Summary of Press Conference Comments Made by Makoto Yagi,
FEPC Chairman, on March 18, 2015

Thank you for taking the time to be here. Today, I would like to say a few words on the following two topics: Voluntary efforts to improve nuclear safety, and the supply and demand for electricity for this winter.

Five years since the Great East Japan Earthquake
First, the 11th of this month marks the fifth anniversary of the Great East Japan Earthquake, and I would like to say a few words in this regard.

As a member of the electric power business, I am deeply sorry for the serious concern and inconvenience the Fukushima Daiichi nuclear accident continues to cause to all of Japan.

Strongly determined not to repeat the accident, the electric power companies have been considering and implementing safety measures in line with the new regulatory standards. We will steadily promote efforts to achieve higher levels of safety beyond the regulatory framework, including the use of external organizations, while of course fully complying with the new regulatory standards.

Regarding Fukushima, we hope the reconstruction will continue to make progress, and we will continue to provide industry-wide support for the steady decommissioning of the plants.

1. Voluntary efforts to improve nuclear safety
I would now like to comment on the first topic, our voluntary efforts to improve nuclear safety.

Based on the lessons learned from the Fukushima Daiichi accident, the nuclear operators have been conducting voluntary measures to improve nuclear safety.
Recently, the presidents of the nine electric utilities, J-Power, and JAPC agreed to review the measures taken so far to clarify what can be done and identify the challenges down the road, to upgrade the voluntary measures for future.
The agreement was made in the presence of the heads of the Japan Nuclear Safety Institute (JANSI) and the Nuclear Risk Research Center (NRRC) of CRIEPI, which play an important role in the voluntary efforts to improve safety.

Document 1 (Summary) presents the measures taken to date and the measures to be taken in future.

The nuclear operators aim to achieve higher levels of safety by constantly confronting the risks of nuclear power plants and reducing them. Accordingly, we have taken various measures based on the understanding that, to do this, it is important to “establish a risk management system with the commitment of the top management”.

Examples of such measures include “introducing a process for incorporating risk information in management decisions”, “establishing the systems for building a Probabilistic Risk Assessment (PRA)”, and “maintaining and improving emergency response capabilities”.
We have also leveraged the peer reviews by the JANSI and the expertise of the NRRC in our drive toward further safety.

In future, based on the issues identified so far, we will work actively with the commitment of the top management of each company to further improve safety and reduce risks by “improving the PRA and preparing the groundwork jointly with the NRRC” and “generating peer pressure by the JANSI's peer reviews and the comprehensive power plant assessment”.

We will also step up the support for the disaster victims at the time of an accident, as well as the efforts to deal with the accident itself, as requested directly by METI Minister Hayashi, while diligently explaining the measures we are taking.

For the details on such measures, please read the handout.

With the firm belief that “there is no end to the efforts for improving nuclear safety”, we will work hard to establish a risk management system and to further improve safety through voluntary efforts, to regain the trust of the entire society.

2. Supply and demand for electricity for this winter

Next, I would like to say a few words on the supply and demand for electricity this winter.
This winter, all regions except Okinawa have been asked again to cut back on electricity at a reasonable level. We deeply apologize for the inconvenience caused, and thank them for their cooperation.

I will explain the supply and demand for electricity for this past winter.
This winter, as shown at the top left of the document, average temperatures remained higher than last winter from December to February.
Accordingly, the total electricity consumption of the ten power companies marked 142.59 GW on January 25, down 5.36 GW or 3.6% from last year, as shown at the bottom left. The supply capacity

was 165.59 GW, and the usage rate was 86%, as shown at the top right.

Thanks to everyone's cooperation in cutting power consumption, the lower electricity consumption due to the temperature, and the utmost efforts of the electric power companies to increase their capacity, we managed to maintain a stable supply.
However, we continue to face difficult conditions where we have to operate our thermal power plants at full capacity, even including the aged ones, and the situation remains uncertain.

We will continue to make utmost efforts on both the supply and demand sides. However, to fulfill our mission of securing a stable supply of electricity on a sustainable basis and to provide it as cheaply as possible, and for dealing with global environmental issues, we believe that nuclear power is essential as a base source of electricity.

Change in the FEPC board of directors
Lastly, I would like to report a change in the FEPC board of directors, as described in Document 2.
With the change of president of Chugoku Electric, Mr. Akihiko Mayumi, President of Hokkaido Electric, will take office as part-time Vice-Chairman of FEPC.

This is all for today. Thank you for your kind attention.

Document 1

Voluntary Measures to Date and in Future for Nuclear Safety (Summary)

March 18, 2016
Federation of Electric Power Companies

Based on the lessons learned from the Fukushima Daiichi accident, the nuclear operators* have been conducting voluntary measures to improve nuclear safety.

Five years on from the Fukushima Daiichi accident, we will review the measures taken so far to clarify what can be done and identify the challenges down the road, and will promote improved voluntary measures on a continuous basis.

The measures taken by each company so far include "introducing a process for incorporating risk information in management decisions", "establishing the systems for establishing the Probabilistic Risk Assessment (PRA)", and "maintaining and improving emergency response capabilities".

The companies have also leveraged the peer reviews by the Japan Nuclear Safety Institute (JANSI) and the expertise of the Nuclear Risk Research Center (NRRC) in the drive toward further safety.

In future, we will aim to further improve safety and reduce risks by improving the PRA and using it as a management tool, by preparing the relevant groundwork jointly with the NRRC, and by generating peer pressure by the JANSI's peer reviews and comprehensive power plant assessment system.

Further, to improve our response to nuclear disasters, we will build a system for supporting disaster victims at the time of an accident, in addition to the efforts to deal with the accident itself.

Under the belief that "there is no end to the efforts for improving nuclear safety", we will confront nuclear risks at all times and work hard to further improve safety through voluntary measures.

*The nine electric utilities, J-Power, and JAPC

(Attachment) Main voluntary measures to improve nuclear safety

Attachment

Main voluntary measures to improve nuclear safety

(I) Manage risks under an appropriate risk governance framework

To Date	In Future
• Introduced a process for incorporating risk information in management decisions with the commitment of the top management • Strengthened two-way communication including risk information • Peer reviews by Japan Nuclear Safety Institute (JANSI)	• Develop a decision-making process that reflects the PRA results, in addition to plant performance • Consider a risk management target (safety target), and perform risk-aware communication • Actively respond to JANSI's peer reviews for operating plants • Generate peer pressure through the comprehensive power plant assessment being introduced in steps from FY2016

(II) Evaluate risks exhaustively without overlooking low-frequency incidents

To Date	In Future
• Prepared the systems and trained engineers for developing and using PRA • Worked with the NRRC on research on the groundwork for safety measures • Improved the PRA with Ikata Unit 3 as a pilot plant	• Draft a PRA utilization roadmap in one year for improving PRA and preparing the groundwork • Develop plant-specific PRAs (Good PRAs) • Improve PRA using Kashiwazaki Kariwa 6 and 7 as pilots as well as Ikata 3

(III) Reduce residual risks through defense-in-depth

To Date	In Future
• Took major tangible measures in response to the new regulatory standards	• Continue safety improvement efforts beyond the regulatory framework • Continue special maintenance for plants in extended outage, and cross-industry support for restarting the plants, led by JANSI

(IV) Identify accident sequences and cliff edges focusing on external events, and improve resilience

To Date	In Future
• Developed emergency response managers in case of an accident • Developed an accident response procedure, and improved skills through multi-plant accident drills and "blind" drills • Cooperation in drawing an emergency response plan with the nuclear emergency response committee of each region. Discussed improving activities to support disaster victims based on the decision at the meeting of nuclear power-related Cabinet members • Established the nuclear emergency support organization in March 2016	• Studies for improving drills considering risks specific to each plant • Take measures necessary to prevent a nuclear disaster from spreading and for recovery, while preparing victim support activities of interest to local residents, and diligently explaining those activities • The nuclear emergency support organization to start full operation in December 2016

(V) Rebuilding the LWR safety improvement studies and stepping up coordination function

To Date	In Future
• Participated in formulating the "LWR safety technology and resource roadmap"	• Play an active role in the annual upgrade of the "LWR safety technology and resource roadmap"

Document 2

March 18, 2016
FEPC

Replacement of FEPC Directors

We hereby announce the replacement of FEPC directors decided by the General Policy Meeting held today. The replacement will take effect on April 1.

Until March 31, 2016	From April 1, 2016
Vice Chairman Tomohide Karita (To be appointed as President and Director of Chugoku Electric Power Co., Inc. as of April 1)	Vice Chairman Akihiko Mayumi (President and Director of Hokkaido Electric Power Co., Inc.)

Reference:

New Board of Directors of FEPC (from April 1, 2016)

Chairman	Makoto Yagi (President and Director of Kansai Electric Power Co., Inc.)
Vice Chairmen	Michiaki Uriu (President of Kyushu Electric Power Co., Inc.)
	Akihiko Mayumi (President and Director of Hokkaido Electric Power Co., Inc.)
Vice Chairman, Head of Nuclear Waste Final Repository Promotion Headquarters	Yuzuru Hiroe (Corporate Officer of Kansai Electric Power Co., Inc.)
Senior Managing Director, Head of Fukushima Support Headquarters	Satoshi Onoda (Director of Chubu Electric Power Co., Inc.)
Director, Secretary General	Hirohisa Yashiro (Executive Officer of Tohoku Electric Power Co., Inc.)
Director, Deputy Secretary General	Yasuhiro Tejima (Director of Tokyo Electric Power Company)
Director, Head of Nuclear Fuel Cycle Promotion Headquarters	Susumu Tanuma (Kansai Electric Power Co., Inc.)