

**Summary of Comments Made at a Press Conference  
by Tsunehisa Katsumata, FEPC Chairman, on October 28, 2005**

There are three topics I would like to comment on today. The first is the worldwide movement to reassess the role of nuclear power, the second is the Cabinet's approval of the Framework for Nuclear Energy Policy, and the third is the Wonder Circus Pavilion at the Aichi Expo.

This month, I participated in two international conferences: the International Electricity Summit and the WANO General Meeting. I would like to report briefly on these meetings, both of which confirmed that there is renewed interest in nuclear energy worldwide.

At the International Electricity Summit that was held in Sapporo on the 3rd and 4th of this month, representatives from Japan, the U.S., and Europe spoke and exchanged opinions on the subjects of electric power industry reforms, energy policy, and industry responses to global warming.

Leading off the presentations was Mr. Jeff Sterba, Vice-Chairman of the EEI, who said that although new plant construction in the U.S. over the past 10 years had been limited to gas-fired thermal facilities, rapidly increasing gas prices and the need to ensure a stable supply and cost reduction had made it necessary to promote diversification of electric power sources such as nuclear power and coal gasification. With comprehensive legislation to shorten the approval process and provide incentives for new plant construction, a PSEG representative stated that new plants could be online by 2015, and that with two new consortiums working on site development, there is gaining momentum for new nuclear plant construction.

There was also good news from Europe, with EDF reporting new nuclear plant construction in Finland, and plans for new plants in France. A Vattenfall representative from Sweden noted signs of gaining momentum for nuclear power, and that new plant construction within the next decade is quite possible. So Europe's stance on nuclear power seems to be changing for the better even in countries that previously took tough stance.

In light of these trends, as well as rapidly rising fossil fuel prices and the need to combat global warming, the joint statement issued at the conclusion of the meeting clearly confirmed the important role of nuclear power.

The week before last, on the 10th and 11th of this month, the WANO General Meeting was held in Budapest, Hungary. WANO, the World Association of Nuclear Operators, was established in the wake of the accident in Chernobyl. The organization meets every two years to discuss and exchange opinions on policy and a broad range of nuclear issues. This year's meeting drew some 370 participants from around the world, including a group of about 70 from Japan that included representatives of eight FEPC member companies, the Japan Atomic Power Company, the Electric Power Development Company, the Japan Atomic Energy Agency, and the Japan Nuclear Technology Institute.

In the General Meeting's keynote speech, IAEA Director General Mohhammad El Baradei, spoke of the promise of a "second chance" for nuclear energy. In addition, Dr. James Lovelock, the well-known British environmentalist and author of the Gaia Theory, spoke about the need to rethink energy-intensive policies and reduce our dependence on fossil fuels, and pointed out that we need to include nuclear power in our energy portfolio to achieve this. Although Dr. Lovelock formerly took tough stance on nuclear power, he made it clear that the serious problems posed by global warming in recent years now made it a more attractive choice.

In his summation, WANO Chairman William Cavanaugh III said he felt "a nuclear renaissance is under way." He also stated that although WANO had achieved most of the objectives defined in the wake of Chernobyl, there is a need for it to become even more active in the future.

With the WANO Tokyo Center having responsibility for Asia — the region that has the greatest number of new nuclear plants planned for the future — Chairman Cavanaugh also called on Japan's electric power companies to increase the number of available technical personnel, review the term of service, and to support new development by dispatching experienced reviewers to sites as needed. In view of these requests, we have decided to consider how best we can support a strengthened WANO Tokyo Center that brings all of Asia under its purview.

I myself am feeling a tailwind in the sails of nuclear energy. It is therefore important for us to improve safety and quality even more, so that we can increase the speed of our progress in the future.

I would now like to turn to the subject of the government's Framework for Nuclear Energy Policy. As you know, the Nuclear Energy Committee announced the framework, which forms the basis of the nation's nuclear energy policy, on October 11. On the 14th, the Cabinet approved the framework, stating that it would be "respected as a basic principle of nuclear energy policy."

The framework has been freely debated over a 15-month period that began last June, during which time we have solicited public comment and held open public forums in a variety of locations to ensure that the framework reflects the opinions of a broad range of citizens. The resulting framework clearly recognizes the importance of nuclear fuel reprocessing, confirms the importance of nuclear power including the nuclear fuel cycle, and defines the direction for measures leading to further promotion of nuclear power.

Now that the Cabinet has approved the framework and the importance of nuclear power has been confirmed as a matter of national policy, we take special notice of the mission we have been charged with, and feel that it is essential for all concerned parties to do their utmost to ensure that the framework is implemented.

Furthermore, we appreciate the significance of the flexibility granted to nuclear fuel cycle policy by the framework's inclusion of an interim storage facility to appropriately store spent fuel that accumulates in excess of the Rokkasho Reprocessing Facility's capacity.

On October 19, Governor Mimura of Aomori granted site permission for the construction of an interim storage facility in Mutsu to Tokyo Electric Power Company and Japan Atomic Power Company, and an agreement to that effect was signed on the same day.

As electric power suppliers, we plan to follow the basic principles of the nation's energy policy, and with safety as a prerequisite, we will continue to do our utmost to successfully move nuclear fuel cycle business operations forward.

In conclusion, I would like to comment on the Aichi Expo that ended on September 25th.

The Aichi Expo had environmental issues as its theme, and was also notable for the large number of citizens groups that participated. Attracting a total of 22.05 million visitors, it exceeded its original attendance goal of 15 million visitors by a wide margin, and concluded its successful run with great fanfare on September 25th. As participating exhibitors, we were greatly pleased by the event's success.

Some 3.74 million people, accounting for approximately 17% of all Expo visitors, visited our Wonder Circus Pavilion. In addition to offering a barrier-free, train-type ride that could be safely enjoyed by small children, elderly people, and handicapped people, we implemented numerous environmental measures. We used recycled waste materials from power plants to create paths and roadways around the pavilion, and installed new energy sources such as solar generation (10kW), wind generation (0.16kW), and fuel cells (30kW), which together accounted for 4% of the pavilion's installed capacity. We are currently dismantling the pavilion, and are recycling 100% of all structural steel and wood materials, and reusing all sound-damping aluminum panels.

Our participation in the Expo enabled many visitors to become more familiar with the electric power business, and we like to think that our participation as an electric power supplier played some small part in making the 21st century's first international exposition a big success. I would like to take this opportunity to thank all of those who were involved.