[This is an English translation of the original text written in Japanese]

For Immediate Release

December 8, 2020
Company Name: The Okinawa Electric Power Company, Incorporated
Name of Representative: Hiroyuki Motonaga
Representative Executive Officer and President
(code:9511, TSE First Section of)

Okinawa Electric Power Company's Approach to Zero Emissions

The Board of Directors of the Company, at its meeting held on 8 December 2020, resolved as follows.

As an integrated energy company, global warming countermeasures are one significant management issue which must be prioritized, and we have actively worked on such global warming countermeasures up to this point.

At the same time, the social demand for countermeasures against global warming has been increasing in recent years, as evidenced by the country's 2050 Carbon Neutral Declaration.

In order to fulfill our corporate social responsibility, we have compiled a long-term guideline, "Okinawa Electric Power Company's Zero Emissions Initiative: Toward Net Zero CO2 Emissions in 2050," to promote further efforts.

To achieve net zero CO2 emissions in 2050, we have formulated a roadmap for the next 30 years and will implement a variety of measures, with two directions for achieving net zero CO2 emissions: " Make renewable energy a mainstay " and "Reducing CO2 emissions from thermal power.

We will contribute to the society by building a sustainable energy system, utilizing the technologies we have accumulated so far and introducing new technologies to achieve stable energy supply and countermeasures for global warming simultaneously.

Attachment: OEPC's Approach to Zero Emissions

～Towards 2050 Net Zero CO2 Emissions～

Attachment

OEPC's Approach to Zero Emissions

～ Towards 2050 Net-Zero CO_2 Emissions ～

December 2020

The Okinawa Electric Power Company, Inc.

Okinawa Electric Power Company aims to 2050 Net-Zero CO_2 Emissions.

Okinawa, where energy is more readily available. A richer future for our children.

We will contribute to the society by building a sustainable energy system, utilizing the technologies we have accumulated so far and introducing new technologies to achieve stable energy supply and countermeasures for global warming simultaneously.

OEPC Net-Zero CO_2 Emissions Roadmap

2030 | 2040 | 2050

CO_2 ▲26% (compared to FY2005)

Make Renewable Energy as Main Power Source

● Expansion of Renewable Energy

Introduction of Renewable Energy +100MW
- PV-TPO business※1 +50MW
- Large Wind Power※1 +50MW

(3.4 times by current installation)

Maximum introduction of Renewable Energy
- Expansion of the PV-TPO business
- Expanding the introduction of large-scale Renewable Energy using Storage Batteries

● Grid Stabilization Technologies for Renewable Energy expansion

・Utilization and Advancement of Grid Stabilization Technologies using “Storage Batteries" and “Control Technologies”

● Development of the infrastructure to support the mainstreaming of Renewable Energy

・Raising demand for Electrification for Effective Use of Renewable Energy
・Building and Utilizing VPP※2 and DR※3 with DX (Digital Transformation)
・Building a disaster-resistant "Renewable Energy Micro-Grid" for local production and consumption

Reducing CO_2 Emissions from Thermal Power Plants

● Expanding the use of clean fuels

・Reducing CO_2 with increased consumption of LNG
・Leveraging the mobility of LNG power sources to smooth fluctuations in renewable energy output
・Consideration of introducing CO_2-free fuels (hydrogen, ammonia, etc.) and offset technologies

・Conversion to CO_2-free fuels
・Introduction of CO_2 offset technologies

● Fade-out of the inefficient thermal power plants

・Conversion of Oil to LNG. Lower carbon emission through the use of Local Biomass in Coal-fired Power Plants
・Consideration of introducing cutting-edge technologies such as next-generation thermal power

Introduction of next-generation power sources using CO_2-free fuel conversion and CO_2 offset technology in conjunction with the shutdown of existing machines

Net-Zero CO_2 Emissions ※4

Promoting Electrification

In addition to achieving a net zero structure on the power supply side, it is essential to promote electrification on the demand side(transportation, industry, business, household), implement necessary policies, and gain financial support.

※1 Service in which PV and storage batteries are installed free of charge and the electricity generated is sold to customers. Both PV-TPO and large wind power are scheduled to be built and managed by our affiliated companies.
※2 Virtual Power Plant (VPP) refers to the collective control and management of a number of small-scale renewable energy power plants, etc., to make them function as a single power plant.
※3 Demand Response (DR), according to the Ministry of Economy, Trade and Industry (METI), is defined as "an act of changing the consumption pattern of electricity for consumers to curb their use of electricity in response to the setting of electricity prices or the payment of incentives when wholesale market prices rise or when grid reliability declines.“
※4 We aim to Net-Zero CO_2 Emissions by combining renewable energy power sources with thermal power sources that incorporate CO_2-free fuels and CO_2 offset technologies.
※This requires the establishment of necessary technologies along with economic feasibility. We will earnestly work to achieve these conditions. Further, policy and financial support are necessary for the development and introduction of advanced technologies.