

## Summary of Press Conference Comments Made by Makoto Yagi, FEPC Chairman, on July 19, 2013

Today, I would like to say a few words on the following two topics: implementation of the new safety regulatory requirements for nuclear power plants and response to the supply and demand for electricity this summer.

### 1. Implementation of the new safety regulatory requirements for nuclear power stations

First, I would like to say a few words on the new safety regulatory requirements for nuclear power plants which went into effect on July 8.

With a firm resolve to avoid a repetition of the Fukushima accident, the electric power companies have taken thorough safety measures since immediately after the accident, as well as voluntary measures to improve safety even further.

The new nuclear safety requirements contain some major revisions to the old design standard, including strengthened earthquake and tsunami countermeasures, and newly include severe accident countermeasures to prevent core damage and the dispersion of radioactive substances, for example. We believe that the requirements will help further increase safety and reliability. Since the draft version of the new requirements was released, the power companies have been considering which specific measures to take at each nuclear power plant, and where possible, have implemented them before the requirements came into effect.

As such, as reported, 12 nuclear plants of 4 power companies have applied for a review of compliance with the new safety requirements. The power companies are also considering applying for a review of other plants, and are expected to do so as soon as they are ready.

We hope that the Nuclear Regulation Authority will efficiently check whether the plants that have applied for a review comply with the new regulatory requirements and make a decision quickly, so as not to leave the safety of these plants unverified for a long time.

For Japan, which has limited energy resources, it is critical to promote the “S+3E’s policy”, which stands for safety, which is a major premise, as well as energy security, environmental conservation and economic efficiency. Considering the vital role of nuclear power in pursuing the “S+3E policy”, we must continue to use nuclear power as an important power source.

The electric power companies will continue to make utmost voluntary efforts and take further safety measures, while of course fully meeting the new safety standards. We will also explain our efforts to the general public, particularly the plant-hosting community, in order to win their understanding.

As for the voluntary efforts by the power companies for improving safety, the national working group held its first meeting just the day before yesterday. We will thoroughly consider from the power companies’ standpoint how to keep improving safety, and will work closely with the working group.

## 2. Response to the supply and demand for electricity for this summer

Next, I would like to say a few words on the supply and demand for electricity for this summer.

This year, the end of the rainy season was announced 15 days earlier for the Kanto area and 13 days earlier for the Tokai and Kinki areas than the average year, and the temperature has remained high nationwide. The three-month forecast of the Japan Meteorological Agency also predicts a hot summer as the Pacific anticyclone stays put over Japan.

Therefore, as informed earlier, the electric power companies have issued a request “to save electricity without numerical targets” in all areas excluding Okinawa on business days between July 1 and September 30. We apologize to everyone in the country for the inconvenience and trouble this will cause, and ask for your cooperation in reducing electricity usage.

This summer, on the demand side, thanks to electricity-saving efforts that have taken root due to everyone’s continued help, and on the supply side, by securing as much additional supply capacity as possible by restarting thermal power plants that had been shut down and adjusting the interval between periodic inspections of those plants, the electric power companies are likely to be able to just secure the minimum reserve margin of 3%.

Meanwhile, on June 26, the Hokkaido Electric Power Company had to urgently receive a maximum of 240 MW of electricity from the Tohoku Electric Power Company to meet the minimum reserve margin of 3% due to a trouble in Unit 4 of the Tomato-Atsuma Power Plant. For a power company with a relatively small power grid, the shutdown of merely one thermal power plant immediately tightened the supply-demand balance. Further, if an unexpected power outage were to occur at the same time in a grid of any size, the whole country could face a supply shortage.

Taking these fluctuating risks into consideration, we cannot be complacent about the supply-demand situation this summer. We will continue our efforts on both the supply and demand sides, working steadily on the maintenance and security of power generation facilities as well as utilizing the contract system to adjust supply and demand (i.e., offering a tariff discount to customers who agree to have their power turned off when an electricity shortage is imminent).

Report on the results of the fracture zone investigation by the Japan Atomic Power Company (JAPC)

Lastly, I would like to say a few words on the results of the investigation on the fracture zone reported by the JAPC at the Tsuruga Nuclear Power Station on July 11.

The JAPC has repeatedly explained, based on various findings from the investigation, that the D-1 fracture zone is not an active fault that needs to be considered in seismic design. The company conducted additional investigations until the end of June by increasing the area of excavation, for example, and recently submitted a report on the results of the investigations containing additional data substantiating the company's claim.

We ask the Nuclear Regulation Authority to firmly accept the results of the investigations, conduct a detailed review based on objective data, and discuss them thoroughly from scientific and technological standpoints.

This is all for today.

Thank you for your kind attention.