Equipment Installation:
 - 1) Interconnection, removal, and cutting for removal of rigid pipes
 - 2) Connection and removal of valves and gas valves to and from rigid pipes; and
 - 3) Connection and removal of a vaporizer, regulator, gas meter, and automatic gas breaker to and from rigid pipes.

A person who repeatedly executes Specified LPG Equipment Installation as a business shall notify a prefectural governor of his/her business as a Specified LPG Equipment Installation Business Operator.

Article 38-13 Equipment of Instruments (Article 120 of the Ordinance for Enforcement)



An office of a Specified LPG Equipment Installation Business shall be equipped with a self-recording mechanical pressure gauge or an electronic diaphragm type self-recording pressure gauge.

2-7. Liquefied Petroleum Gas Equipment and Appliances (Chapter V)

Articles 39 and 48 Restrictions on Sales of LPG Equipment and Appliances and Labelling

- Liquefied Petroleum Gas Equipment and Appliances
A person who intends to manufacture, import, or sell the LPG Equipment and Appliances may not sell them unless conducting an inspection him/herself and attaching a label to indicate the conformity thereof to the technical standards.
- Specified Liquefied Petroleum Gas Equipment and Appliances

In addition to what is stated above, a conformity inspection conducted by a third-party inspection body registered by the Minister of METI shall be required in case of manufacturing, importing, and selling Specified LPG Equipment and Appliances.

Specified Liquefied Petroleum Gas Equipment and Appliances	
	<ul style="list-style-type: none"> • Vented-type instantaneous water heaters • Vented-type space heaters • Vented-type bath heaters with burners • Bath burners • Bath heaters • Portable cookers with LPG canister
	<ul style="list-style-type: none"> • Gas valves
LPG Equipment and Appliances other than the Specified LPG Equipment and Appliances	
	<ul style="list-style-type: none"> • Unvented, direct vent, or outdoor instantaneous water heaters • Unvented, direct vent, or outdoor space heaters • Direct vent or outdoor bath heaters with burners • Cooking stoves
	<ul style="list-style-type: none"> • Regulators • High pressure hoses • Low pressure hoses • Earthquake-activated shutdown valves
	<ul style="list-style-type: none"> • Gas leakage alarms

Article 41 Notification of Business

A person who manufactures, imports, or sells LPG Equipment and Appliances may notify his/her business to the Minister of Economy, Trade and Industry.

Article 46 Duty to Conform to Standards

Manufacture or import of LPG Equipment and Appliances shall comply with the technical standards.

2-8. Miscellaneous Provisions (Chapter VI)

Article 81 Duty to Keep Books

Dealers, Safety Agencies, and Filling Business Operators shall arrange and keep books to record matters specified.

Article 83 On-site Inspection, etc.

The Minister of Economy, Trade and Industry may, to the extent necessary for the enforcement of this Act, cause officials of METI to enter any office, business office, plant, or any other place of business of any LPG Dealer or a manufacturer, importer, or dealer of LPG Equipment and Appliances, and inspect the books, question the persons concerned, or sample the LPG to the minimum volume required for examination.

2-9. Penal Provisions (Chapter VII)

Articles 96 to 104 Penal Provisions

Any person who violates the provisions of this Act shall be punished by imprisonment with labor or a fine. Punishments are stipulated for any violation of this Act in general and are not limited to the examples below.

<Examples of persons subject to imprisonment with work or a fine>

- A person who has engaged in the LPG Sales Business without registering his/her business;
- A person who has installed a storage facility or a Designated Supply Equipment without obtaining the permission required; and
- A person who has made a fraudulent description in books or has failed to maintain books.