

Summary of Press Conference Comments Made by Makoto Yagi, FEPC Chairman, on June 17, 2011

I am Makoto Yagi, Chairman of FEPC. Thank you for taking the time to be here today.

Today, I would like to say a few words on the government report prepared for the IAEA Ministerial Meeting and the demand-supply situation of electricity during this summer.

1. Government report for the IAEA Ministerial Meeting and the supply-demand situation of electricity during the summer

Next week, the IAEA Ministerial Meeting will be held in Vienna, at which the final report of the investigation on the Fukushima Daiichi Nuclear Power Station accident by the IAEA investigation team will be presented and safety standards will be discussed.

On June 7 last week, the Japanese government published a report that had been prepared for this meeting.

The report contains a total of 28 lessons in five groups learned from the causes and challenges of the accident identified so far, as well as the short-, mid- and long-term safety measures including the countermeasures to be taken for the severe accident by the electric power companies and the disaster-prevention measures to be taken by the central and local governments.

To fully comply with the requirements of the report, and in particular to implement as quickly as possible the five urgent measures highlighted in the report, including securing an adequate work environment in the main control room, securing means of communication in the power station premises, and preventing the accumulation of a large volume of hydrogen in the reactor building in case of a severe accident, the power companies have already reported the current situation to the government, on June 14 this week.

Further, when the government demanded at the end of March that urgent safety measures against tsunami should be implemented, the power companies responded immediately and had already implemented the measures by early May. Accordingly, METI Minister Mr. Kaieda commented that “the measures taken by the power companies are adequate, and there is no problem in restarting the nuclear power stations.”

However, last week, the Prefectural Government Association on Nuclear Power, an

association of mayors of prefectures that host nuclear power plants, demanded the central government to “explain the basis of the nuclear safety standards, including the consistency of requesting suspension of the Hamaoka Nuclear Power Station while saying that there is no problem in restarting non-operating nuclear power stations.”

The concerns of the communities that host nuclear power plants have not been removed.

As I told Mr. Kaieda in person on June 14 this week, nuclear power plays a vital role in ensuring the stable supply of electricity, and it is essential to restart the power plants that are currently not operating.

We are already halfway through June, and summer will soon be here when electricity demand will reach its peak.

The electric power companies will continue to make maximum effort to win the consent of the nuclear power plant-hosting communities and customers toward restarting the plants, but if consent cannot be gained, we would have to take the difficult decision, despite our mission to provide a stable supply of electricity, to ask customers to cut back on electricity consumption.

The government has imposed a restriction on electricity consumption by customers of Tohoku Electric Power Company and Tokyo Electric Power Company in accordance with the Electricity Business Act, in which businesses with a contract capacity of 500kW or higher will, starting from July 1, be required to reduce the peak power consumption by 15% compared to last summer.

Likewise, on July 10 last week, Kansai Electric Power Company announced its supply-demand forecast for this summer, and we have asked all our customers to cut their electricity consumption by approximately 15% during weekdays from 9 am to 8 pm from July 1.

Hokuriku Electric Power Company, though without setting numerical goals, has also made a similar request, asking customers to save electricity.

We apologize to all customers for the significant inconvenience and trouble this will cause, and ask for their understanding and cooperation.

While the power companies will continue to make utmost effort, including increasing thermal and hydraulic power plant capacities, if the current non-operating nuclear power plants are not restarted, with periodic inspection starting for 5 more nuclear plants nationwide by August, the number of plants in operation, including load-following operation, will be as low as 14.

Plant operation cannot be resumed without the consent of local municipalities and residents.

The electric power companies will strive to make nuclear power stations even safer.

Minister Kaieda has said that he will “visit the nuclear plant-hosting communities in person to hear the opinions of local residents and explain to them our views, in order to pave the way for restarting the plants.” We sincerely request the central government to provide the local municipalities with the full support they require.

## 2. Change in the FEPC board of directors

Lastly, I would like to report a change in the FEPC board of directors, which was decided at today’s General Policy Meeting, as reported in Document 1.

In this board reorganization, Vice Chairman Yamashita and Secretary General Hiroe will retire, and will be replaced from June 29 by Mr. Sato, President of Hokkaido Electric Power Company and by Mr. Inada, Executive Officer of the Kansai Electric Power Company, respectively.

Lastly, I would like to add that the power generation composition of the ten electric power companies for 2010 has been issued.

Please see Document 2.

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

**Replacement of FEPC Directors**

We hereby announce the replacement of FEPC directors decided by the General Policy Meeting held today.

Until June 28, 2011	From June 29, 2011
Vice Chairman Takashi Yamashita (Mr. Yamashita is President of the Chugoku Electric Power Co., Inc. and will be appointed as Chairman of the Board of the Company on June 29, 2011)	Vice Chairman Yoshitaka Sato (President and Director of Hokkaido Electric Power Co., Inc.)
Director, Secretary General Yuzuru Hiroe (Mr. Hiroe is Director of the Kansai Electric Power Co., Inc. and will be appointed as Managing Director of the Company on June 29, 2011)	Director, Secretary General Yutaka Inada (Mr. Inada is Executive Officer, Himeji Office of the Kansai Electric Power Co., Inc. and will be appointed as Director of the Company on June 29, 2011)

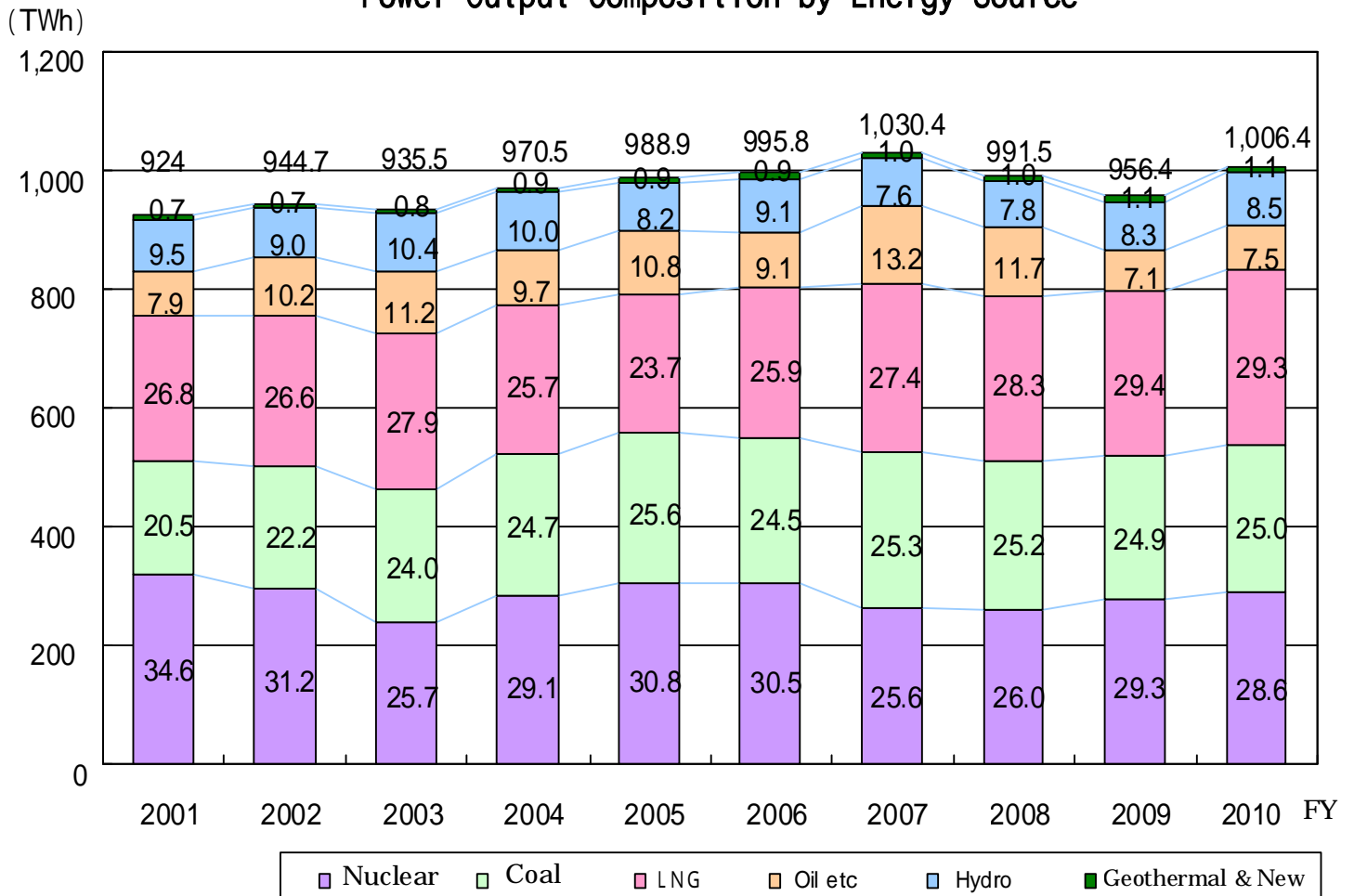
(No changes were made to the positions of the other directors.)

Reference:

**New Board of Directors of FEPC (from June 29, 2011)**

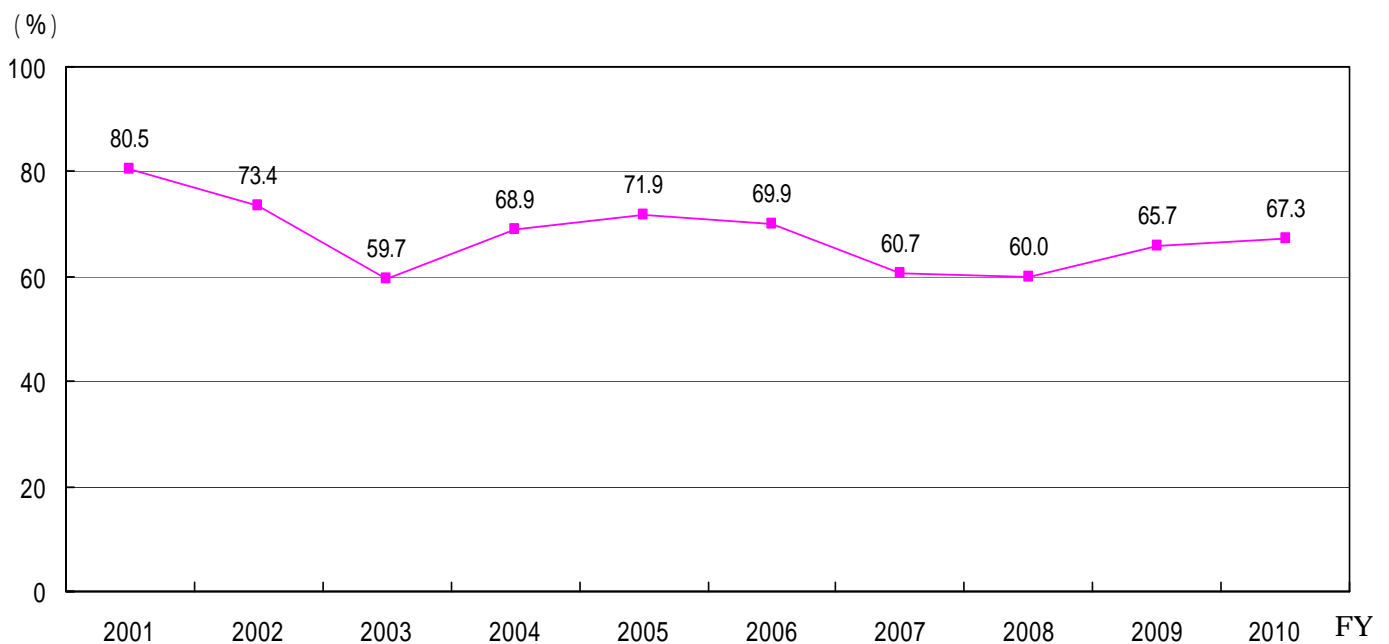
Chairman	Makoto Yagi (President and Director of the Kansai Electric Power Co., Inc.)
Vice Chairman	Toshio Manabe (President of Kyushu Electric Power Co., Inc.) Yoshitaka Sato (President and Director of Hokkaido the Kansai Electric Power Co., Inc.) Shigeru Kimura (Director of the Tokyo Electric Power Co., Inc.)
Senior Managing Director, Fukushima Support Headquarters	Yuji Kume (Director of Chubu Electric Power Co., Inc.)
Director, Secretary General	Yutaka Inada (Director of the Kansai Electric Power Co., Inc.)
Director, Deputy Secretary General	Yasuhiro Tejima (Director of the Tokyo Electric Power Co., Inc.)
Director, Nuclear Fuel Cycle Promotion Headquarters	Susumu Tanuma (The Kansai Electric Power Co., Inc.)
Director, Geological Repository Promotion Headquarters	Kazuya Sugiyama (The Tokyo Electric Power Co., Inc.)

### Power Output Composition by Energy Source



Note: Total of 10 companies including purchased electricity. The values stated inside the bars represent the proportions of sources in percents (%). "Oil etc" includes LPG and other fuel gases.

### Annual Load Factor of the Nuclear Power Plants



Note: The Japan Atomic Power Company is included.