

**Summary of Comments Made at a Press Conference  
by Tsunehisa Katsumata, FEPC Chairman, on June 13, 2008**

This is going to be the last time I attend a press conference as the chairman of FEPC.

As usual, I will speak on one subject and respond to questions. I will then invite Mr. Shosuke Mori to make a speech as the new chairman of FEPC after me.

1. Forecast on this Summer's Electricity Supply and Demand

I will first explain our forecast for this summer's electricity supply and demand.

According to the three-month forecast by the Japan Meteorological Agency, the ambient temperatures across Japan this summer are expected to be higher than average.

Considering this forecast, historical records and other factors, we estimate the peak demand this summer for all ten electric companies will be 180.83 million kW. The planned supply capacity is about 199.59 million kW, which would give a reserve capacity of 10.4% or 18.76 million kW.

However, during the daytime when the ambient temperature exceeds 30°C, a further 1°C rise in temperature will increase the total electricity demand over Japan by about 5 million kW, which corresponds roughly to the output from five nuclear power plants.

Moreover, we should not ignore the possibility of unforeseen events such as facility troubles. Like last year, each company is carefully making preparations to ensure stable supplies during the summer.

As announced earlier, all units at the Kashiwazaki Kariwa Nuclear Power Plant of the Tokyo Electric Power Company will remain shut down.

Against this backdrop, we expect to be able to maintain sufficient supply capacity by partially starting commercial operation at some fossil-fired power plants under construction and restarting some fossil-fired power plants that have been suspended. However, considering the need to operate some plants at maximum capacity after a long period of service and the possibility of higher

demand in case of intense summer heat, we would like our customers to make power-saving efforts this summer, like last summer. We sincerely seek the understanding and support of our customers, and apologize for any inconvenience caused.

## 2. Speech by Superseded/Superseding Chairman; Change in the FEPC Management Personnel

Speech by Tsunehisa Katsumata, superseded chairman

As announced in January this year, I will be retiring from the chairmanship at FEPC on June 26, and will be superseded by Shosuke Mori, President of Kansai Electric Power Company.

My three years as chairman at FEPC were characterized by a variety of challenges: promoting the construction of the Rokkasho Reprocessing Plant, discussing reforms of the regulatory framework for the electric utility business, scandals about the manipulation of data on generation facilities, responses to global environmental issues, earthquake damage at the Kashiwazaki Kariwa Nuclear Power Plant and the subsequent launching of the seismic back-check project, and the sharp increase in fuel prices. While it is difficult to judge whether I have been driven by such challenges or have reasonably successfully handled each challenge, my days as FEPC chairman were certainly eventful.

Mr. Mori, the new chairman, was head of the Corporate Planning Department at the Kansai Electric Power Company while I was head of Corporate Planning at Tokyo Electric. He appears to me to be the most highly qualified person to lead and unite the electric power industry, which is now facing major challenges. I would like to ask for your support for Mr. Mori as the new FEPC chairman.

In the General Policy Meeting today, it was decided that Mr. Mori's former position as vice chairman at FEPC should be taken by Mr. Momoki Tokiwa, President of the Shikoku Electric Power Company. I kindly ask you to support Mr. Tokiwa, too, as the new FEPC vice chairman.

Finally, I sincerely thank all of you for supporting me during my three years as chairman at FEPC.

Now I invite Mr. Mori to speak as the new chairman of FEPC.

Speech by Shosuke Mori, succeeding chairman

My name is Shosuke Mori, President of the Kansai Electric Power Company. I have been given this major responsibility of FEPC chairman, and I sincerely ask your support as I try to fulfill my duties.

As mentioned by Mr. Katsumata, the electric power industry is facing a very challenging period with major changes in the business environment. Mr. Katsumata has powerfully led the industry during this difficult period.

Following his example, and with cooperation and support from the electric power companies and stakeholders, I will do my best to address the challenges. One key issue is to promote nuclear power by improving the nuclear power plant capacity factor, full-scale operation of the Rokkasho Reprocessing Plant, early introduction of MOX fuels, and siting of high-level radioactive waste disposal facilities. Another issue is our duty to take actions against environmental problems. Even though my power is limited, I am determined to do my best for the growth of the electric power industry, and for the development of industry and society in Japan.

As the new chairman of FEPC, I will need and be very grateful for your support. Thank you for your attention.