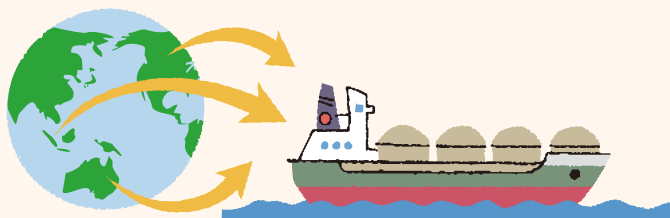


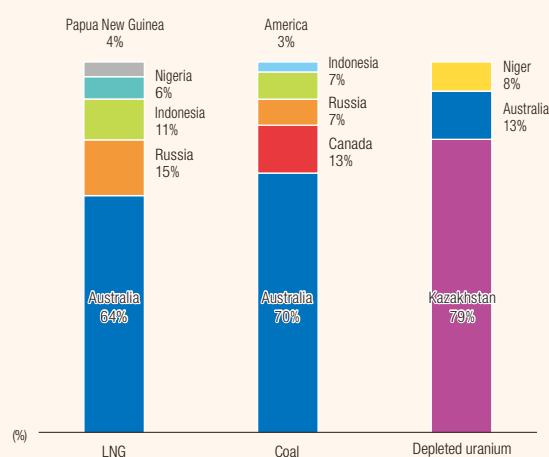
# Supply Chain

## Fuel procurement

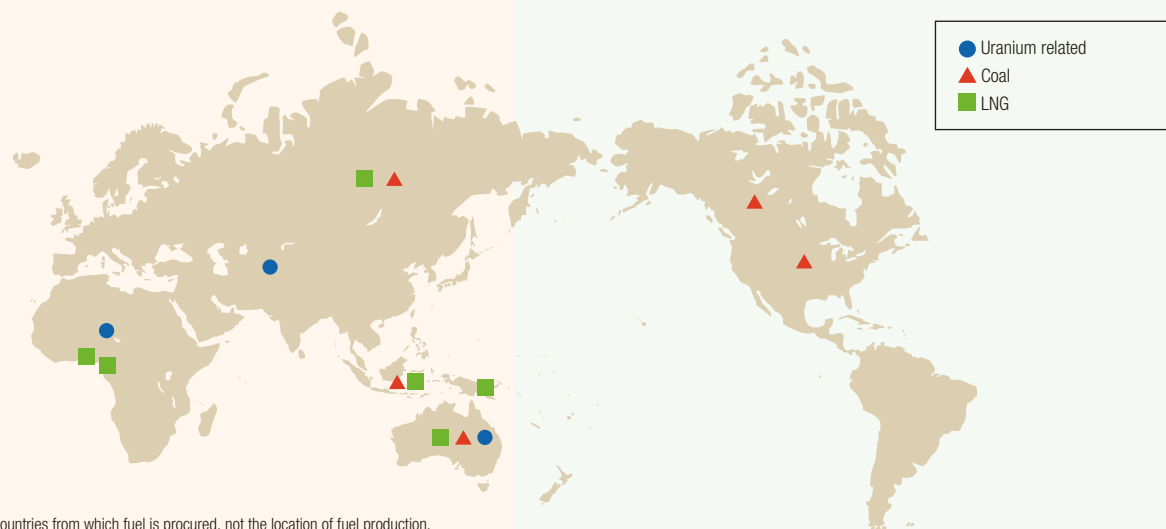


Kyushu Electric Power is strengthening its fuel procurement through such ways as diversification of fuel procurement, participation in resource development and production projects and introduction of fuel trading (adjustment of fuel volume and price management). We strive for cost reduction in fuel transportation by using our own LNG tanker and chartered ships for shipping.

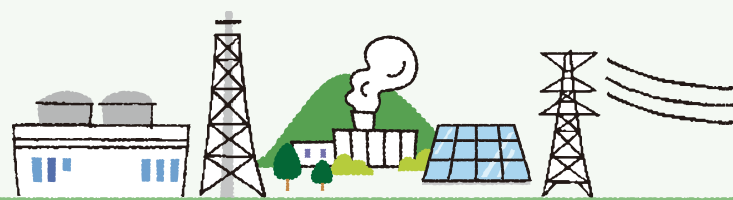
### ◆ Fuel procurement status (FY2018)



### ◆ Regional fuel procurement status (FY2018)

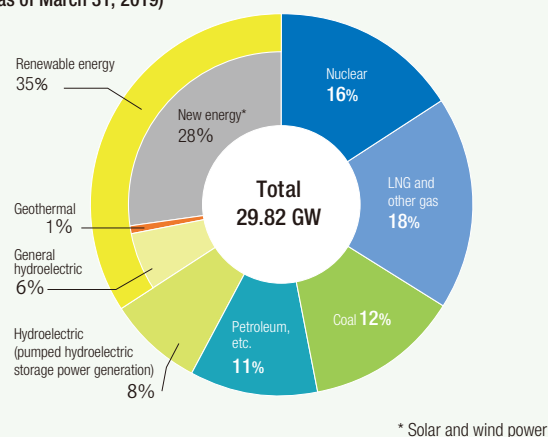


## Power generation

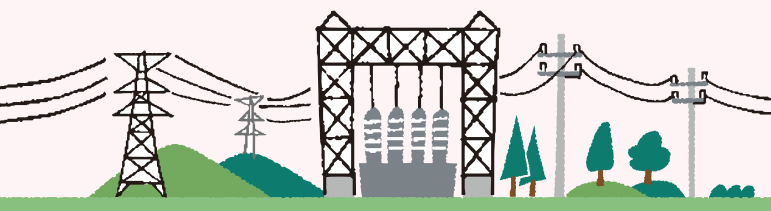


We generate power through a combination of a best balance from various types of power sources from the perspective of securing long-term, stable energy in such ways as taking countermeasures against global warming and economic power supply, promoting nuclear power on the assumption of safety and security, actively developing and installing renewable energies such as solar, wind and geothermal power and improving the efficiency of thermal power.

### ◆ Composition of capacity for all facilities (GW) (Including power purchased from other companies) (as of March 31, 2019)



## Power transmission and distribution

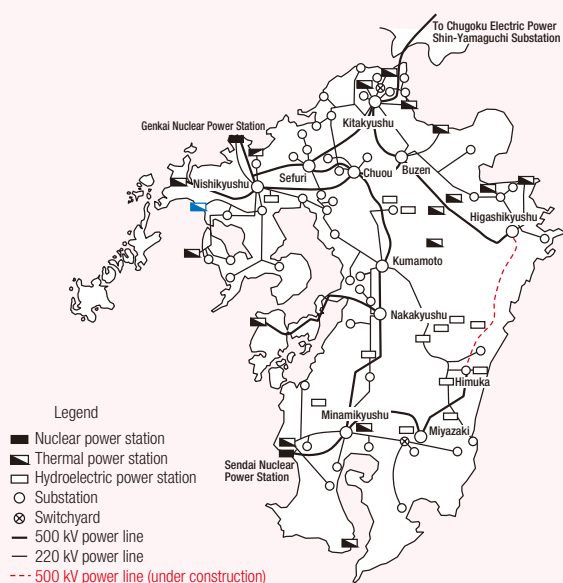


We deliver a stable supply of electricity, sending it along transmission lines from power stations to substations, and along distribution lines from substations to places such as homes and factories. To be able to deliver low-cost, stable electricity to support Kyushu's industries and lifestyles, we operate a stable electricity system preserving steady transmission and distribution facilities.

### ◆ Power transformation, transmission and distribution (as of March 31, 2019)

Transformation	Number of substations		597
	Capacity		75,092,000 kVA
Transmission	Length of transmission lines		10,803 km
	Supporters	Steel towers	approx. 25,000
		Others (concrete poles, etc.)	approx. 40,000
Distribution	Length of distribution lines		142,223 km
	Supporters	Concrete poles	approx. 2,423,000
		Others (steel towers, etc.)	approx. 42,000

### ◆ Power transformation, diagram (as of March 31, 2019)

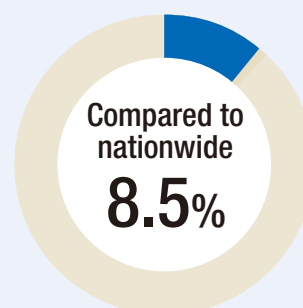


## Energy services



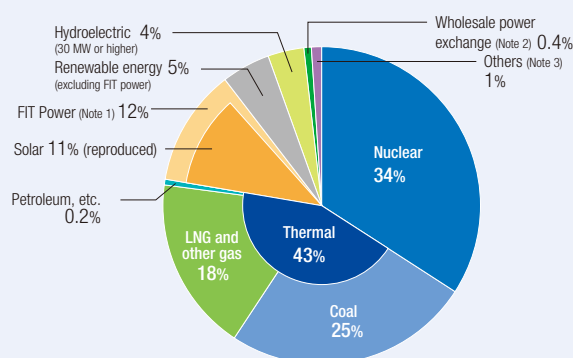
We provide various energy services that respond to the diverse needs of customers, including proposals for plans and services meeting the requirements of household customers and one-stop energy services for corporate customers.

### ◆ Sales as a ratio of the entire electricity business in FY2018



Reference: Report on Electric Power Demand  
(Agency for Natural Resources and Energy)

### ◆ Power sources (kWh) in FY2018



The diagram above shows the power sources for energy supplied to those customers who have not specified a service using only renewable energy sources (hydroelectric, geothermal power).

Note 1: Feed-in tariff (FIT) system for renewable energy  
Kyushu Electric Power's electricity procurement costs are partially financed by a surcharge on all electricity users, including non-customers. As a result, these CO<sub>2</sub> emissions from electricity are regarded as the national average of CO<sub>2</sub> emissions from electricity, including that generated through sources such as thermal power.  
\*Subject to powers generated by solar, wind, hydroelectric (below 30 MW), geothermal, and biomass.

Note 2: Power procured from wholesale power exchange  
This electric power includes hydroelectric, thermal, nuclear, FIT, and renewable energy powers.

Note 3: Others  
Includes power procured from other companies for which the power station cannot be specified.

\* Calculated and announced based on "Formulation of the Guidelines Concerning the Management of the Electricity Retail Business" by the Ministry of Economy, Trade and Industry  
\* Calculated on the basis of power generated by Kyushu Electric Power and volume of power purchased from other companies (excluding remote islands)