



The transformation facility in Enobi

Currently, construction is underway on the 7.6km Enobi Trunk Line, which will link up the Kin Power Station with OEPC's network, and will be completed by fiscal 2001 along with all necessary transformer facilities, in preparation for the new power station's start-up in fiscal 2002.

In readiness for the expected expansion of business in the telecommunications field in Okinawa Prefecture, OEPC is drawing up a plan for the efficient laying of a network of fiber-optic cables by utilizing its existing power transmission and local power distribution networks.

Marketing Activities

The Company has been tackling two priority tasks — to respond effectively to the partial liberalization of electric power sales as of March 2000, and to promote load leveling both between seasons and between daytime and nighttime.

Deregulation has brought the Japanese electric power industry to a historic crossroads, and OEPC is no exception. To weather the coming crisis, we have already taken steps to improve our management efficiency with even greater thoroughness than hitherto, have designed menus of electricity charges that cater to the diverse needs of our customers, and have taken stronger measures to reduce average charges.

Regarding load leveling, during the term we carried out marketing activities to promote the use of home-use electric water heaters that utilize less expensive nighttime electricity. For offices and other commercial premises, we promoted air-conditioning systems that create ice using inexpensive power at night, subsequently utilizing it for cooling during the day, as well as energy-saving vending machines. We were particularly successful in promoting the spread of electric water heaters, ownership of which increased by 37.8% over the previous term, thanks in part to our rental system. We deployed “mobile

showrooms” throughout the prefecture to introduce consumers not only to electric water heaters but also to electric cookers and dishwashers. These vehicles — containing mockups of residences filled with such electric appliances — touted the advantages of electricity in terms of safety and convenience. In this, and many other ways, we conducted marketing activities closely tailored to the preferences and needs of consumers in Okinawa.

In the current term, ending March 2001, we intend to conduct further research into the system and electricity rates menus for deregulated supply areas, as well as taking steps to obtain an accurate grasp of the status of power usage in areas that are still regulated. We also aim to design a flexible and diversified rates menu that will enable us to compete successfully with new entrants into the power utility field.

We also plan more active disclosure of our business activities, including an expanded Internet website, to foster greater understanding of the Company among the public. We will utilize conventional marketing methods and a wide variety of tools to create an extensive database that accurately reflects our customers' views and desires, and will ensure that these findings are reflected in our management strategies.

Preservation of the Environment and Utilization of New Energy Sources

A utility company bears a heavy responsibility to help preserve the environment. Based on its Environmental Preservation Action Plan and under its own initiative, OEPC is directing its technical know-how from a variety of angles and with maximum effort toward achieving harmony between its business activities and the environment at all its offices, power stations and other sites.

In February 1999, the Ishikawa Power Station acquired ISO 14001 certification, the international standard for environmental management systems, and we are currently bending our efforts toward obtaining the same certification for our Gushikawa and Makimino power stations within fiscal 2000. With regard to the emission of greenhouse gases, notably CO₂ and NO_x, in response to the specific targets set for the industrialized countries for reductions in emission volumes, we have established the Global Environment Committee, which is charged with finding optimal means of preventing damage to the environment.

Topic

Naha Branch Moves to Okiden Naha Building



The ten-story Okiden Naha Building in the Okinawan prefectural capital of Naha was completed in the term under review and OEPC's Naha Branch moved in on October 15, 1999. A celebration ceremony attended by many guests was held in November.

Topic

New-Energy Hybrid Generation System Installed on Hateruma and Tarama Islands



The system in question combines wind-powered generation with storage batteries and diesel-powered generators. Thanks to the Company's recent development of an automatic control system, variations in output caused by fluctuations in wind strength can be prevented, thus obviating any adverse effect on the whole system's voltage or frequency and ensuring a stable supply of power.