

Details of Measures to Address the Heavy-Load Winter Season for FY2021

1. Measures to secure “kW”

1-1. Securing power capacity	Adjusting the schedule of repairs and inspections	<ul style="list-style-type: none"> Adjust the schedule of thermal power plant repairs and inspections planned for winter. <ul style="list-style-type: none"> – Tokyo area: 460MW secured for January 2022, 420MW for February (Chiba, etc.) – Chubu area: 480MW secured for February 2022 (Shin Nagoya, etc.)
	Preparing to resume operation of Anegasaki Thermal Power Station Unit 5	<ul style="list-style-type: none"> Proactive start of preparatory work to resume operation of Anegasaki Thermal Power Station Unit 5, which was in long-term shutdown, prior to TEPCO Power Grid Incorporated’s “Public Auction for Additional FY2021 Winter Power Capacity.” Selected as a successful bidder for the auction in October 2021. Anegasaki Thermal Power Station Unit 5 will resume operation in January 2022.
	Increased-output operation	Plan for increased-output operation of thermal power plants when electricity supply-demand is tight.
1-2. Conducting targeted inspections of power generation facilities	Strengthening internal system	Established the Electricity Supply-Demand Measures Subcommittee under the Risk Management Committee to share information and respond promptly.
	Conducting targeted inspections	Ensure the soundness of power generation facilities through targeted patrols and inspections of priority thermal power plant equipment such as seawater cooling systems and boiler combustion gas systems.

2. Measures to secure “kWh”

2-1. Supplying electricity to JEPX	Changing JEPX bidder	In order for JERA, as a procurer of fuel, to become a direct bidder on the JEPX spot market, JERA revised its power supply contract with TEPCO Energy Partner, Incorporated and began operation in November this year.
	Revise approach to marginal cost as reflected in bidding prices on JEPX	<ul style="list-style-type: none"> To avoid last winter’s fuel constraints and tightening of electricity supply-demand, it is important that the fuel supply-demand situation be clearly reflected in JEPX spot market bid prices and that appropriate price signals be sent to the market. Marginal cost as reflected in JEPX spot market bid prices for the Tokyo area will be revised to incorporate the price of additional fuel procurement such as spot LNG procurement. The revision will start after the date of confirmation by the Electricity and Gas Market Surveillance Commission. As a result of the continuation of this initiative, JERA’s JEPX spot market bid price will increase when additional fuel procurement prices rise and decrease when they fall.
	Responding to public auctions of kWh	Based on application outlines for public auctions of kWh by electric power transmission system operators, positively consider supply of kWh
2-2. Securing fuel	Procuring fuel based on JERA’s own electricity demand assumptions	<ul style="list-style-type: none"> JERA makes assumptions about the amount of electricity it will need to generate based on estimates of electricity demand, historical data, and estimates of other companies’ power plant operations. Based on its assumptions, JERA engages in flexible fuel procurement and delivery schedule adjustment to ensure a stable fuel supply.
	Securing higher level of LNG inventory	<ul style="list-style-type: none"> Leveraging JERAGM’s global business flow across Europe, the US, and Asia enables JERA to flexibly procure additional LNG (e.g. diverting JERAGM’s US LNGs bound for European LNG terminals to Japan when domestic demand increases). Voluntarily secure and maintain a higher level of LNG inventory during the heavy-load winter season.