

News Release

FOR IMMEDIATE RELEASE

Hitachi Energy to accelerate introduction of HVDC technology with Grid United for transmission projects to strengthen US power grid

- large HVDC systems will interconnect eastern and western regional power grids, dramatically boosting nationwide transmission capacity
- Innovative collaboration announced at CERAWeek will secure supply chain to accelerate the energy transition

Houston and Zurich, March 20, 2024 – Today at CERAWeek, Hitachi Energy and Grid United, an independent electrical transmission company, announced a collaboration to deliver high-voltage direct current (HVDC) technology for Grid United transmission projects that will interconnect the eastern and western regional power grids in the US. These projects will dramatically boost transmission capacity across the US to support the urgent need for smooth sharing of power between energy markets at a time of drastically increasing demand for electricity.

Long-distance transmission lines are critical in delivering low-cost energy from areas with access to abundant supply to areas with high demand. These projects will help overcome one of the most persistent bottlenecks in the energy transition in the US by bridging the east-west divide. They also will play an important role in supporting the US government's commitment to accelerating the energy transition, and specific stated priorities of the US Department of Energy.

Under an innovative approach known as a capacity reservation agreement, Hitachi Energy will provide HVDC technology to support the development of multiple Grid United HVDC interconnections. These interconnections will help mitigate the impact of extreme events and accommodate the growing demand for electricity. The two companies are exploring potential projects to further strengthen the US electric grid.

Michael Skelly, CEO and co-founder of Grid United, said, "With industry leading HVDC technology and a global track record, Hitachi Energy is a needed collaborator for the development of a more resilient and reliable electric power grid. By working with companies like Hitachi Energy and partnering with incumbent utilities, we're confident we can quicken the pace of modernizing and strengthening the US electric grid to meet rapidly increasing electricity demand."

Niklas Persson, Managing Director of Grid Integration business, said, "We are proud to collaborate with Grid United to strengthen the US power grid, making it more flexible, reliable, and secure. By applying our innovative new business model which enables speed and scale in the supply chain, we are confident we can make important contributions to streamlining the development process to help accelerate the energy transition."

This multi-contract framework, introduced by Hitachi Energy, is one of the first of new business models for the US. This new approach allows Hitachi Energy to plan in advance to increase manufacturing capacity, expand and train the workforce, and maximize standardization to increase efficiency between successive projects. Today's announcement follows a similar approach taken with large utilities in Europe, and is a key innovation in securing the supply chain for the energy transition.

The new interconnections will provide long-term economic benefits to communities across the country by facilitating the sharing of energy resources between power grids. Connecting the grids will alleviate network congestion and increase grid resilience and flexibility, helping to

mitigate the impact of extreme weather events.

Hitachi Energy has provided HVDC solutions to North American customers since 1970 and now has more than 20 projects in the US and Canada, either in operation or under construction. As of today, the company has about 10 GW of renewable energy integrated, excluding the projects currently under implementation.

Note to editors

Hitachi Energy's HVDC projects in the US and Canada include the Pacific Intertie¹, connecting California and Oregon, to several projects currently under execution, including Champlain Hudson Power Express², to bring hydropower from Canada to New York City, SunZia Transmission³, which will transport wind power from New Mexico to Arizona, and more. Hitachi Energy is contributing significantly to strengthening US power infrastructure.

1 <https://www.hitachienergy.com/about-us/customer-success-stories/pacific-intertie>

2 <https://www.hitachienergy.com/about-us/customer-success-stories/champlain-hudson-power-express-chpe>

3 <https://www.hitachienergy.com/about-us/customer-success-stories/sunzia>

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About Hitachi Energy

Hitachi Energy is a global technology leader that is advancing a sustainable energy future for all. We serve customers in the utility, industry and infrastructure sectors with innovative solutions and services across the value chain. Together with customers and partners, we pioneer technologies and enable the digital transformation required to accelerate the energy transition towards a carbon-neutral future. We are advancing the world's energy system to become more sustainable, flexible and secure whilst balancing social, environmental and economic value. Hitachi Energy has a proven track record and unparalleled installed base in more than 140 countries. We integrate more than 150 GW of HVDC links into the power system, helping our customers enable more wind and solar. Headquartered in Switzerland, we employ more than 40,000 people in 90 countries and generate business volumes of over \$10 billion USD.

<https://www.hitachienergy.com>

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About Hitachi, Ltd.

Hitachi drives Social Innovation Business, creating a sustainable society through the use of data and technology. We solve customers' and society's challenges with Lumada solutions leveraging IT, OT (Operational Technology) and products. Hitachi operates under the business structure of "Digital Systems & Services" - supporting our customers' digital transformation; "Green Energy & Mobility" - contributing to a decarbonized society through energy and railway systems, and "Connective Industries" - connecting products through digital technology to provide solutions in various industries. Driven by Digital, Green, and Innovation, we aim for growth through co-creation with our customers. The company's consolidated revenues for fiscal year 2022 (ended March 31, 2023) totaled 10,881.1 billion yen, with 696 consolidated subsidiaries and approximately 320,000 employees worldwide. For more information on Hitachi, please visit the company's website at <https://www.hitachi.com>.

Information contained in this news release is current as of the date of the press announcement, but may be subject to change without prior notice.
