

Entering into Power Purchase Agreement for 7 SPP Projects in Thailand

7 SPP (Small Power Producers) project companies in Thailand, subsidiaries of J-POWER (Electric Power Development Co., Ltd., President: Masayoshi Kitamura), entered into Power Purchase Agreement (PPA) with Electricity Generating Authority of Thailand (EGAT) for a term of 25 years. The 7 SPP companies are wholly owned subsidiaries of Gulf JP Co., Ltd. (GJP), a member of the J-POWER Group and a holding company in Thailand.

The project began after each of the 7 SPP companies successfully tendered its application for Requests for Proposals issued by EGAT under SPP program¹ in 2007. Since then the 7 SPP companies proceeded with development preparations and recently entered into PPA with EGAT.

The 7 SPP companies will construct gas combined-cycle power plants in/near industrial zones in Saraburi, Chachoengsao, Rayong, and Pathum provinces on the outskirts of Bangkok. With the exception of RIL Cogeneration Co., Ltd. (RCC), which will have an output capacity of 120MW, the power plants will each have an output capacity of 110MW. Construction will begin in the second quarter of 2010 and operation of the plants will commence successively from September 2012 through September 2013. Each power plant will sell 90MW of electric power to EGAT and the remaining electric power, steam and/or chilled water to direct customers in their respective vicinities. Each of the 7 SPP companies will sign Gas Sale Agreement with PTT Plc² and will purchase natural gas from PTT Plc.

Including the above projects in Thailand, J-POWER currently has investments in overseas IPP projects in seven countries and regions, 24 of which are currently in operation, four of which are under construction, and nine of which are in the planning stage.

Project Overview

Company*	Location (Province)	Power Generation Type	Output	Commercial Operation Date
SBC	Saraburi	Gas-fired (combined cycle)	110MW	September 2012
ICC			110MW	November 2012
SAC			110MW	December 2012
CCC	Chachoengsao		110MW	March 2013
RCC	Rayong		120MW	April 2013
PCC	Pathum Thani		110MW	June 2013
CHP	Saraburi		110MW	September 2013

* SBC : Saraburi B Cogeneration Co., Ltd,

SAC : Saraburi A Cogeneration Co., Ltd,

RCC : RIL Cogeneration Co., Ltd,

CHP : Combined Heat and Power Co., Ltd.

ICC : Industrial Cogen Co., Ltd.

CCC : Chachoengsao Cogeneration Co., Ltd.

PCC : Pathum Cogeneration Co., Ltd.

1. SPP (Small Power Producers) Program

- A program initiated by the government of Thailand in 1992 to promote (1) greater use of renewable and by-product energy, and (2) efforts to reduce oil imports and oil consumption.
- How the program works: Producers submit SPP project proposals to EGAT, and those producers which fulfill the Regulations receive approval as SPP companies. Conditions for selling electricity, including tariff rates are stipulated by EGAT at the time of announcing the Regulations and are applied uniformly to companies that receive approval. In this respect, the process differs from competitive tendering. When SPP companies qualify for this program, EGAT are allowed to purchase electric power up to 90MW from SPP companies, and the SPP companies are allowed to sell excess electric power and heat (steam and chilled water) to direct customers.

2. PTT Public Company Limited

Established: October 2001 (The Thai Ministry of Finance holds more than 51%)

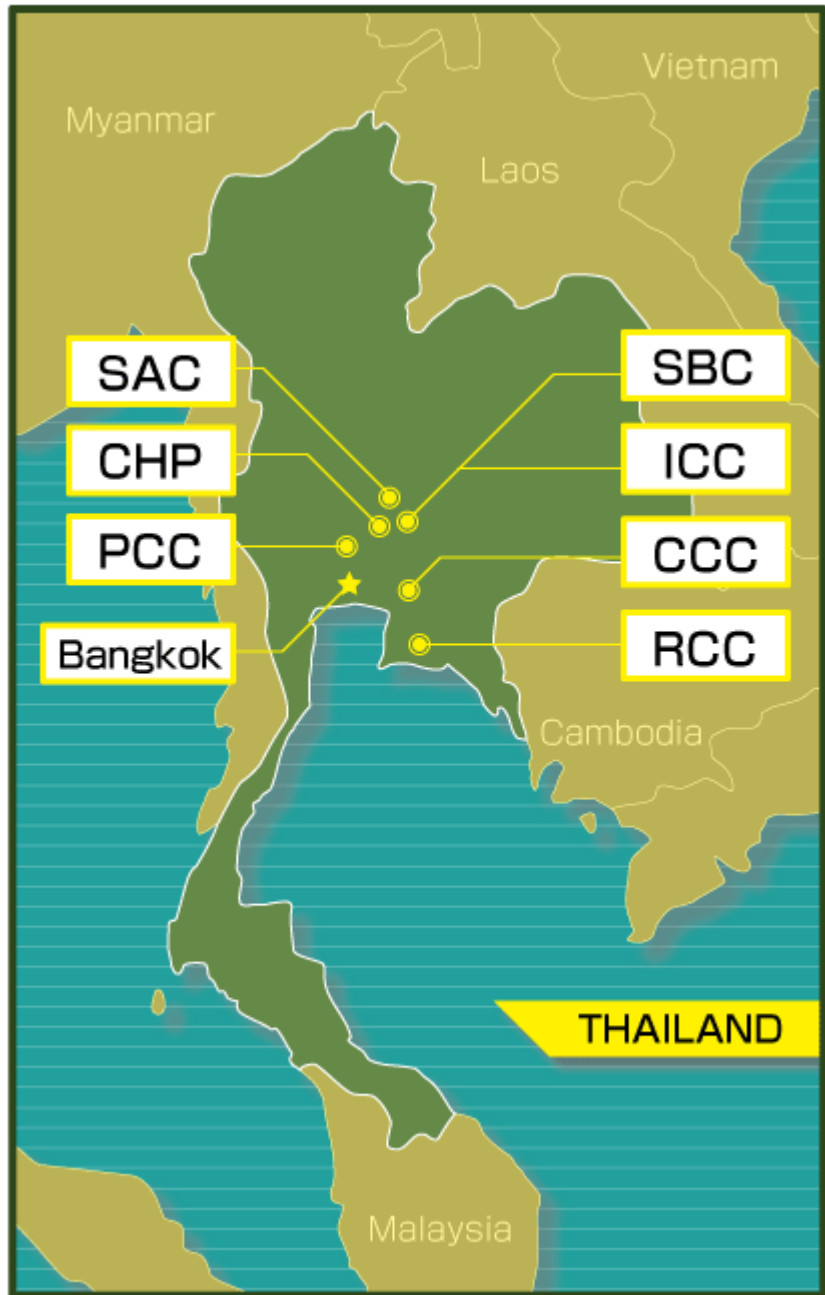
Location: Bangkok, Thailand (Head Office)

President: Mr. Prasert Bunsumpun

Business: PTT Plc is an energy company in Thailand, engaging in natural gas and oil businesses as well as petrochemical-related businesses.

Attached Materials

Map of project locations



Map of project locations