Details of the Revision of the Extra High- and High-Voltage Rate Plans (Standard Rate Plans)

September 20, 2022
Tokyo Electric Power Holdings Inc.
TEPCO Energy Partner, Incorporated

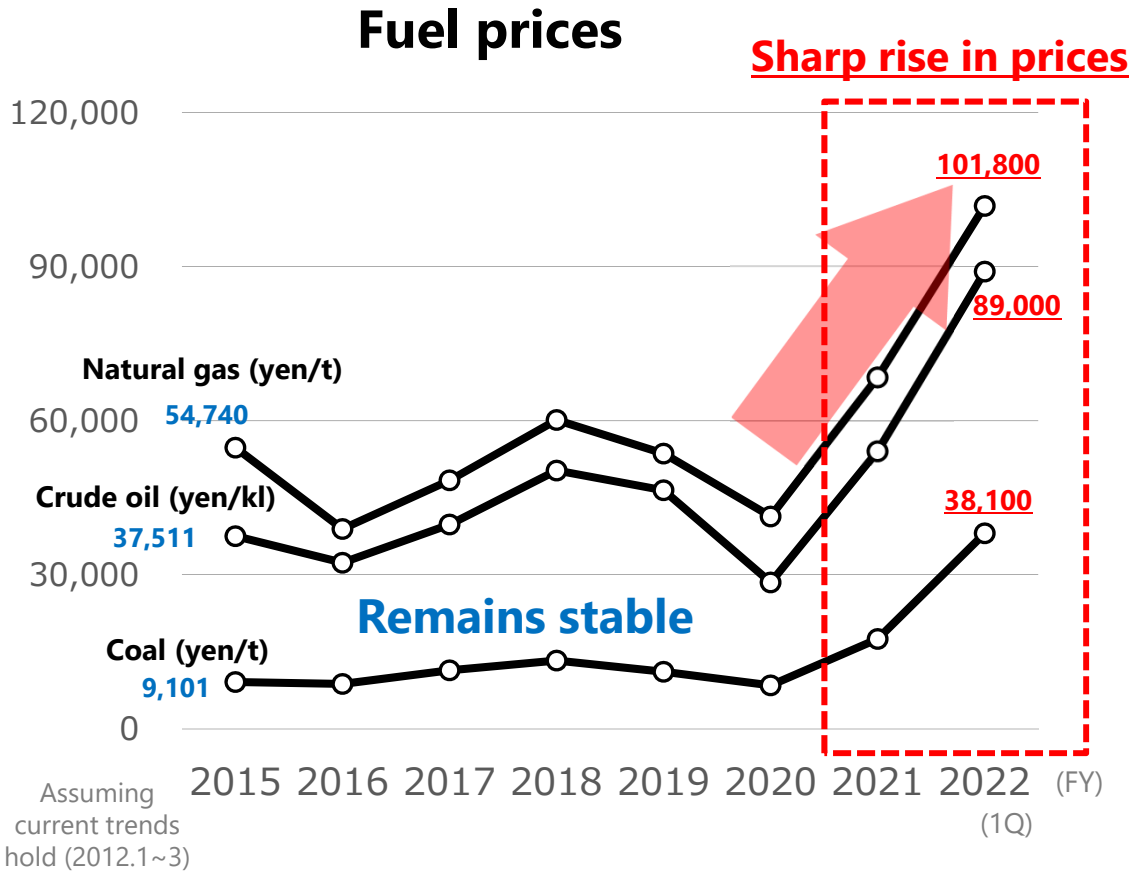
Introduction

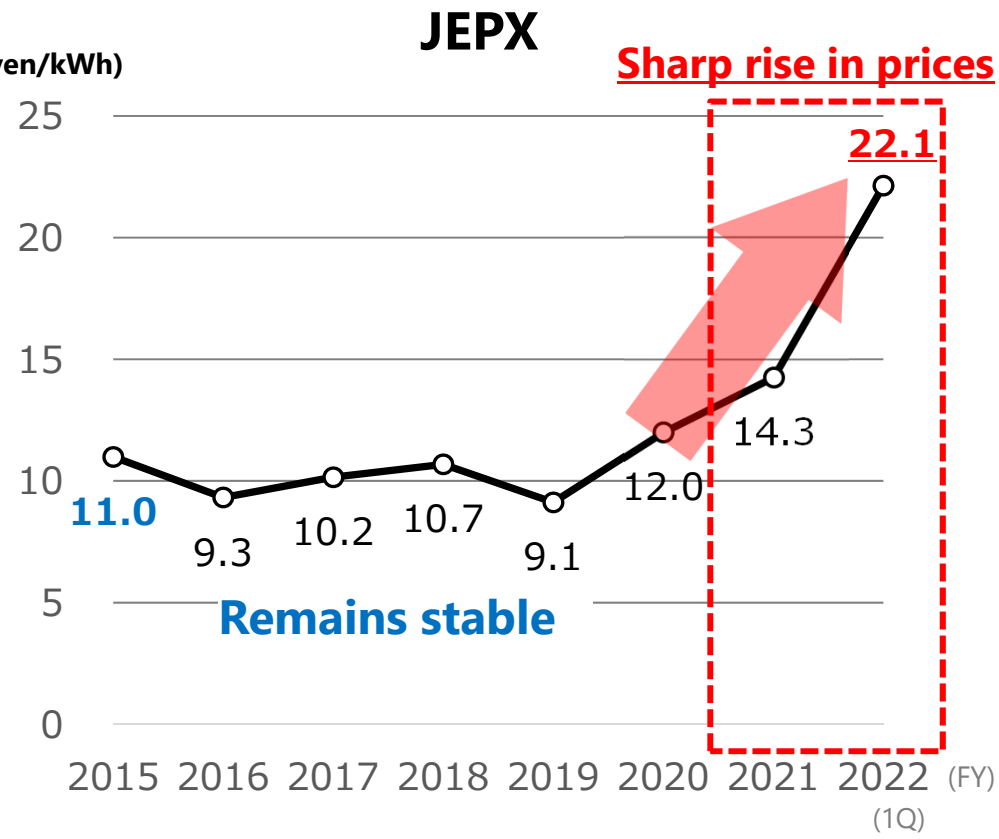
- Faced with soaring raw material prices triggered by the crisis in Ukraine, global fuel shortages including LNG, and the weakest yen in 24 years, we recognize that the situation is critical not only for TEPCO but also for Japan as a whole in terms of energy security and stable supply of electricity
- In addition to the global rise in resource prices, fluctuations in demand due to increased competition in the Tokyo area following the full liberalization of retail electricity, changes in the power procurement structure, among other factors have dramatically changed the electricity industry landscape from 2012 when the Extra High-voltage and High-voltage Rate Plans were last revised
- To continue to provide stable power in this tough environment, measures need to be implemented to address additional procurement costs that come with rising fuel and electricity market prices, as well as energy conservation and saving electricity measures to reduce the need for additional procurement
- Given this situation, TEPCO Energy Partner (hereinafter TEPCO EP) has decided to revise the electricity rates for extra high-voltage and high-voltage customers after April 2023
- A new mechanism to reflect the fluctuations in market prices will be introduced in addition to the existing fuel cost adjustment system, and unit prices for the standard rate plan will be revised
- We take seriously that the financial burden of our extra high-voltage and high-voltage customers will be increasing with this revision; as we cannot shift all of the increase fuel prices and the cost of procuring electricity from the market onto our customers, we have decided to reduce costs by incorporating the partial restart of Kashiwazaki-Kariwa Nuclear Power Station onto our planned costs
- Additionally, we will prepare energy conservation and saving electricity initiatives for this winter and beyond (e.g., energy conservation promotion measures, subsidies for updating equipment, etc.) to reduce the burden on our customers as much as possible. Thank you for your understanding

1. Background of the Electricity Rate Plan Revision

1-1. Background of the Electricity Rate Plan Revision (Soaring resource prices on a global scale)

- The Russian invasion of Ukraine in February 2022 have pushed the already globally rising price of natural resources further up. The yen has also been weakening as the difference in interest rates between the US and Japan grows
- In this backdrop, yen-denominated fuel prices and prices in the Japan Electric Power Exchange (JEPX) have been rising sharply, and is expected to remain at a high level

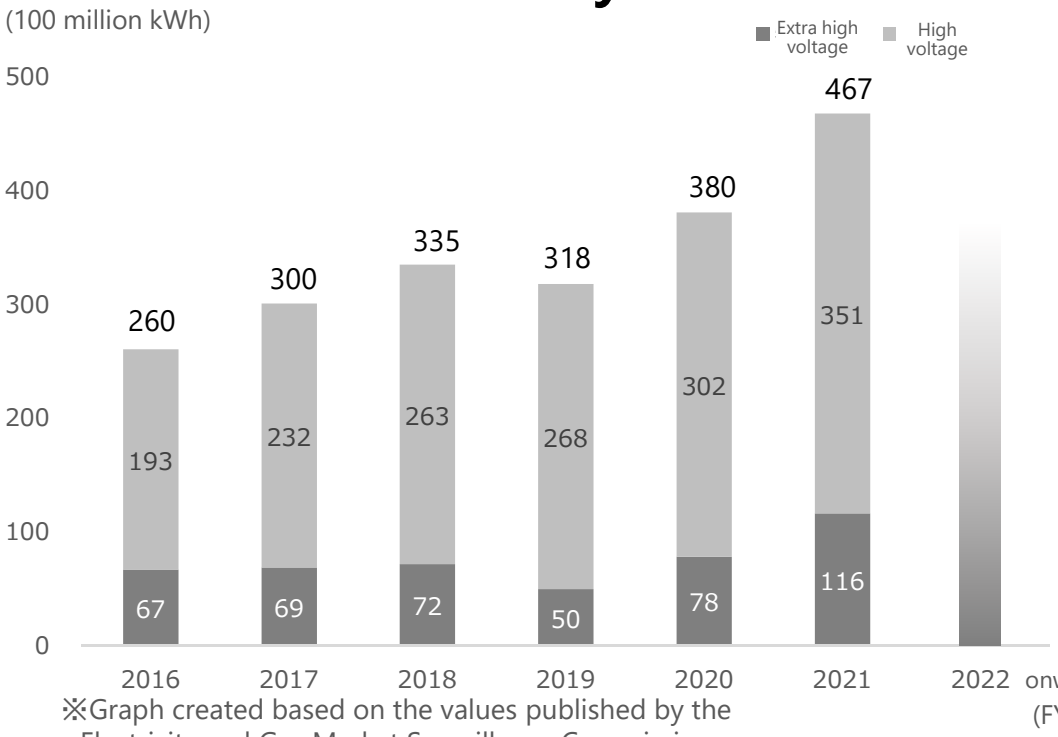




1-2. Background of the Electricity Rate Plan Revision (Increased competition and fluctuations in demand in the Kanto region)

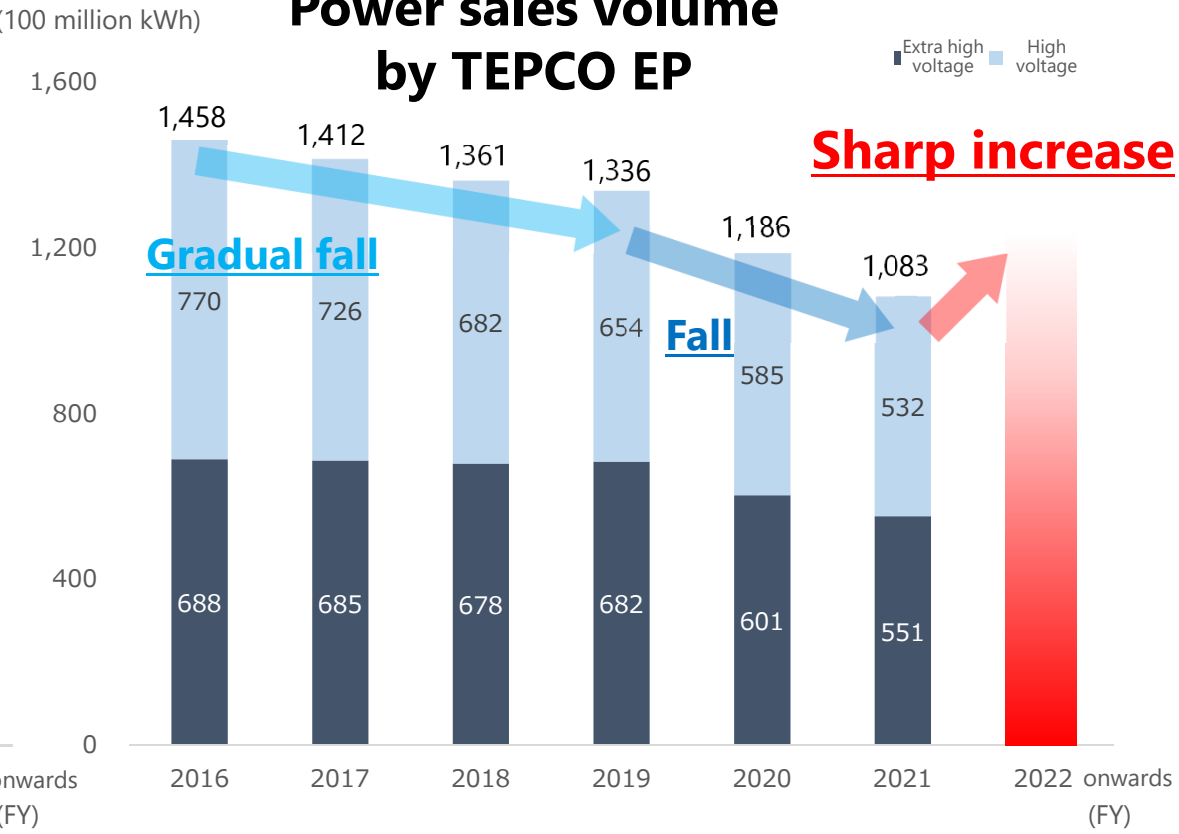
- The Tokyo area is the largest market in Japan by a large margin, comprising 30% of the demand for Japan. It is very competitive market with new power producers and suppliers (PPSs) holding 30%, or 46.7 billion kWh by volume, of the market in FY2021
- Meanwhile, in the short-term, we are facing large fluctuations in the power sales volume. Requests for extra-high and high voltage plans especially have been increasing sharply against a background of drastic changes in the wholesale electricity market prices fluctuate and the competitive environment

Power sales volume by new PPSs in the Tokyo area



※Graph created based on the values published by the Electricity and Gas Market Surveillance Commission

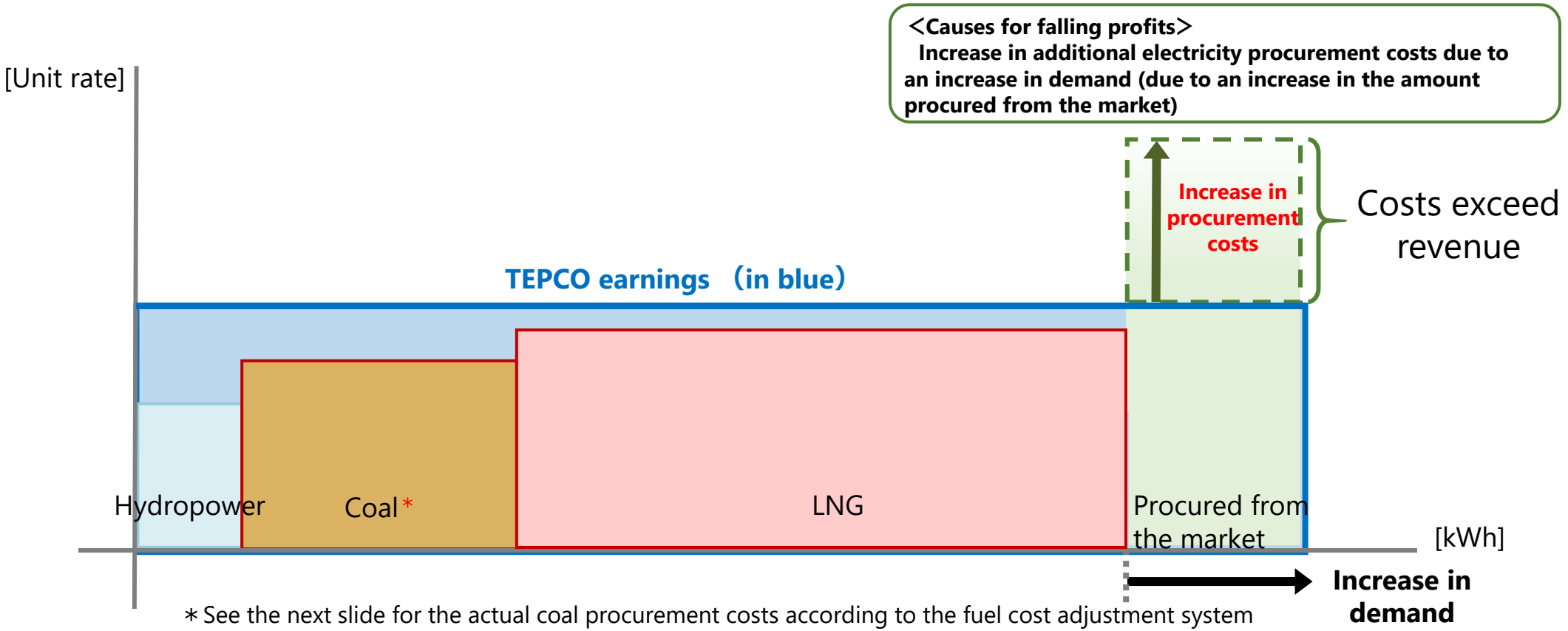
Power sales volume by TEPCO EP



1-3. Background of the Electricity Rate Plan Revision (TEPCO EP earnings structure and the cause of falling profits)

- TEPCO EP procures some of its power from the JEPX, but as shown below, the cost of procuring electricity from JEPX is exceeding the revenue from the electricity procured from it, negatively affecting our earnings
- Although the number of applications for EP contracts from customers who are not able to sign electricity contracts with other places is on the rise, and the increase in procurement from the market and other costs is putting pressure on EP's earnings, we will do our best to meet the demands of customers. To be able to sign with more customers, we need to be able to control increased the cost of procuring electricity which currently exceeds revenue

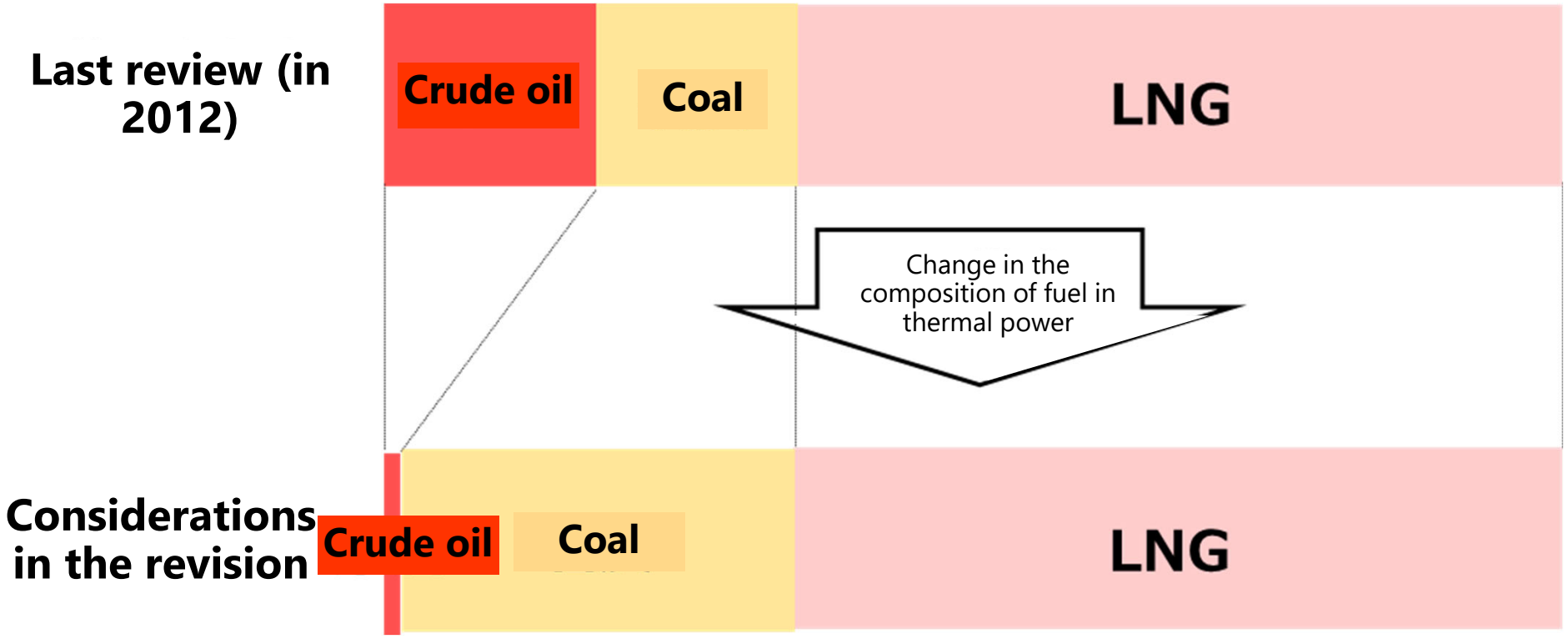
＜TEPCO EP's earnings structure＞



＊See the next slide for the actual coal procurement costs according to the fuel cost adjustment system

1-4. Background of the Electricity Rate Plan Revision (Change in the power procurement structure)

- Compared to when we last revised our price plans in 2012, the mix of the type of thermal power plants in our fleet have changed significantly. A larger proportion of electricity is currently generated by coal-fired thermal power compared to 2012
- Since the Great East Japan Earthquake, we had shifted our thermal power composition from crude oil-fueled plants to the latest coal-fired thermal power plants while still maintaining our fleet of high efficiency LNG-fired thermal plants to maintain the balance of consideration for the environment, price competitiveness and price stability. However, with the recent rise in coal prices, maintaining price stability has become difficult



1-5. Background of the Electricity Rate Plan Revision (TEPCO Group management streamlining efforts)

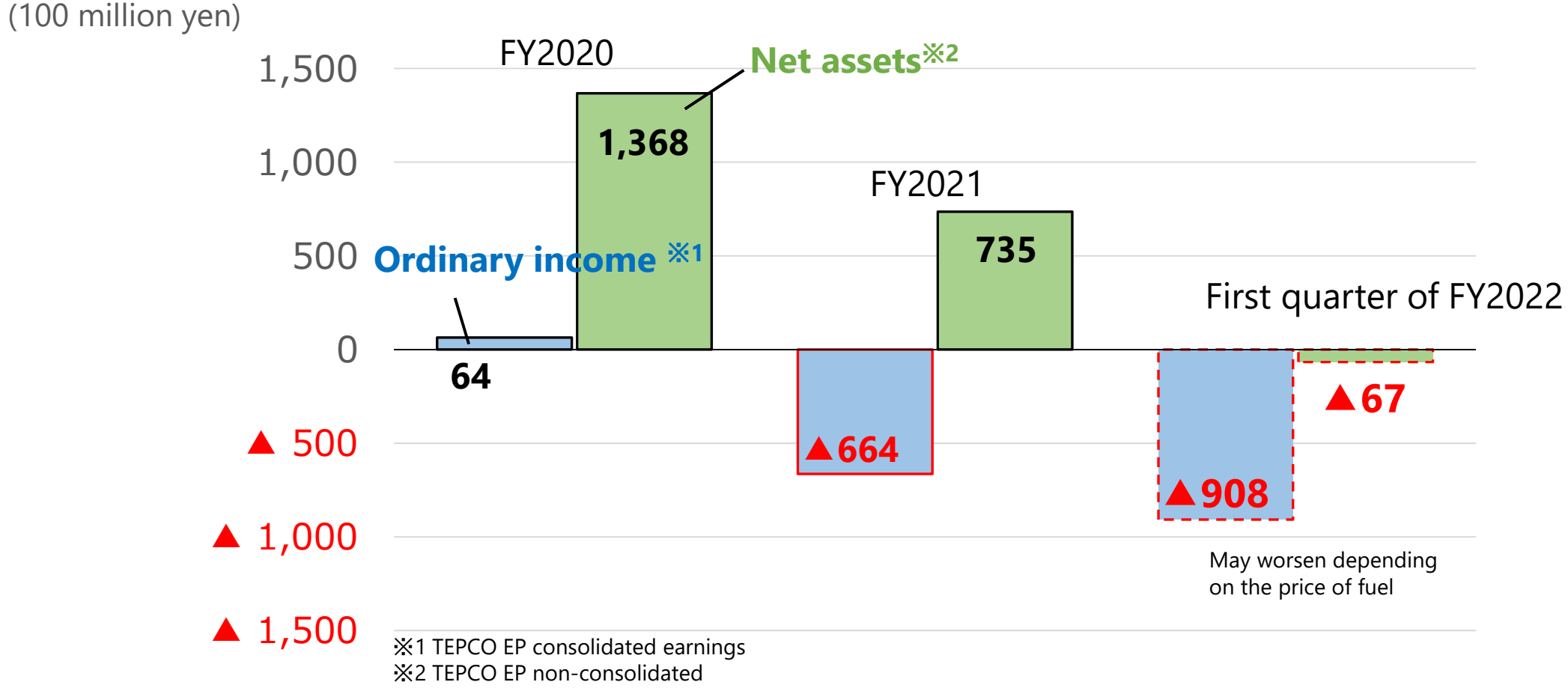
- The extra-high voltage and high voltage price rate plan revision of 2012 reflected ¥276.5 billion/year cost cuts that were planned for the next 10 years
- Management streamlining through KAIZEN activities and procurement reform have allowed TEPCO to cut costs by ¥ 6 trillion 946.8 billion, exceeding the ¥ 3 trillion 365 billion that were planned to be cut over a 10 year time span in the Comprehensive Special Business Plan developed in May 2012.
- TEPCO EP since it was spun off from TEPCO in FY2016, has achieved a total of ¥430.3 billion (average of ¥71.7 billion/year) of cuts.

Item		Efforts	Costs reduced
Further streamlining from 2012 (last revision of price plans)	Labor costs	✓ Cut costs through reducing salaries, downsizing employees, reviewing the employee benefits and employee retirement benefits plans	**¥1 trillion 768.1 billion**
	Repair costs	✓ Revised construction plans, discontinued or changed the timing of inspections using improved maintenance methods that leverage digital technology ✓ Reformed procurement by reducing costs in collaboration with contractors and manufacturers, using the same specifications as other utilities, as well as introducing bidding in transactions between subsidiaries and others ✓ Improved construction efficiency by expanding kaizen measures among group companies	**¥1 trillion 467 billion**
	Fuel costs/electricity procurement costs from other utilities (reflects JERA's succession of existing thermal power generation business)	✓ Cut costs by reducing fuel costs, procured electricity costs and other "unit prices" as well as streamlining "volume" by reducing the time spent on periodic inspections at high efficiency LNG-fired and coal-fired thermal power plants, using economically efficient power sources and JPEX	**¥1 trillion 955 billion**
	Capital investment related expenses (depreciation costs)	✓ Radically revised the investment plan by honing in on equipment to invest in and focusing investments ✓ Reduced costs through procurement reform (e.g., introducing bidding, using the same specifications as other utilities) and streamlining construction through kaizen activities (similar to repair costs)	**¥315.9 billion**
	Others	✓ Cut various costs by radically reforming the ordering methods and transaction structure between subsidiaries and other contractors ✓ Reduced costs by standardizing operations and centralizing authority	**¥1 trillion 440.8 billion**

Results of streamlining	
Target amount to be cut in the Comprehensive Special Business Plan (May 2012) (Total from FY2012～2021)	¥ 3 trillion 365 billion
Results of streamlining from FY2012～2021	**¥ 6 trillion 946.8 billion (average ¥694.7 billion／year)**

1-6. Background of the Electricity Rate Plan Revision (TEPCO EP financials)

- TEPCO EP was in the red for FY2021 and the first quarter of FY2022 due to increased electricity procurement costs and a competitive business environment
- TEPCO EP's balance sheet had been worsening over the years. The situation worsened due to the recent rise in price of resources across the globe. By the end of June 2022, debts had exceeded assets by ¥6.7 billion, and in the end of August, it was decided that capital will be increased by ¥200 billion as a stop gap measure
- To keep on providing a stable supply of electricity, we need to revise the Extra High-voltage and High Voltage Plans, which face large fluctuations in cost of procurement and in demand, to more robust plans that can flexibly withstand changes in the market environment



※1 TEPCO EP consolidated earnings
※2 TEPCO EP non-consolidated

2. Overview of the Electricity Rate Plan Revision

- The following three changes will be made in this revision

①Introduction of a new mechanism to adjust for market price fluctuations to the existing fuel cost adjustment system

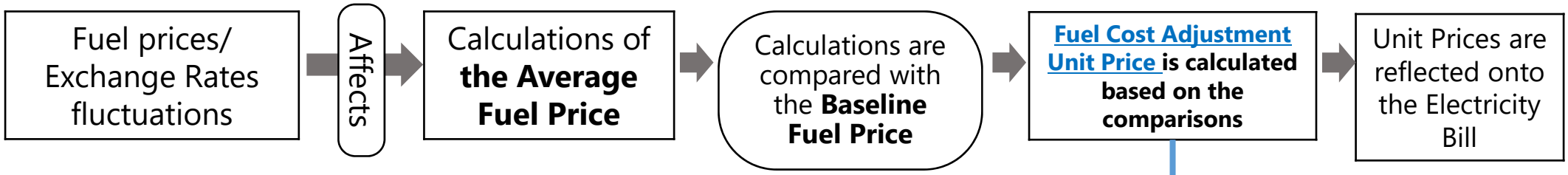
②Revision of the unit price of the standard rate plan

③Reflecting changes in wheeling charges that comes with the introduction with the new wheeling revenue cap system

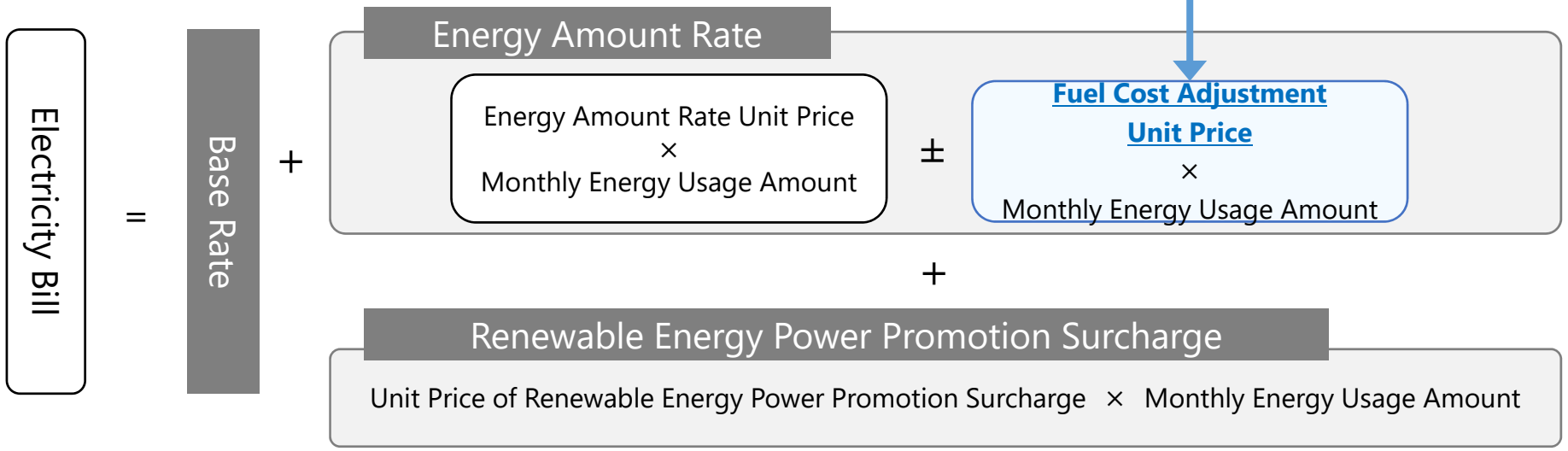
2-2. Overview of the Electricity Rate Plan Revision (On the current fuel cost adjustment system)

- The fuel cost adjustment system is a mechanism that automatically reflects the fluctuations in the price of fuel (crude oil, LNG and coal) onto the monthly electricity bill
- Every month, the average fuel price is calculated based on the three-month average of crude oil, LNG, and coal price in trade value statistics. The difference between this average fuel price and the baseline fuel price, the latter of which is set based on a fuel price that is the foundation for the current rate plans, is then converted into the Fuel Cost Adjustment Unit Price which is reflected onto the consumer's electricity bill

①Mechanism of the fuel cost adjustment system

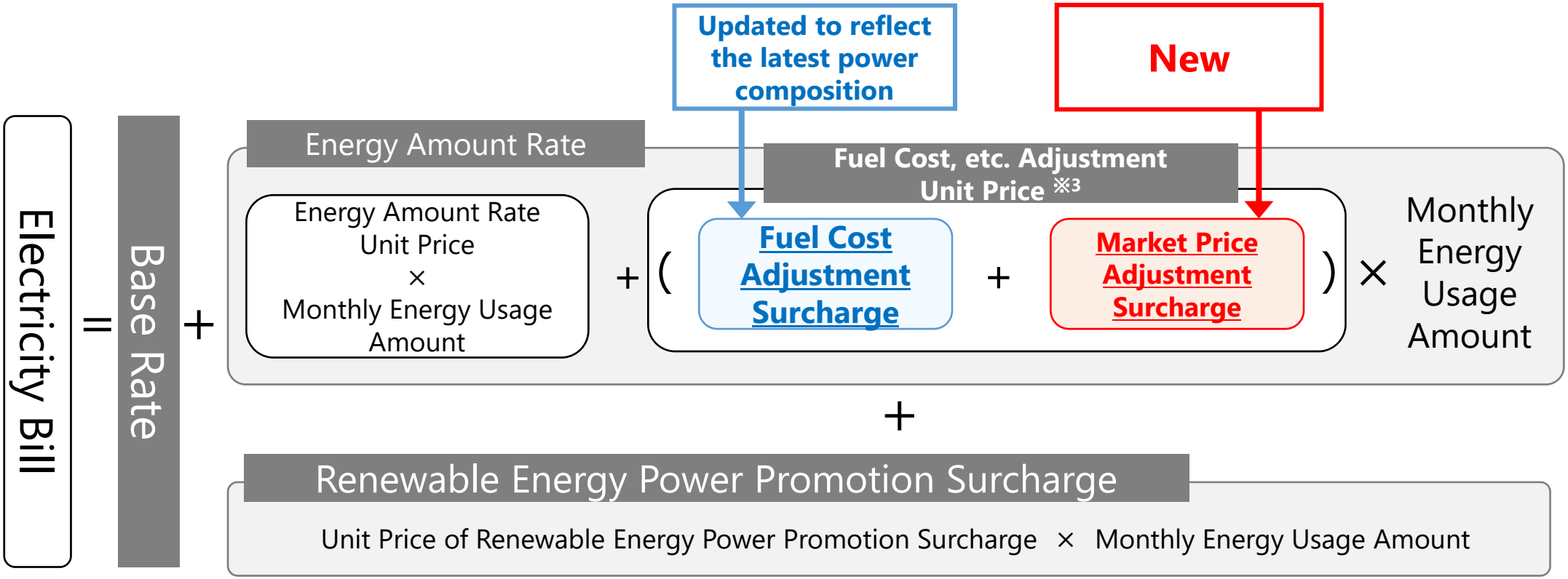


②How the fuel cost adjustment unit price is reflected onto the electricity bill



2-3. Overview of the Electricity Rate Plan Revision (Introduction of the market price adjustment surcharge)

- The power source composition and the fuel price in the fuel price adjustment surcharge※1 will be updated to the latest values to reflect the large change in conditions since the last revision of Extra High-voltage and High voltage Plans in 2012 (See the BLUE letters in the diagram)
- The new market price adjustment surcharge will be introduced to swiftly reflect the fluctuations of spot prices in the JPEX※2 onto energy amount rate (See the RED letters in diagram)
- The existing fuel cost adjustment system will be revised to the fuel cost, etc. adjustment system by combining the fuel cost adjustment surcharge and the market price adjustment surcharge



※1 The fuel cost adjustment surcharge will be equivalent to the existing fuel cost adjustment unit price.

※2 The spot price to be used will be the price published by the JPEX for the supply area that the customer is drawing power to. If this price cannot be used for some reason, TEPCO EP will decide on a price based on the baseline market price.

※3 The unit of fuel cost, etc. adjustment unit price will be rounded off to the nearest 0.1 yen. The fuel cost adjustment surcharge and market price adjustment surcharge will not be rounded up or down.

2-4. Overview of the Electricity Rate Plan Revision (Introduction of the market price adjustment surcharge)

- The **market price adjustment surcharge** will be calculated by multiplying the **baseline market unit price** with the difference between the monthly **average market price** and the **baseline market price**.
  - ① **Baseline market price：** Baseline value to measure price fluctuations for the market price adjustment surcharge, determined based on the spot price from July 2021 to June 2022
  - ② **Average market price：** Weighted average of the all-day and mid-day spot price※1 during the period
  - ③ **Baseline market unit price：** Amount of the fluctuation price per kWh generated when the average market price increases or decreases by ¥1 per kWh
  - ④ **Conversion coefficient δ1, δ2：** The energy usage ratio for all day and mid-day respectively in power procured from JPEX and power procured from other market transactions (including purchased FIT electricity)

New component

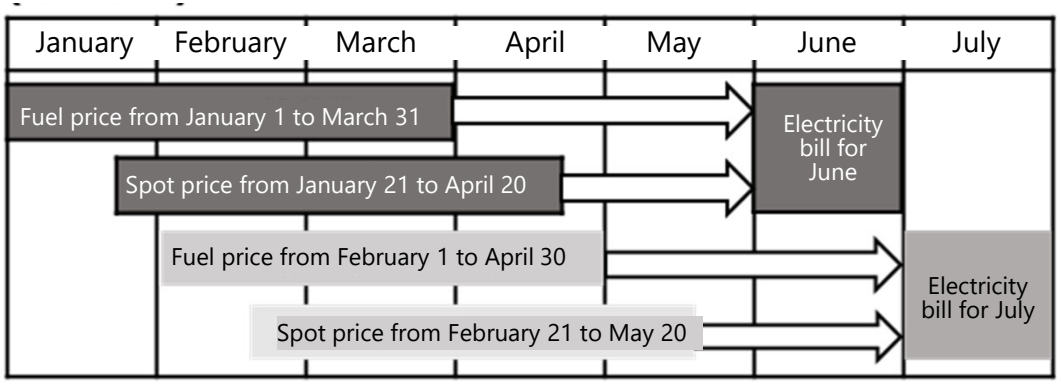
Market Price Adjustment Surcharge = (**Average market price**② − **Baseline market price**①)× **Baseline market unit price** ③

[Fluctuates every month] [¥ 17.44] High-voltage : ¥ 0.337 Extra High-voltage : ¥ 0.328

Average market price② = *XX.XX* [yen per kWh] × 0.6566 + *XX.XX* [yen per kWh] × 0.3434

All day unit price — **δ1**④ **Conversion coefficient (All-day)** — Mid-day unit price — **δ2**④ **Conversion coefficient (Mid-day)**

For illustration purposes only



The new fuel cost, etc. adjustment unit price for each month is calculated based on the three-month fuel price and the spot price. The fuel price is reflected in the electricity bill two months later and the spot price in the bill 90 days later.

※1：The all-day spot price is the simple average of the spot price from 12 am of that day to 12 am the next day. The mid-day spot price is the simple average of the spot price from 8 am to 4 pm.

2-5. Overview of the Electricity Rate Plan Revision (Data used to calculate the fuel cost, etc. adjustment unit price)

- The numbers used to calculate the fuel cost adjustment surcharge will be revised as follows. The numbers use to calculate the market price adjustment surcharge is also shown below.

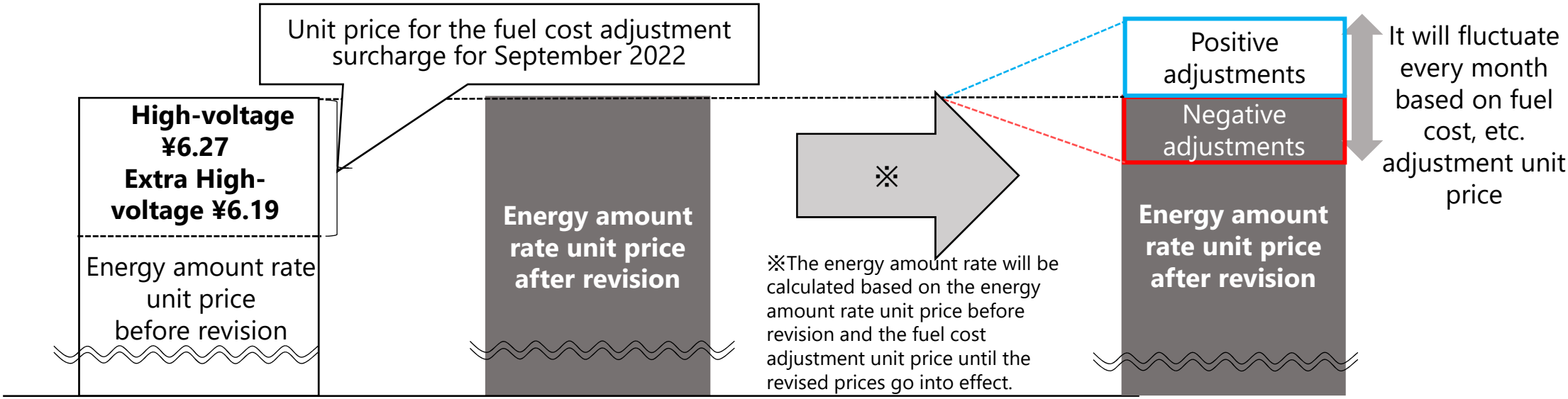
	Item		Current	Revised
Fuel Cost Adjustment Surcharge	Baseline Fuel Price		¥44,200/kl	¥64,900/kl※1
	Baseline Fuel Unit Price※2	High-voltage	¥0.224/kWh	¥0.150/kWh
		Extra High-voltage	¥0.221/kWh	¥0.145/kWh
	Conversion Coefficient	α(Crude oil)	0.1970	0.0033
		β(LNG)	0.4435	0.4001
		γ(Coal)	0.2512	0.6241
Market Price Adjustment Surcharge	Baseline Market Price		-	¥17.44/kWh
	Baseline Market Unit Price	High-voltage	-	¥0.337/kWh
		Extra High-voltage	-	¥0.328/kWh
	Conversion Coefficient	δ1（All-day）	-	0.6566
		δ2（Mid-day）	-	0.3434

※1 Calculated based on the trade statistics from April to June 2022
※2 Equivalent to the existing baseline unit price

2-6. Overview of the Electricity Rate Plan Revision (Revision of the standard rate plan unit price)

- At the time of announcement of the revision, the energy amount rate unit price will be equivalent to the current rate. The revised energy amount rate unit price (before the fuel cost, etc. adjustment unit price is reflected onto it) will be the energy amount rate unit price before revision (before the fuel cost adjustment unit price is reflected onto it) plus the fuel cost adjustment unit price applicable to September 2022 (See ① in the diagram below)
- The fuel cost, etc. adjustment unit price will then be added to calculate the energy amount rate(See ② in the diagram below)

＜Energy amount rate unit price before and after revision, and the impact of the fuel cost, etc. adjustment unit price＞



Before revision
(Energy amount rate unit price + Fuel cost adjustment unit price)

After revision （①）
(Energy amount rate unit price after revision)

After revision （②）
(Energy amount rate unit price after revision + Fuel cost, etc. adjustment unit price)

Price for September 2022

At the time of the announcement

After April 2023

2-7. Overview of the Electricity Rate Plan Revision (Impact on customers, Model estimates)

- Future fuel prices and spot market prices are difficult to assume due to their nature
- The table below, which is for reference only, shows the impact of the rate revision, which is estimated under certain conditions (hereinafter referred to as "estimation conditions"). Please note that the customer's burden may increase or decrease depending on the trend of fuel prices and spot market prices

Assumptions

<Average fuel price>
Used the nine digit preliminary figure in the trade statistics for July 2022

Price before the revision	¥88,200/kl
Estimates for scenarios Ⅰ through Ⅲ	¥82,500/kl

<Average market price (yen per kWh)
Scenario Ⅰ 32.29 yen (Used the actual spot price from July 21 to August 20, 2022)
Scenario Ⅱ 50.00 yen
Scenario Ⅲ 15.00 yen

- ✓ Includes consumption tax, the fuel cost adjustment surcharge (before revision) and the fuel cost, etc. adjustment surcharge
- ✓ Does not include the renewable energy power promotion surcharge
- ✓ Power factor is assumed to be 100%
- ✓ Does not include the effects of the revision of the Wheeling Service Provisions

(Unit: ¥10,000)

			Price before the revision (Monthly)	Price after the revision (monthly)		
				Scenario Ⅰ (recent historical figures)	Scenario Ⅱ	Scenario Ⅲ
				Average market price (yen per kWh)		
				32.29 yen	50.00 yen	15.00 yen
High-voltage (Voltage 6kV)	**Commercial electricity** Small to mid sized supermarkets and offices	Contract demand 150kW Monthly energy usage amount 33,000kWh	110	123 +12.2%	143 +30.2%	104 ▲5.3%
	High-voltage electricity (By season and time of day) Factories	Contract demand 1,300kW Monthly energy usage amount 520,000kWh	1,499	1,710 +14.0%	2,020 +34.8%	1,407 ▲6.1%
Extra High-voltage (Voltage 60kV)	**Extra High-voltage electricity A (By season and time of day)** Department stores and large scale office buildings	Contract demand 4,000kW Monthly energy usage amount 1,600,000kWh	4,408	5,030 +14.1%	5,960 +35.2%	4,123 ▲6.5%
	Extra High-voltage electricity B (By season and time of day Factories	Contract demand 6,000kW Monthly energy usage amount 2,400,000kWh	6,555	7,489 +14.2%	8,883 +35.5%	6,128 ▲6.5%

2-8. Overview of the Electricity Rate Plan Revision (Reflecting the wheeling revenue cap system onto prices)

- In addition to the electricity rate plan revisions announced here, further review is planned from April 1, 2023, to reflect the change (rate revision※1 from October 1, 2021 and scheduled for effective※2 in April 2023) of the Wheeling Service Provisions of TEPCO Power Grid, Incorporated (hereinafter TEPCO PG) onto our unit prices
- Details will be announced separately once changes to the Wheeling Service Provisions are finalized

＜Changes in the unit price given the introduction of the wheeling revenue cap system (projection)※3＞

	Change in unit price (projection)
High-voltage	¥0.42
Extra High-voltage	¥0.17

※1 Raised by ¥ 0.03 per kWh of power used on October 1, 2021 and onward (The new price was set in response to the notice from the METI Minister pursuant to Article 45-21-2 and 45-21-5 of the Enforcement Regulations for the Electricity Business Act, and the end of reserves according to the Article 3-3 of the supplementary provisions for the Spent Nuclear Fuel Reprocessing Fund Act)

※2 Prices will be revised to reflect the revenue cap system, the new wheeling charge system to be introduced in FY2023 to balance cost efficiency with ensuring general transmission and distribution operators can secure invest as necessary into increasing the resilience of electrical equipment to address the various changes in the environment from responding to extreme natural disasters, turning renewables into a main power source and the increasing network resilience

※3 Reference values (without tax) calculated by TEPCO PG that follow the Rules for Calculating General Transmission and Distribution Operator Wheeling Service Provisions
https://www.tepco.co.jp/pg/company/press-information/press/2022/1663498_8617.html

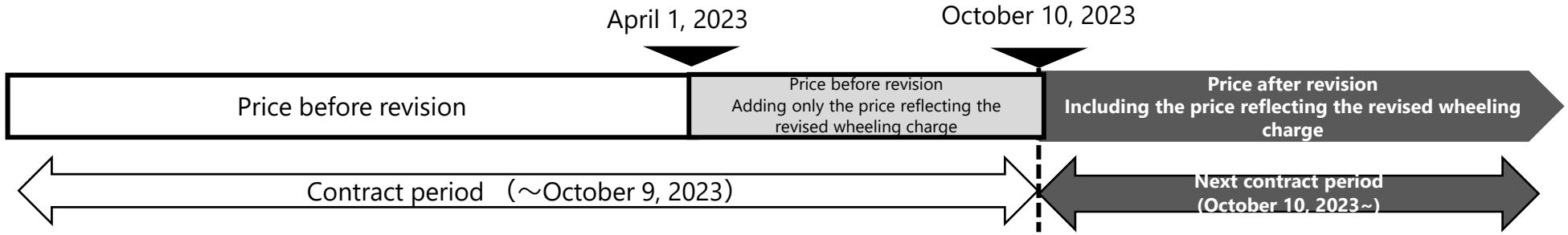
2-9. Overview of the Electricity Rate Plan Revision (When the new rates will be applied)

- For customers whose contract period will expire on or after April 1, 2023 (includes the rate application period, the same hereinafter), the new rates will come into effect from the next contract period (Example 1)
- For customers whose contract period will expire from December 31, 2022 to March 31, 2023, the new rates will be applied from April 1, 2023 (Example 2)
- The new unit price that reflects the changes in wheeling charges that come with the introduction of the wheeling revenue cap system will be applied on April 1, 2023 for all customers regardless of their contract period

※Customers signing a new electricity contract after this notice is published will be signed on with the revised rate starting April 1, 2023

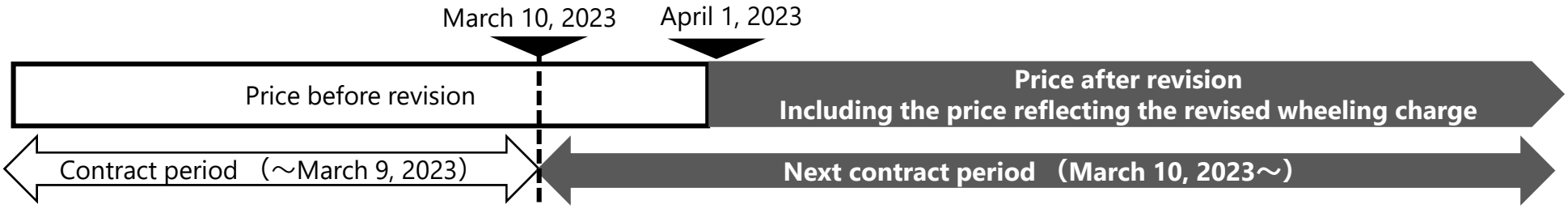
Customers with a contract period ending on or after April 1, 2023

(Example 1) If the contract period expires on October 9, 2023



Customers with a contract period ending between December 31, 2022 to March 31, 2023

（Example 2） If the contract period ends on March 9, 2022



2-10. How to inform customers of Extra High-voltage/High-voltage

＜Customers who currently have an electricity contract with TEPCO EP＞

- Starting the first half of October, we will start notifying our customers of the revision of electricity rates in letter form by mail
- We will also be visiting or calling our customers to explain in person. Please wait for us to contact you for a detailed explanation
- We will set up a dedicated phone number to carefully respond to all your inquires

  ※The dedicated line will be listed in the letter and on the TEPCO EP website
- A dedicated website will launch at 10 am September 21 on the TEPCO EP website. Please refer to it as needed

  https://www.tepco.co.jp/ep/corporate/plan_h/minaoshi.html

※We will not require a cancellation fee from customers who wish to terminate their electricity contract due to this rate revision

＜Customers seeking to switch to TEPCO EP＞

- For customers currently contracted under other retail operators or TEPCO PG who wish to switch to TEPCO EP after April 2023, we will restart discussions based on the revised rate plans after today. (Please note that if you are considering switching to TEPCO EP during FY2022, contracts will be based on the market-linked rate plan until the end of FY 2022)
- We will be announcing application methods and necessary documents on our website in mid-October. We will be checking each application in order, and the contract will be effective only when TEPCO EP demonstrates clear intent to supply electricity. We thank you for your patience

3. Efforts to Reduce the Burden on Our Customers

3-1. Efforts to Conserve Energy and Save Electricity for the Summer of FY2022

- Thank you for participating in the various energy conservation and saving electricity initiatives this summer

（For corporations）

- The new demand response (hereinafter DR) plan received approx. 10,000 applications. There was a demand response of approx. 17M kWh during the tight power supply demand of late June from new and existing customers

（For households）

- “TEPCO Energy Conservation Program” was launched in July. Approx. 330,000 people※1 have participated in the Saving Electricity Challenge, and the estimated total amount of electricity saved by participants who have earned points is approx. 1.8M kWh※2

※1 As of September 11
※2 Total as of September 1

3-2. Efforts to Support Energy Conservation and Saving Electricity for the Winter of FY2022 (For corporations)

- This winter, we will launch new rate plans to promote energy conservation and subsidize cleaning of air conditioning units to reduce our customers' electricity bills
- We will aim to save 2.8 billion kWh※2 of electricity (total of electricity saved from July 2022 to March 2023) by working jointly with government subsidy programs※1

※1 METI "Energy Efficiency Promotion Measures"

※2 Effect of the saving electricity measures including those for households (Slide 24)

＜Overview of Measures to Support Energy Conservation and Saving Electricity for FY2022 Winter＞

Support measures	Details
Energy Diet Plan	An energy conservation plan that gives discounts based on the amount of energy conserved by the customer
Subsidize cleaning of air conditioning unit	As a measure to support customers to continuously improve saving electricity effects, TEPCO subsidizes part of the cleaning fees for the commercial air conditioning units
Energy management	Support for installation of equipment that enables visualization of electricity consumption for efficient use of electricity

＜Scenarios for reducing the burden of customers＞

			Reduction in electricity bills due to saving electricity※1	Discounts under the Energy Diet Plan (monthly)※2	Subsidy for cleaning air conditioning units※3
High-voltage (Voltage 6kV)	**Commercial electricity** **Small to mid sized supermarkets, offices**	Contract demand 150kW Monthly Energy Usage Amount: 33,000kWh	▲¥40,000	▲¥10,000~	¥30,000 to 45,000
Extra High-voltage (Voltage 60kV)	**Extra high voltage electricity B (By season and time of day)** **Factories**	Contract demand 6,000kW Monthly Energy Usage Amount: 2,400,000kWh	▲¥2,860,000	▲¥660,000~	

※1 Reduction calculated based on the July electricity bill (including the fuel cost adjustment surcharge and the renewable energy surcharge) for a customer who saved electricity by 5%
※2 If the discount is ¥5.5 per kWh. The unit price may rise depending on market conditions
※3 When one outdoor unit and two indoor units are cleaned

3-3. Efforts to Support Energy Conservation and Saving Electricity for the Winter of FY2022 （For households）

- We will expand "the 2022 TEPCO Energy Conservation Program". We will start a new initiative and points will be awarded based on the amount of electricity saved, calculated by comparing energy usage with the same month of the previous year
- A campaign to encourage cleaning of air conditioning units in households will also be launched to increase power conservation efficiency

＜Overview of the FY2022 Winter Energy Conservation Program＞

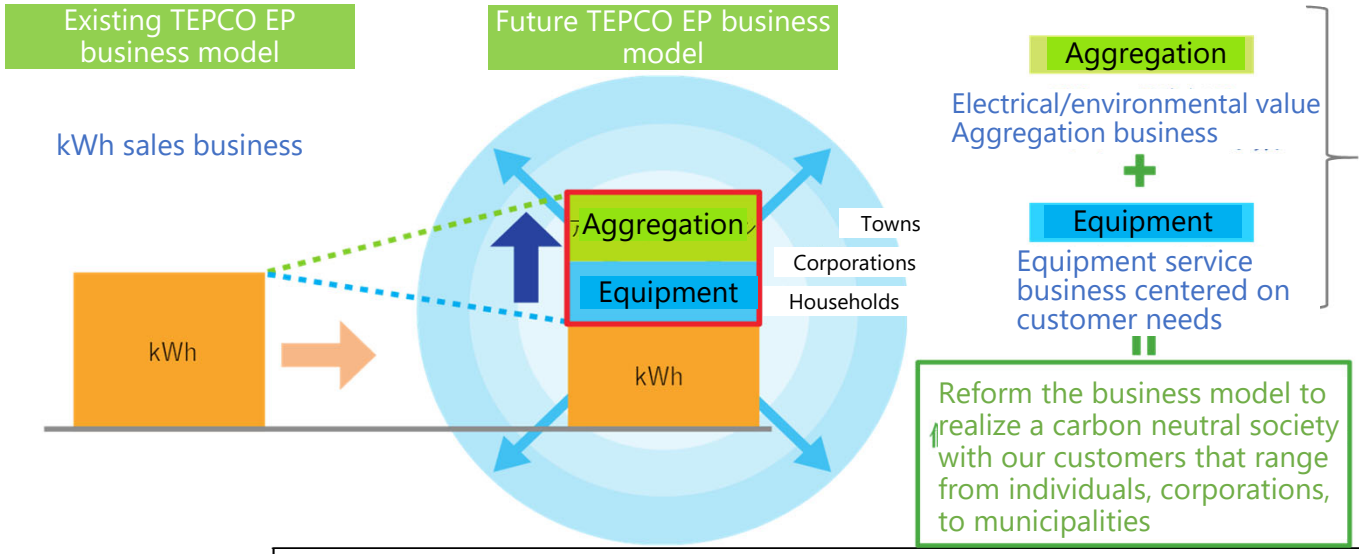
Initiative		Details
Saving Electricity Challenge	①	Award points to customers who save electricity during times specified by TEPCO EP according to the amount of electricity saved ・Award more than 5 points per kWh saved ・Award 100 points for the first 0.01kWh saved 【Campaign period: July 1, 2022 to March 31, 2023】
	NEW ②	Award more than 40 points each month to customers who have saved electricity by 3% or more when comparing energy use to the same month of the previous year 【Campaign period: Bill calculation period from December 2022 to March 2023】
NEW **Air conditioning unit cleaning campaign**		A campaign to encourage save electricity in households Give a 30% discount for specific air conditioning unit cleaning plans when the customer signs up from a dedicated website *No limits on the number of air conditioning units 【Campaign period: October 3, 2022 to January 31, 2023】

※The details of each initiative will be made available on the TEPCO EP website
※The "I'll conserve energy!" declaration campaign that had been launched in July 2022 will end as of November 30, 2022

3-4. Efforts to Support Energy Conservation and Saving Electricity after FY2023

- Starting in FY2023, we will start measures to support the introduction of equipment that helps realize a carbon neutral society with our customers to reduce our customers' electricity bill. We are considering that introducing this program as early as this fiscal year. Details to follow
- TEPCO EP will suggest saving electricity solutions to our customers aiming to conserve 6 billion kWh, equivalent to 3% of power sales volume, by FY2024

＜TEPCO EP Business Reform and Promotion System＞



＜Benefits for the customer＞

- ✓ Reduce energy costs through energy conservation and saving electricity
- ✓ TEPCO EP will provide support via environmental value and DR resources, so that our customers' equipment can create additional value

＜Scenarios＞

		Select equipment that will contribute to a carbon neutral society, introduce them to companies, the provide support for installation （Examples）	
Households		・Solar power generation ・High efficiency boiler ・Storage battery system, etc.	✓ Subsidize part of the service costs when new customers sign a EnerKari+ contract ✓ Provide additional support by adding a storage battery system
Companies	Commercial electricity Small to mid sized supermarkets, offices	・Solar power generation, storage batteries ・Air conditioning/boiler ・Freezer/refrigerator display case ・High efficiency motor ・Rotating equipment (pump, fan, etc.) ・Energy management, etc.	✓ Subsidize part of the updating costs for equipment deemed highly efficient out of the equipment to the left ✓ Introduce customers to national government and municipal subsidies programs ✓ Explain the additional benefits customers will gain from signing a DR contract
	Extra high voltage electricity B (By season and time of day) Factories		

3-5. Incorporating Nuclear Power in the calculation of new rate plan

- The early restart of nuclear power plants, as a source of low-cost and stable electricity, continues to be important for energy security and to ensure stable supply of electricity. Additionally the use of nuclear power is an effective means for controlling and stabilizing the cost of procuring electricity from the market, and for reducing the amount of electricity that needs to be procured from the market. However, TEPCO is not yet been able to provide a specific date for the restart.
- Meanwhile, we cannot shift all of the increase fuel prices and the cost of procuring electricity from the market onto our customer without considering the option of nuclear power generation. As such, 75% of the operation of Kashiwazaki-Kariwa Nuclear Power Station's Unit 7 is incorporated in the calculation of new rate plan for FY2023.
- This is not a projection of when the plant will be brought back online; merely that nuclear power will be taken into account when calculating the rate plan. TEPCO will continue to cooperate with the NRA's additional inspections and do our best in securing plant safety

<Reviewed rate plans incorporating nuclear power generation>