

Thermal & Hydroelectric Power

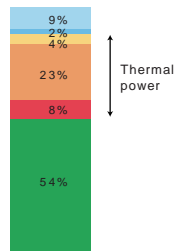
Balanced Reliance on Diversified Fuels

Thermal power plays a key role as a middle-load energy source that offers supreme elasticity to cope with continuously fluctuating demand. Presently 35% of Kansai EP's total electricity output is generated from fossil fuels. Our long-range aim is to diversify our thermal fuel options through greater reliance on coal, available at relatively stable prices, and liquefied natural gas (LNG), which is environmentally compatible.

Hydro Development Focused on Use of Domestic Resources

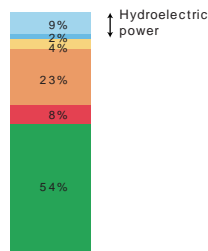
Today a comparably modest 11% of the electricity generated by Kansai EP derives from hydroelectric power, but in view of this energy source's environmental benefits and the availability of domestic water resources, we are actively developing increased capacity in this area. Development initiatives include pumped-storage hydro power, a method whereby water is pumped from one reservoir to another at a higher elevation during nighttime hours, when the power-generation system is not otherwise operating at full capacity, to meet peak daytime demand or emergency needs.

Thermal power enables elastic response to fluctuating demand.



Himeji No. 1 Thermal Power Plant

Kurobegawa No. 4 Hydro Power Plant



Hydro power is naturally available and environmentally friendly.