

Summary of Press Conference Comments Made by Makoto Yagi,
FEPC Chairman, on October 16, 2015

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

Regarding the Sendai Nuclear Power Station, Unit 2 was restarted yesterday following Unit 1, which was restarted on September 10. The start-up of nuclear reactors is a major milestone, and Kyushu Electric will continue to steadily complete the steps leading to commercial operation one at a time with safety as the utmost priority.

We will respond sincerely to the safety assessment of other nuclear plants so that they, too, will be restarted as soon as possible.

1. Supply and demand outlook for electricity this winter

First, I would like to say a few words on the supply-demand outlook for electricity for this winter.

On October 9, each electric power company reported to the Minister of Economy, Trade and Industry its supply and demand outlook for electricity for this winter as part of the collection of reports required under the Electricity Business Act. The reports of the companies will be reviewed and finalized in the Electricity Supply-Demand Verification Subcommittee, and based on the result, the government is expected to announce its policy measures, including the need to request electricity saving.

This winter, all electric power companies are expected to be able to just secure a minimum reserve margin of 3%. However, the situation remains extremely tight, as the supply-demand reports factor in, on the demand side, the cooperation of all our customers for electricity saving, and on the supply side, the situation remains dependent on the overuse of thermal power, including adjusting the interval between periodic inspections and restarting the thermal power plants that had been shut down.

Particularly, Hokkaido, where power demand peaks in the winter, has in theory secured the necessary reserve margin, but the situation is expected to be very tough again this winter as the area has a relatively small demand, making it particularly vulnerable to unforeseen supply breaks, and because it cannot receive much electricity from other power companies in an emergency due to the limited capacity of transmission lines.

Despite these circumstances, we will continue to make utmost efforts on both the supply and demand

sides, while preparing for an increase in demand due to low temperatures and the risks of capacity fluctuations due to facility troubles. However, to secure a stable supply of electricity on a sustainable basis, again, nuclear power generation is essential as a base source of electricity.

2. Efforts on measures for spent nuclear fuel

Next, I would like to comment on the measures for the spent fuel from nuclear power stations.

On October 6, at a meeting of relevant Cabinet members on final disposal, the government's "Action Plan on Measures for the Disposal of Spent Nuclear Fuel" was presented. We recognize this action plan as specific measures developed based on the Strategic Energy Plan, which states, regarding measures for spent nuclear fuel, that "the government will strengthen its commitment to expanding the storage capacity of spent fuels".

Based on this action plan, the power companies are currently considering the necessary actions by determining the changes in the volume of spent fuels being stored. The measures to be taken by each company will be compiled into a "Spent Fuel Action Promotion Plan" and released as soon as possible.

The power companies believe that the construction and use of intermediate and dry storage facilities must be promoted steadily.

Further, as the understanding of the hosting communities and the people of Japan is essential for promoting measures for disposing of spent nuclear fuel, we will take further action to win public understanding on the necessity and importance of those measures.

Lastly, I would like to comment on the activities for winning public understanding for high-level radioactive wastes (HLW).

The government has positioned this month as "the month of dialog with the public on the final disposal of high-level radioactive wastes", and is co-hosting with NUMO symposiums for the public in nine cities nationwide.

While we are already conducting activities for winning public understanding for nuclear power including final waste disposal, based on our experience in working with the local community, we have additionally launched activities to explain the outline and the need for final disposal, timed with the government's "month of dialog with the public on the final disposal of high-level radioactive wastes".

We will continue these dialogs and the activities for winning public understanding in order to achieve further public understanding on the final disposal business.

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