

March 27, 2008

Building LNG Terminal at Shin-Sendai Thermal Power Station

We have decided to build a new LNG terminal on the site of our Shin-Sendai Thermal Power Station (Minato 5-chome, Miyagino-ku, Sendai City).

We have one LNG terminal operating in Niigata Prefecture on the side of the Japan Sea. The new LNG terminal, which we will build on the Pacific side, will help us to diversify and stabilize the supply of fuel for our thermal power stations. This in turn will better prepare us for seismic risks and hazards, and also for potential emergencies caused by unusual climatic conditions that vary between the Pacific side and the Japan Sea side of the country.

Along with this plan to build an LNG terminal at our Shin-Sendai Thermal Power Station, the replacement project for No. 3 Series (950 MW class) in the same station will be rescheduled, with commercial operation to start about three years later than the original schedule, as follows.

Rescheduled start of commercial operation of No. 3 Series at Shin-Sendai

Previous (F/Y 2007 plan)	New (F/Y 2008 plan)
50% capacity: July 2013	July 2016
50% capacity: July 2015	July 2017

No. 3 Series will be powered by fuel from the new LNG terminal. The start of commercial operation was rescheduled as a result of our reviewing overall schedules for design and engineering of the LNG terminal facilities (storage tank, gasification systems, etc.), environmental assessment procedures, construction work, and so on.

Construction of the LNG terminal is scheduled to begin in January 2012, with completion and start of operation in July 2016, thus meeting the rescheduled start of 50% operation of No. 3 Series in the same station.

We will proceed to work out the detailed specifications and operation of the LNG terminal facilities.