



Note: The following is an English translation of the Japanese-language original.

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[Press Release]

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Construction of JAPEX's first power storage facility and entry into the Grid-scale battery business

Japan Petroleum Exploration Co., Ltd. (JAPEX) announces that it has started construction of its first grid-scale battery^{(*)1} facility (hereinafter the “Battery Energy Storage System”) on the unused land of its Research Center in Chiba City, Chiba Prefecture, and entries into the Grid-scale battery business.

Under the “JAPEX Management Plan 2022-2030” formulated in March 2022, to establish a profit structure that is less susceptible to changes in the external environment, such as oil price fluctuations, JAPEX operates and manages the Fukushima Gas Power Plant through Fukushima Gas Power Co., Ltd., which is owned by five companies, with JAPEX as the largest shareholder and has also been involved in renewable energy such as solar and biomass power generation.

The Battery Energy Storage System will begin commercial operation in spring 2025. After it starts operation, by utilizing the electric power business structure we have built and the know-how we have accumulated, JAPEX will operate and manage the Battery Energy Storage System and will trade electricity stored in it on various electricity markets^{(*)2}. In this way, JAPEX will contribute to the stable supply of energy and the improvement of the supply-demand balance through the effective use and further expansion of renewable energy introduction and the provision of regulating power in TEPCO's service area as well as create opportunities for future revenue generation.

Tokyo Environmental Public Service Corporation selected the Battery Energy Storage System for its “Subsidy for the Project to Promote the Introduction of Large-Grid-Scale Batteries”, and a portion of the costs required to introduce large-scale storage batteries directly connected to the electrical grid have been subsidized.

In addition to efforts to provide a stable energy supply, JAPEX will pursue a stable supply that aligns with the times and aims for further growth as a “comprehensive energy company” by engaging in the storage battery business.

Notes)

*1: Storage batteries are connected to the electrical grid (the entire power system, from power plants to transmission and distribution) and can stabilize the grid power by charging electricity when there is a surplus and discharging it when there is a shortage.

*2: Trading is conducted in three markets: the Wholesale electricity market, the Supply and demand adjustment market, and the Capacity market.

<Appendix>

Outline of the power storage facility

Name	JAPEX Mihama Battery Energy Storage System
Location	Hamada, Mihama-ku, Chiba-City, Chiba Inside Research Center
Facility size	Output: 1,999 kW / Capacity: approx. 6,000 kWh
Battery type	Lithium-ion storage battery
EPC	JFE Engineering Corporation
Start of construction	August 2024
Start of commercial operation	Spring 2025 (scheduled)

JFE Engineering Corporation Release (Japanese) <https://www.jfe-eng.co.jp/news/2024/20240819.html>

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