

Commercial Operation Start of Hickory Run Thermal Power Plant in the United States of America

May 18, 2020

The Kansai Electric Power Co., Inc.

The Kansai Electric Power Co., Inc. (Kansai) is pleased to announce today that the Hickory Run Energy Center, LLC Power Plant (Hickory Run) has started commercial operation.

Hickory Run is a 1,000 megawatt (MW) thermal power plant toward which Kansai, Tyr Energy*¹ and Siemens Financial Services.*² jointly carried out investment and construction. Hickory Run supplies its generated electricity to the PJM (Pennsylvania-New Jersey-Maryland), the largest wholesale electricity market in U.S.

The plant is located in near North Beaver Township, Lawrence County in the Pennsylvania State, approximately 45 miles northwest of Pittsburgh. This is the first time for Kansai to participate in a green field power project in North America.

The commercial operation of Hickory Run followed a successful construction process. Quality control and schedule management played a crucial role during the construction period and this was an area to which Kansai paid particular attention. In order to optimise quality and efficiency, thermal engineers with extensive construction experience were dispatched to the site from Japan. With the addition of Hickory Run, the net capacity of Kansai's overseas power projects adds up to 2,606 MW.

In North America, the megatrend of de-carbonisation has been enhancing the competitiveness of natural gas and renewable energies due to their lower carbon emission. These energy sources are also seen as a crucial part of meeting increased electricity demand.

Kansai recognizes North America as one of the most important power markets and is committed to expand its power business in the area. As stated in the Kansai Electric Power Group Medium-term Management Plan, we are continuing to invest in power assets globally as one of the cornerstones of the Group's overall earnings. We intend to continue achieving this by making active use of the technological strength and expertise cultivated throughout our company's history.

*1: Tyr Energy: a subsidiary of ITOCHU Corporation

*2: Siemens Financial Services: a financial division of Siemens AG

Overview of the Hickory Run Thermal Power Project

(1) Site: North Beaver Township, Lawrence County, PA, U.S.A.

(2) Type: Combined Cycle

(3) Output: 1,000 MW

(4) Start of Construction: August, 2017

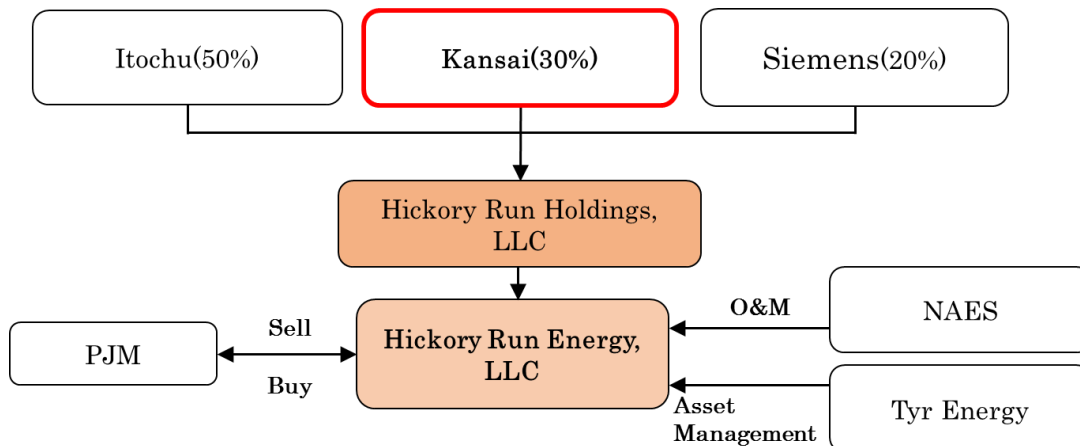
(5) Commercial Operation: May, 2020

(6) Project Company: Hickory Run Holdings, LLC

(7) Project Partners:

- Kansai Electric Power Group (Kansai) :30%
- ITOCHU Corporation Group (Itochu) :50%
- Siemens Group (Siemens) :20%

【Location】



<Profiles of Project Partners>

◇ The Kansai Electric Power Co., Inc.

Establishment: 1951

President and Director: Takashi Morimoto

Headquarters: 3-6-16, Nakanoshima, Kita-ku, Osaka, Japan

Main Business: Energy generation, heat supply, telecommunications, gas supply, etc.

◇ ITOCHU Corporation

Establishment : 1949

Chairman and CEO: Masahiro Okafuji

Headquarters: 5-1 Kita-Aoyama 2-chome, Minato-ku, Tokyo, Japan

Main Business: General trading company dealing in textiles, machinery, metals & minerals, energy & chemicals, food, general products & realty, ICT & financial business, etc.

◇ Siemens AG

Establishment: 1847

President and Chief Executive Officer: Joe Kaeser

Headquarters: Munich, Germany

Main Business: Building technology, digital factories, energy management, financial services, transportation, etc.