

Meeting diverse needs

At OEPC, we respond to a variety of needs. We put a high priority on listening and responding to our customers' views and requests, and try to respond to customers' needs quickly and appropriately to provide services that will satisfy them.



Comfortable all-electric homes on the increase

Because they do not employ open flames, all-electric homes are safer, and with our special-discount Ee Plan electricity charge payment plan, they are also very economical. A large number of customers have been extremely satisfied with our all-electric homes, thanks to their unique combination of safety and comfort, and the number of homes switching over to the all-electric plan is rising year-by-year.

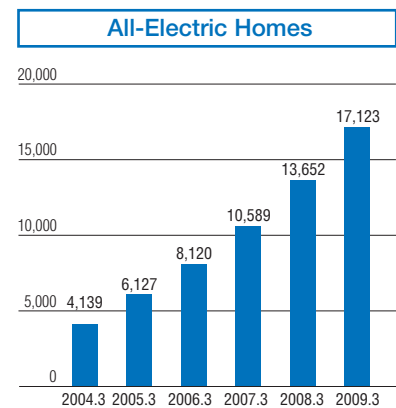
OEPC uses its Kaerupia all-electric showroom as well as all-electric home demonstration vehicles to display vividly to the public the advantages of all-electric homes. We also hold various sales promotion events and marketing campaigns.



Cooking lessons



The design used from October 2006 in OEPC's all-electric home promotional campaign



All-electric home demonstration vehicle

For our corporate customers

All-electric kitchens — safe and easy to clean

At OEPC, we are working to spread the word about the advantages of all-electric kitchens for restaurants, bakeries, and other commercial facilities. The absence of open flames makes stoves safer than those using gas or other fuels; they are cost-effective thanks to excellent heat efficiency at high power levels; and they are easier to keep clean and hygienic. These commercial kitchens conform to the principles used in the Hazard Analysis and Critical Control Points (HACCP) method, and make possible kitchens that boast what we call the “Four C’s,” i.e. they are cool, controllable, clean, and convenient. What is more, customers who sign the “Commercial Electric Kitchen Power Service Contract” can take advantage of lower electricity rates. To encourage the increased use of commercial all-electric kitchens, we hold regular seminars such as the “Commercial Electric Kitchen Seminar” to make their features more well-known to potential users.



Welfare facility with an all-electric kitchen

Ice-storage air conditioning systems ideal for Okinawa’s long, hot summer

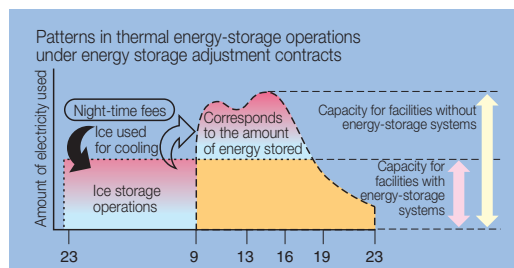
We encourage the use of ice-storage air conditioning systems that make use of low-cost nighttime electricity to produce and store ice or cold water, which is then used as a cooling source for air conditioning during the day. These clean, safe systems have no ignition devices, and our customers can take advantage of our lower electricity rates by signing a “Load Shift Contract — Heat Storage Type” with OEPC. In addition, the reduced daytime use of electricity leads to load leveling, thereby permitting effective operation.



Ice-storage air conditioning systems

Heat pump technology — a highly effective solution for energy conservation

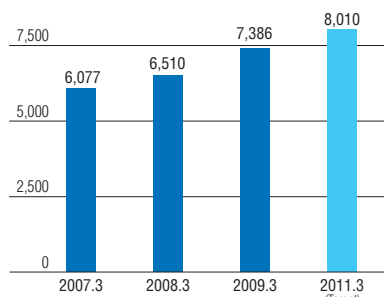
Heat pump equipment (air-conditioners and water heaters) efficiently pumps heat from the atmosphere for air-conditioning or heating water using less power. Heat pump technology enables users to obtain three to six times more heat energy than the electric power consumed in the process.



Electric power sold for use in office equipment

(Millions of kW)

10,000



Note:

Figures for commercial electric equipment (in units of 1MkWh) are totals for ice-storage systems, commercial electric kitchens and water heating systems.

Provision of fine-tuned services

Energy solutions

Responding to our customers’ desires, for instance for a safer and more comfortable daily living environment, or for reduced electricity costs, we have designed a menu of optimum electric power service payment plans, from which each customer can choose the one that best fits his or her particular lifestyle. We also propose electric equipment and systems that have different merits and will appeal to different customers. We strive to understand our customers’ needs by visiting our corporate customers and conducting surveys so we can operate our business from the viewpoint of our customers and maintain our undisputed position within Okinawa Prefecture as the premier supplier of electric power as well as related equipment and services.



A consulting session



Lower electricity rates

Okinawa Electric Power Company serves customers living on a large number of small islands scattered across a wide area. Moreover, because of the distance between the islands of the prefecture and the mainland of Japan, OEPC is unable to take part in the electric power-sharing system operated among Japan's other nine electric power utilities. Finally, with a total prefectural population of only around 1.4 million, OEPC's operational scale is the smallest of the ten Japanese power utilities, and it is thus unable to enjoy much in the way of economy of scale. Clearly, the Company labors under a number of handicaps, but ever since the establishment of OEPC, we have made it one of our prime targets to supply electricity to our customers at rates comparable with those on the Japanese mainland. To this end, we have done our best to lower our power supply costs, and we hope to achieve further electricity rate reductions in the future by adopting more efficient operational processes.

Efforts to reduce electricity rates

To enable our customers to share in the profits gained through greater operational efficiency, OEPC has reduced its average electricity rates charge 12 times since 1988 (including temporary reductions). The Company will continue its efforts to increase the efficiency of its operations and strengthen its financial standing to keep electricity rates at approximately the same level as they are on the Japanese mainland in the long run.



Makiminato thermal power station



Naha branch



Miyako branch

The liberalization of the electric power utility business

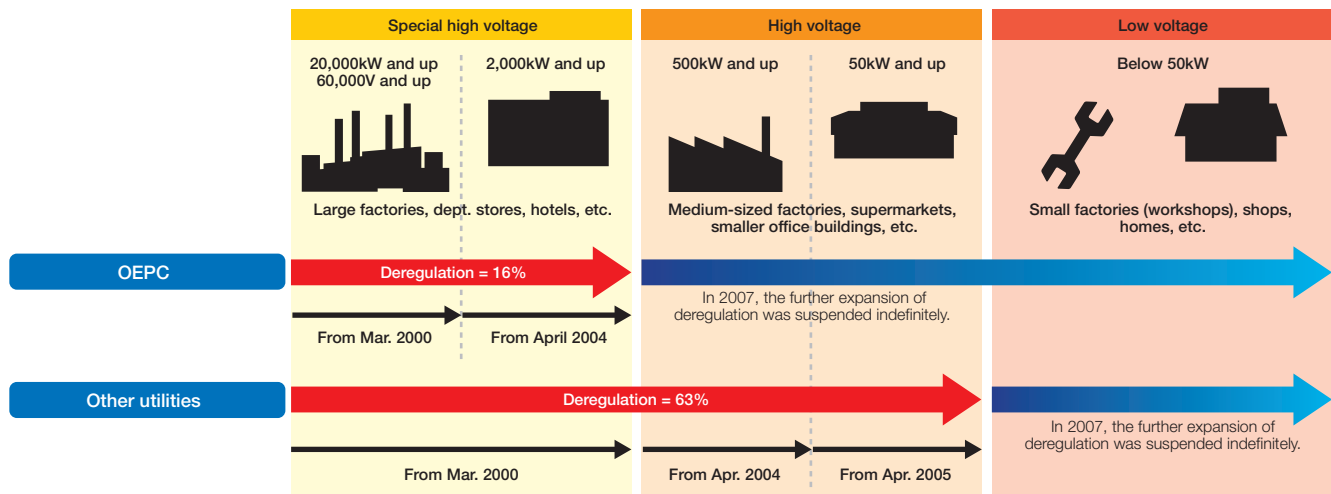
The deregulation of power supply within OEPC's service area is limited, in principle, to customers contracting to receive a minimum of 2,000 kilowatts which is supplied to them by OEPC's high-voltage transmission lines. Because of the difficulties, infrastructure-wise, of supplying power to the smaller islands of the prefecture that are remote from Okinawa Island, the scope available to private power suppliers to take advantage of the partial deregulation of the power supply system is rather limited by comparison with the other Japanese power utility companies.



The Scope of Electric Power Supply Deregulation

Retail market

OEPC is allowed a longer preparation period for deregulation than the other utilities.



* Percentage figures represent electricity sales within the scope of deregulation as a percentage of total electricity sales (year ended March 2007).

Wholesale electric power market

April 2005
Trading commences at Japan Electric Power Exchange

Independent power generation (IPPs)

Power generation by independent power producers (IPPs) is growing as a result of the following changes: The Electric Utility Industry Law was amended in 1995, guidelines were prepared for interconnected power supply systems, electric power companies created a menu for purchasing surplus electricity, and the government provided support for co-generation.