Other Electric Power Businesses (IPPs, for PPSs, and Wind Power)

Performance Highlights

In fiscal 2010, total electricity sales volume declined 1% year on year, to 1.4 billion kWh. Operating revenues decreased 7% year on year, to 13.7 billion.

Overview of Operations

Through subsidiaries and affiliates, J-POWER is engaged in wind power operations, operates independent power producers (IPPs) that provide wholesale electricity supplies to EPCOs, and provides wholesale electricity supplies to power producers and suppliers (PPSs).

Drawing on its long history of accumulating expertise and technologies in the building, operation, and maintenance of power stations and transmission lines, the J-POWER Group supports a system that covers the full gamut of the wind farm business, from surveys of wind conditions to wind farm design, construction, and operation and maintenance (O&M). The Company operates 208 units at 18 wind farms throughout Japan with a total capacity of 350 MW. This accounts for approximately 13% of Japan's total wind power capacity, making J-POWER the second-ranked company in Japan.

The provision of wholesale electricity supplies to EPCOs through IPPs is a system introduced under the 1995 revision to the Electricity Utilities Industries Law. J-POWER owns and operates three IPP facilities, with a total capacity of 520 MW. The provision of wholesale electricity supplies to PPSs was recognized under the 2000 revision to the Electricity Utilities Industries Law. The Company currently owns and operates three facilities in the Tokyo Bay area, with a total capacity of 320 MW, which supply power to PPSs.

Outlook

Wind power is a source of clean renewable energy that does not emit CO₂ during the generation process and for which there are high expectations as a valuable national energy resource in resourcepoor Japan. Having merged with its wholly owned wind power business company, J-POWER is strengthening its business structure by such measures as making its O&M systems more efficient while moving ahead with the development of new locations with a view to doubling output to 700 MW.

Electricity Sales Volume: IPPs, for PPSs and Wind Power (Billion kWh) 20.0 (Billions of yen)



Note: Consolidated subsidiaries only



Nikaho Kogen Wind Farm (Akita Prefecture)



Bayside Energy Ichihara (Chiba Prefecture)

J-POWER's Wind Power Generation Project List

(As of June 30, 2011)

| Wind Power Farms/Plants | Operating Companies | Location | Ownership | Capacity (kW)*1 | | Completion Date* ² |
|-----------------------------------|--|-------------------------|-----------|-----------------|-------|----------------------------------|
| Sarakitomanai Wind Farm | Sarakitomanai Wind Power Co., Ltd. | Hokkaido Prefecture | 49% | 14,850 | (9) | 2001 (2009) |
| Tomamae Winvilla Wind Farm | J-Wind Co., Ltd. | Hokkaido Prefecture | 100% | 30,600 | (19) | 2000 |
| Shimamaki Wind Farm | J-Wind Co., Ltd. | Hokkaido Prefecture | 100% | 4,500 | (6) | 2000 (2009) |
| Setana Seaside Wind Power Farm | J-Wind Co., Ltd. | Hokkaido Prefecture | 100% | 12,000 | (6) | 2005 |
| Green Power Kuzumaki Wind Farm | J-Wind Co., Ltd. | Iwate Prefecture | 100% | 21,000 | (12) | 2003 |
| Nikaho Kogen Wind Farm | Nikaho-Kogen Wind Power Co., Ltd. | Akita Prefecture | 67% | 24,750 | (15) | 2001 |
| Koriyama-Nunobiki Kogen Wind Farm | J-Wind Co., Ltd. | Fukushima Prefecture | 100% | 65,980 | (33) | 2007 |
| Hiyama Kogen Wind Farm | Green Power Tokoha Co., Ltd. | Fukushima Prefecture | 100% | 28,000 | (14) | 2011 |
| Tokyo Bayside Wind Power Plant | J-Wind Co., Ltd. | Tokyo Metropolitan Area | 100% | 1,700 | (2) | 2003 |
| Irouzaki Wind Farm | J-Wind IROUZAKI Co., Ltd. | Shizuoka Prefecture | 100% | 34,000 | (17) | 2010 |
| Tahara Bayside Wind Farm | J-Wind Co., Ltd. | Aichi Prefecture | 100% | 22,000 | (11) | 2005 |
| Tahara Wind Farm | J-Wind Co., Ltd. | Aichi Prefecture | 100% | 1,980 | (1) | 2004 |
| Awara-Kitagata Wind Farm | Green Power Awara Co., Ltd. | Fukui Prefecture | 100% | 20,000 | (10) | 2011 |
| Yokihi no Sato Wind Park | J-Wind Co., Ltd. | Yamaguchi Prefecture | 100% | 4,500 | (3) | 2003 (2009) |
| Nagasaki-Shikamachi Wind Farm | Nagasaki-Shikamachi Wind Power Co., Ltd. | Nagasaki Prefecture | 70% | 15,000 | (15) | 2005 |
| Aso-Nishihara Wind Farm | Green Power Aso Co., Ltd. | Kumamoto Prefecture | 88% | 17,500 | (10) | 2005 |
| Aso-Oguni Wind Farm | Green Power Aso Co., Ltd. | Kumamoto Prefecture | 88% | 8,500 | (5) | 2007 (2009) |
| Minami Oosumi Wind Farm | Minami Kyushu Wind Power Co., Ltd. | Kagoshima Prefecture | 80% | 26,000 | (20) | 2003 (Nejime) (2009) |
| | | | | | | 2004 (Sata) (2009) |
| Total | | | | 352,860 | (208) | |
| Zajaczkowo Wind Farm | Zajaczkowo Windfarm Sp. zo. o. | Poland | 45% | 48,000 | (24) | 2008 |
| Total including overseas | | | | 400,860 | (232) | |

*1 Figures in () are the number of wind turbines. *2 Figures in () are the years when the Company purchased its current holdings of shares from other companies.

J-POWER's Electricity Supply Facilities in Japan

(As of June 30, 2011)

| Plant Name | Operating Companies | Location | Capacity (kW) | Fuel Type | Completion Ownership*3 Date*4 |
|---------------------------------|----------------------------------|---------------------|------------------|--------------------|---|
| IPPs | | | | | |
| Genex Mizue | GENEX Co., Ltd.*5 | Kanagawa Prefecture | 238,000 | Gas Oil Residue | 40% 2003 TOA Oil Co., Ltd. |
| Itoigawa | ITOIGAWA POWER Inc. | Niigata Prefecture | 134,000 | Coal | 80% 2001 TAIHEIYO CEMENT CORPORATION (2003) |
| Tosa | TOSA POWER Inc.*5 | Kochi Prefecture | 150,000 | Coal | 45% 2005 Shikoku Electric Power Co., Inc. 35% TAIHEIYO CEMENT CORPORATION 20% |
| Subtotal | | | 522,000 | | |
| Wholesale Power for PPSs | | | | | |
| Ichihara Power | Ichihara Power Co., Ltd. | Chiba Prefecture | 110,000 | Gas* ⁶ | 60% 2004 Mitsui Engineering & Shipbuilding Co., Ltd. 40% |
| Bayside Energy Ichihara | Bay Side Energy Co., Ltd. | Chiba Prefecture | 107,650 | Gas* ⁶ | 100% 2005 |
| Mihama Seaside Power Shinminato | Mihama Seaside Power Co., Ltd.*5 | Chiba Prefecture | 104,770 | Gas*6 | 50% 2005 Diamond Power Corporation 50% |
| Subtotal | | | 322,420 | | |

*3 Name of joint venture *4 Date of investment participation by J-POWER *5 Denotes projects by companies accounted for by the equity method *6 Generation method: combined cycle