



Current Situation of Tohoku EPCO's Fuel Procurement

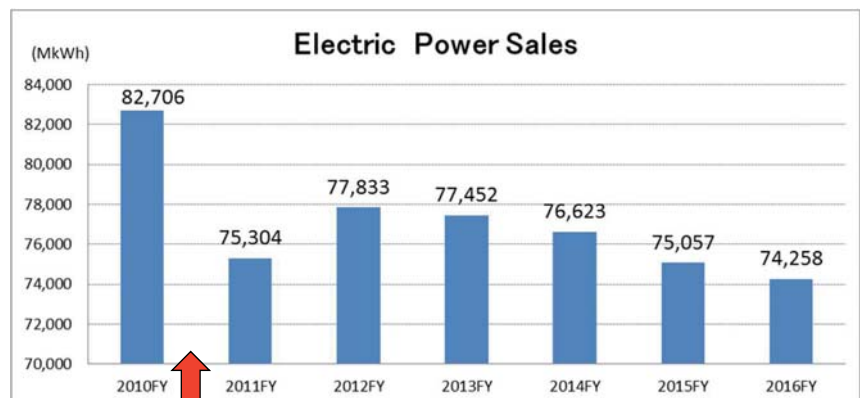
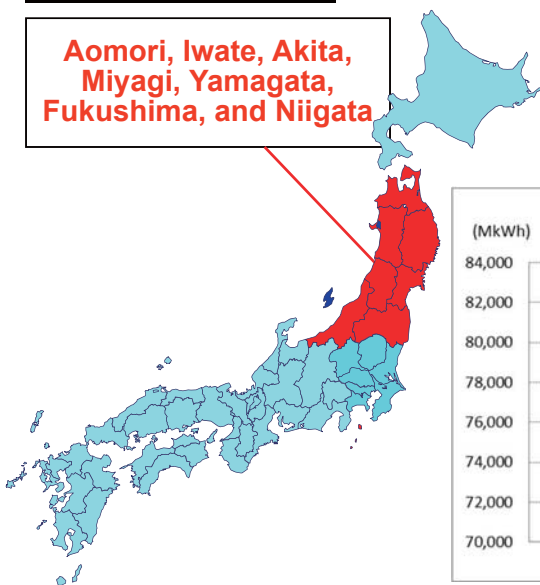
November 14th, 2017

Home Region and Electric Power Sales

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Tohoku EPCO

Aomori, Iwate, Akita, Miyagi, Yamagata, Fukushima, and Niigata

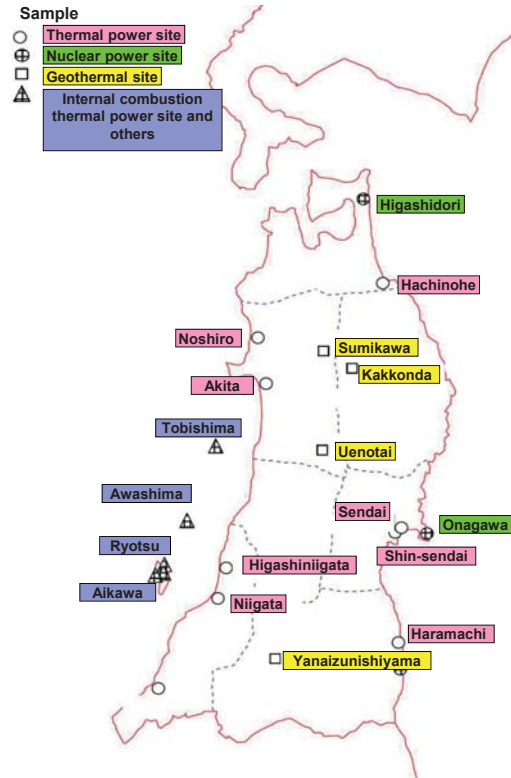


(Note) Total Sales of 10 Electric Power Companies in 2016
710,034M kWh

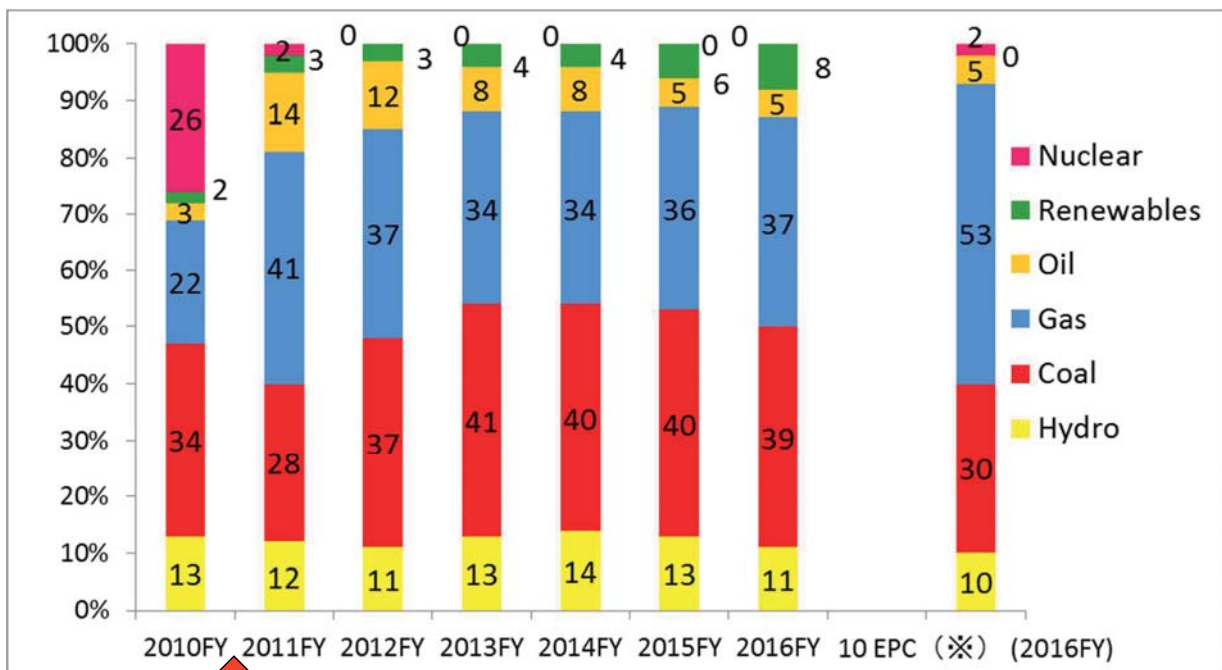
Great East Japan Earthquake (3/11/2011)

Major Power Stations

	No. of Unit	Total Capacity (MW)	Main Fuel
[Thermal]			
Hachinohe	1	416	Gas
Akita	4	1,633	Oil
Noshiro	2	1,200	Coal
Sendai	1	446	Gas
Shin-Sendai	2	980	Gas
Haramachi	2	2,000	Coal
Higashi-Niigata	7	5,149	Gas
Niigata	2	359	Gas
[Geothermal]			
Kakkonda	2	80	
Uenotai	1	29	
Sumikawa	1	50	
Yanaizu-Nishiyama	1	30	
[Nuclear]			
Onagawa	3	2,174	
Higashidori	1	1,100	



Power Source Composition



Great East Japan Earthquake (3/11/2011)

(※) 10 Electric Power Companies in Japan

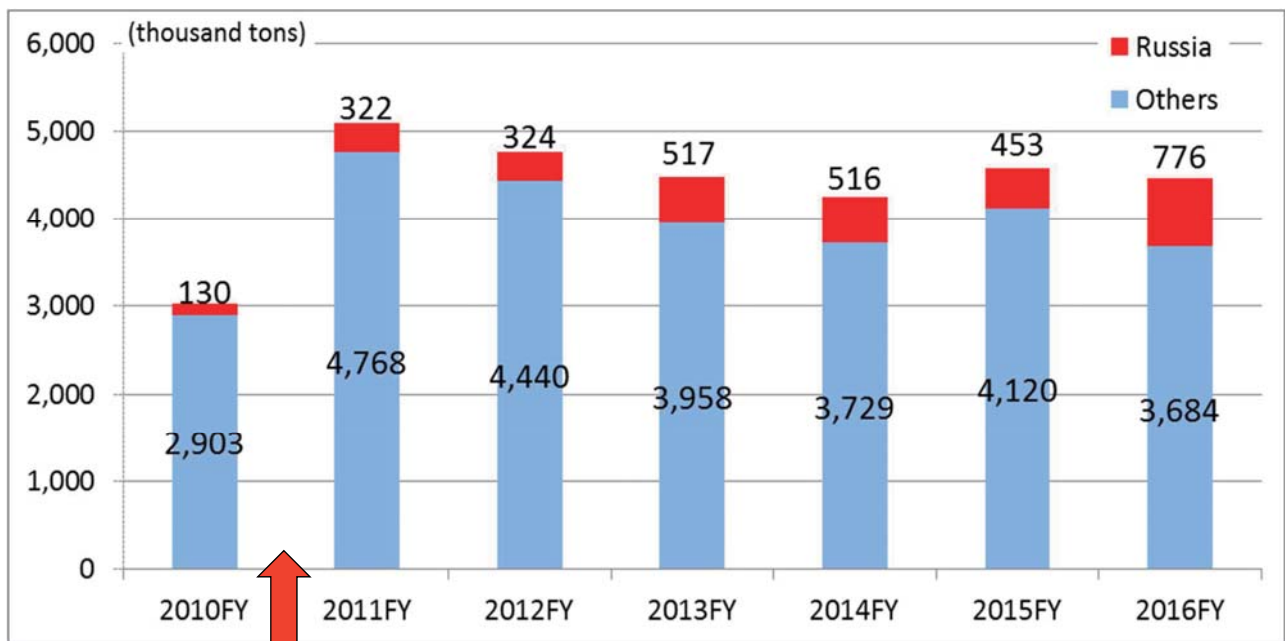
LNG Terminals and Gas Pipeline

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LNG Procurement Volume (FY2010-FY2016)

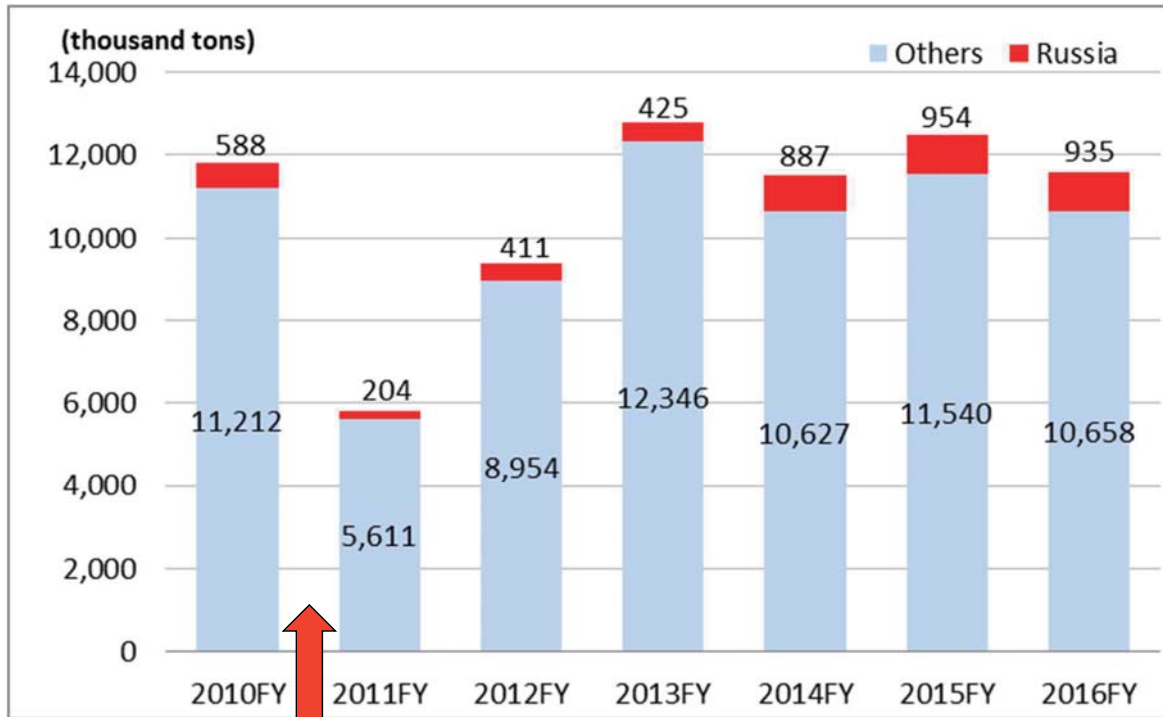
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Great East Japan Earthquake (3/11/2011)

Coal Procurement Volume (FY2010-FY2016)

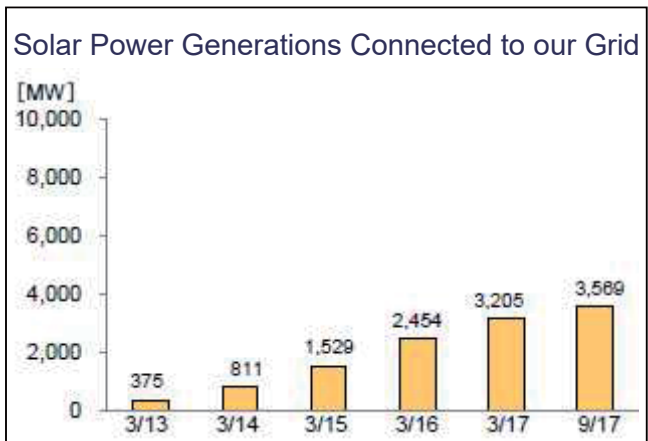
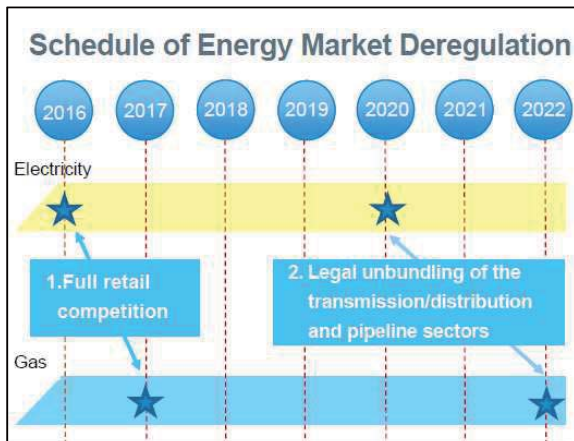
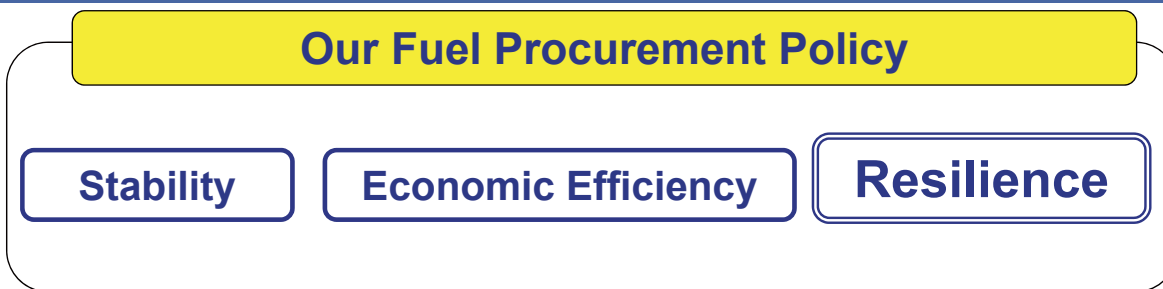
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Great East Japan Earthquake
(3/11/2011)

Our Fuel Procurement Policy

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Enhancing Cost Competitiveness & Resilience

<Coal>

- Diversification of procurement sources to minimize supply risks and improve economic efficiency and resilience
- Total cost reduction (including ash treatment-related expenses) with the expansion of the use of sub-bituminous coal
- Securing stability and economic efficiency by using specialized/regular routed carriers



Regular-routed carrier
"Noshiro Maru"

<LNG>

We are planning to procure LNG from three new projects, including a project in North America, to improve flexibility of LNG procurement and diversify LNG pricing system.



- ✓ Through introduction of new fuel procurement schemes as well as diversification of fuel pricing systems, we strive to further enhance our cost competitiveness.
- ✓ Through continuous review of our procurement portfolio, including diverse procurement sources, we quest for more efficient and optimal fuel procurement with emphasis on stability, economic efficiency and resilience.

Relationship between Tohoku EPCO and Russia p.10

◆LNG Long Term Contract

Contract	Contract Period	Volume	Term
Sakhalin II	2010 - 2030	0.42mtpa	FOB

◆LNG Spot Purchase

0.07 million MT (2016 Fiscal Year)

◆Coal Purchase

0.9 million MT (2016 Fiscal Year)



- ✓ Russia is geographically close to Tohoku region and has abundant natural resources.
- ✓ Russia will continue to be a important supplier for Tohoku EPCO in terms of energy security.

Thank you for your attention



Tohoku Electric Power

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