

Causes of and preventive measures against the wrong reports with regard to reporting obligation required by Clause 3 of Article 106 of Electricity Business Act (abridged)

1. Number of correction

Total: 1,129, as of June 3rd (1,335, as of June 7th)

(1) Failure to reflect the changes of contracts---153, as of June 3rd
(217, as of June 7th)

Failure to reflect precisely the changes of electricity contracts such as new application, removal of electric equipment, or contract demand changes.

(2) Difference of standard value due to miscalculation---730, as of June 3rd (738, as of June 7th)

Miscalculation in the calculation formula of “designated value of power” in the notification document

(3) Failure of deliver of notification---246, as of June 3rd (333, as of June 7th)

Failure of deliver of notification due to failure to reflect mail addresses on the reporting list precisely

(4) Common facilities / non-collateral facilities---0, as of June 3rd (47, as of June 7th)

Failure to confirm the precise numbers of the customers and miscalculation of measured value among some of the customers with regard to common facilities and non-collateral facilities (facilities of separate contracts for office use within the same site of industry contracts customers)

2. Current status

In each case, we have informed and contacted all of the above customers, apologized, and explained the correct information to them.

3. Causes

-In each case, instructions from the head office to the branches to make reporting lists were not clear and the branches were not able to understand “what they should check” and “how they do it” well.

-The head office did not check the contents the reports from the branches well

-The branches did not know the change about the way of calculation of standard value in “designated value of power

4. Preventive measures

-We make new reporting procedures between the head office and the branches in order to prevent any necessary information from being excluded and also make rules to check if the established procedures are complied with when we inform and receive information.

- When reporting, several groups double-check the contents with each other before reporting and managers surely see confirm the double checking is really secured, which guarantees the preciseness of the reporting.

END