

**Summary of Comments Made at a Press Conference  
by Tsunehisa Katsumata, FEPC Chairman, on June 10, 2005**

I would like to begin by announcing that in the interest of energy conservation and CO2 reduction, the Federation of Electric Power Companies has adopted a "lightweight attire" dress code. The dress code goes into effect today and will be continued through the end of September. As you can see, I am also complying with the code, and I ask for the understanding of Energy Press Club members in this regard.

There are three main points I would like to cover today. The first is our participation in the "Team Minus 6%" program, the second is the summer demand forecast, and the third concerns changes in Federation of Electric Power Companies management personnel.

I will begin by reporting on our active participation in the "Team Minus 6%" campaign that has been introduced to combat global warming.

Japan's Global Warming Prevention Headquarters (Chief Officer: Prime Minister Junichiro Koizumi; Deputy Chiefs: Minister of the Environment Yuriko Koike, Minister of Economy, Trade and Industry Shoichi Nakagawa) has recognized the need for the entire nation to work together to achieve the 6% reduction in greenhouse gas emissions defined as Japan's target under the Kyoto agreement, and has named this nationwide campaign "Team Minus 6%."

The Federation of Electric Power Companies fully supports the thrust of this initiative, and effective today, has become an officially registered supporter of the "Team Minus 6%" campaign. In addition to curbing the use of air conditioning in office buildings (the Keidanren Building set air conditioning thermostats 1.5 degree C higher at the beginning of June), we have announced a lightweight dress code that will remain in effect until September 30 so that all employees can work comfortably. While striving not to make you or our other guests uncomfortable, we plan to pursue this policy in an effort to conserve energy and reduce CO2 output. (In consideration of each individual's health, compliance is not mandatory.)

As electric power suppliers, we have long implemented energy-saving measures to reduce summer and winter cooling and heating use, and to eliminate unnecessary lighting. We have also encouraged all members to switch off lights and office automation equipment whenever possible. In the future we will continue to work to reduce CO2 output even further.

I would now like to turn to the subject of this summer's electricity demand forecast.

In considering electricity demand, the economy, the temperature, and the weather are all critical factors. Today it was announced that the rainy season has officially begun in the Kanto-Koshinetsu region. Since the average starting date for the rainy season in this region is June 8, this means it has gotten a slightly late start this year. According to the 3-month forecast released by the Meteorological Agency on May 25, there is a good chance that the average temperature for June through August will be "the same as in an average year in northern Japan," and "the same as, or higher than, in an average year in eastern Japan, western Japan, and the southwest islands."

Looking back on last summer, it was exceptionally hot throughout the nation, and peak demand (1-day peak at generating end) across the 10 companies reached 174.29 million kW, the third-highest figure on record (following FY2001 and FY2002).

Based on past demand figures and the weather forecast, we are therefore anticipating peak demand (3-day average at generating end) across the 10 companies to reach 177.8 million kW this summer.

On the supply side, we are forecasting 200.45 million kW, giving us ample reserves of 22.64 million kW that will assure a stable supply.

However, peak demand is extremely sensitive to temperature changes, and during peak summer periods a rise in temperature of just 1 degree C results in a nationwide increase in peak demand of about 5 million kW, an amount equivalent to the total electricity consumption of Ibaraki Prefecture.

We therefore cannot let our guard down, and will remain on our toes to ensure a stable supply of electric power throughout the coming summer.

Finally, I would like to report on some changes in Federation of Electric Power Companies management personnel that were confirmed by a unanimous vote at this morning's General Policy Committee meeting. Effective June 29, Vice Chairman Atsushi Ohnishi and Vice Chairman Fujio Shinki will step down and be succeeded in their posts by Shigeo Shirakura, president of Chugoku Electric Power Co., Inc., and Fumio Kawaguchi, president of Chubu Electric Power Co., Inc. Additionally, Secretary General Koji Kaibe will be succeeded by Takashi Teramoto, director of Kansai Electric Power Co., Inc.

Thank you for your attention.