

Summary of Press Conference Comments Made by Makoto Yagi, FEPC Chairman, on November 25, 2011

Today, as the chairman of FEPC, I would like to say a few words on the following two topics: "Request for cooperation in saving electricity" and "our views on the nuclear fuel cycle".

1. Request for cooperation in saving electricity

As you know, due to the uncertainty about restarting nuclear power stations and hence the supply-demand outlook for electricity this winter, Kansai Electric and Kyushu Electric have asked their customers to cut back on electricity usage by at least 10% and 5%, respectively. The conditions are also very serious for other electric power companies whose reserve margins are falling far below an adequate level.

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

The electricity saving plan for each sector and industry was announced on November 1 in the government's "Action Plan to Stabilize Energy Supply and Demand". As the peak electricity consumption during the winter lasts for a long time, mainly in the morning and evening, I think that visualizing the state of electricity consumption is the key to saving electricity efficiently.

The electric power companies are committed to making every effort to secure the maximum supply capacity by close cooperation in the power interchange and in fuel procurement. We will also help our customers save electricity by advising them, and by supplying detailed information through such means as electricity forecasts and visualization of electricity consumption.

2. Our views on the nuclear fuel cycle

As the Cost Verification Committee Meeting of the government was held today, and the result of power generation cost calculations is expected to be issued before the end of this year, I would like to reiterate our views on the nuclear power policy, especially the fuel cycle policy.

During the meeting on the new Framework for Nuclear Energy Policy held on October 26, I made the following comments as the Chairman of FEPC. These comments have also been released on the Nuclear Energy Council website\*.

(\* Available only in Japanese)

I commented that the review of the nuclear fuel cycle policy should be discussed diligently and carefully from a broad range of perspectives, including the following:

- Is it appropriate to dispose of spent fuel as is, while it contains recyclable resources?
- Will direct disposal that requires much land be socially acceptable in Japan which has limited land?
- How will we deal with the impact on plant operation and local industries which may occur as a result of changes in the fuel cycle policy?
- Should we really abandon reprocessing technology, which is a right accorded only to Japan among all non-nuclear countries under the Japan-United States Atomic Agreement, and which was earned through diplomatic efforts under the relationship of trust between the two countries?

As I have said many times, the energy policy is an extremely important policy that sets the very foundation of a nation's security and economic activities.

While power generation cost is also a very important criterion, we believe that nuclear power will remain an essential energy in the optimal combination of power sources, in view of energy security and global warming.

Furthermore, we strongly believe that the fuel cycle business should be promoted in step with nuclear power generation to improve the efficiency of consuming energy resources and reducing radioactive wastes, and are resolutely committed to establishing the fuel cycle.

This is all for today.

Thank you for your kind attention.