

Summary of Press conference Comments Made by Satoru Katsuno, FEPIC Chairman,  
on March 16, 2018

I am Satoru Katsuno, Chairman of the Federation of Electric Power Companies.

Today I would like to talk about two topics: the seven-year mark since the Great East Japan Earthquake and the initiatives directed towards independent nuclear safety improvement.

< Seven-year mark since the Great East Japan Earthquake >

First, I would like to discuss the seven-year mark since the Great East Japan Earthquake.

On the 11th of March, we reached the seven-year mark since the Great East Japan Earthquake.

The accident at the Fukushima Daiichi Nuclear Power Station still causes tremendous hardship, anxiety and burden to many people. As someone who is a part of the same electricity business as the power station's operator, I would like to say how tremendously sorry I am for this state of affairs.

With regard to the restoration of Fukushima, I believe that it is important we further accelerate efforts for reconstruction and revitalization in accordance with the Act on Special Measures for the Reconstruction and Revitalization of Fukushima. These initiatives should include expanding efforts to assist evacuees in returning home and rebuilding people's businesses and livelihoods.

In the immediate aftermath of the earthquake, we nuclear operators firmly resolved never to allow such an accident to happen again. We have strived to implement thorough safety measures and attend to the examinations for verifying compliance with the new regulatory requirements.

On the 14th of March, Kansai Electric Power Company's Ohi Nuclear Power Station

Unit 3 restarted its reactor. Other plants where reactors have been restarted are steadily accumulating a record of safe operation that gives top priority to safety. We will continue to do all we can to comply with the examinations at other plants.

Also, as I will discuss in more detail later, we are also moving forward with efforts to ensure an even higher dimension of safety, not limiting ourselves to the regulatory framework.

Currently, Japan is reviewing the country's Strategic Energy Plan and Long-Term Energy Vision, where there has been a lively exchange of views not only on individual topics concerning each energy source, but also during deliberations that take into account the situation in countries besides Japan, in addition to other factors.

From the S + 3E standpoint which refers to energy security, economic efficiency and environment plus safety, it is important that Japan, a country with meager energy resources and inability to form an electricity networks with neighboring countries, not be overly dependent on specific power supplies or fuel sources, and that we realize a balanced energy mix.

Within that context, I believe it is essential that nuclear power continue to be an "important baseload power source" and utilized on the fundamental assumption that safety is assured.

With regard to the reforms of the electric power system and the ongoing review initiated by the Great East Japan Earthquake, almost 2 years have passed since the electricity retail business was fully liberalized. We have seen over again how that market has plunged into an environment of rigorous competition.

Even with the significant changes in the business environment around us, we will work to make safety the top priority bar none, and continue our unrelenting efforts to appropriately meet society's expectations and needs as we endeavor to recover everyone's trust so that we may fulfill our basic mission of "safely and stably delivering environmentally-friendly, good quality and inexpensive electricity."

<Initiatives directed towards independent nuclear safety improvement>

Next, I would like to discuss the initiatives directed towards independent nuclear safety improvement.

As I mentioned earlier, we nuclear operators have been complying with the new regulatory requirements and striving to ensure an even higher dimension of safety not limited to satisfying regulations within the regulatory framework while, at the same time, proactively collaborating with the Japan Nuclear Safety Institute (JANSI), Central Research Institute of Electric Power Industry's (CRIEPI) Nuclear Risk Research Center (NRRC), and other outside organizations in accordance with our belief that “risks will never be completely eliminated.”

As part of these efforts, we, nuclear operators, and the top 14 officials at JANSI and NRRC gathered together under one roof where we discussed and confirmed with one another the status of efforts made so far to enhance nuclear safety, the respective roles that we each should play, future initiatives, and other matters.

This was after February of last year, and the details of these discussions are summarized in your handout labelled “[Document 1](#).”

Specifically, as is stated in this document, we all confirmed that we would proactively move forward with:

- Continuing efforts to improve utility performance through JANSI’s peer reviews, support activities, comprehensive station evaluations (peer pressure), and other initiatives, and
- Enhancement of risk assessment methods in partnership with NRRC, and decision-making that appropriately combines various elements obtained from said assessment.

Furthermore, so that, in the future, nuclear power operators may continue their voluntary initiatives to improve safety and establish these as part of their operations, it is important that the entire nuclear power industry, including manufacturers, JANSI,

CRIEPI, and other relevant organizations, effectively utilize their knowledge and resources in a continuing dialogue with regulators to formulate effective countermeasures and urge nuclear power operators to adopt these measures in their operations.

To enforce such efforts under a responsible framework, we decided to launch the New Nuclear Power Organization Establishment Preparation Office this April, aiming to establish a new organization, which the nuclear industry will be involved in, by the summer of 2018.

This decision has been reported to Japan's Advisory Committee for Natural Resources and Energy's Working Group on Voluntary Safety Improvement, Technology and Manpower and other councils. A summary is included in your handout labelled "[Document 2](#)."

Under an original governance system, the new organization will develop safety measures and encourage nuclear operators to introduce those measures to their nuclear power stations. Taking advantage of its expertise, transparency, and objectivity, the new organization will help nuclear operators with their efforts to improve nuclear safety. To this end, the new organization will:

- specify, based on latest domestic and international knowledge, challenges in nuclear power safety that the nuclear industry needs to address
- coordinate the nuclear industry's activities to discuss solutions to challenges
- have representative nuclear industry specialists join discussions on solutions to challenges
- develop into a technical report the results of discussions on solutions to challenges and publish it

Nuclear operators will continue on their risk reduction efforts by implementing the safety measures to be set out by the new organization.

Nuclear operators, manufacturers, and other nuclear organizations will work together in the New Nuclear Power Organization Establishment Preparation Office to consider specific businesses of the new organization.

We will continue to steadily move forward with such initiatives to enhance safety and will strive to restore trust with society.

<Appointment of FEPC Directors>

Lastly, I would like to mention the appointment of an FEPC director.

I would like to report that, as stated in [Document 3](#) which has been distributed in your handout, our Senior Managing Director will be retiring, and the General Policy Committee made a decision at today's meeting on his successor.

This will conclude my segment today.

End

## Initiatives directed towards independent nuclear safety improvement

March 16, 2018  
Federation of Electric Power Companies

Embracing a strong commitment to preventing events similar to the Fukushima Daiichi Nuclear Power Station accident, we nuclear operators\* have addressed new regulatory requirements accurately and have undertaken thorough safety measures.

Even at this time when several nuclear power plants have resumed operation , we have been maintaining efforts in hopes of ensuring higher levels of safety that is not constrained within the boundaries of the regulation .

Sharing awareness on the significance of top-level officials' commitment to improving safety of nuclear power generation, this year again, leaders of nuclear operators as well as Japan Nuclear Safety Institute (JANSI) and Central Research Institute of Electric Power Industry Nuclear Risk Research Center (NRRC), both of which are external bodies, gathered to discuss their roles and new initiatives.

In specific terms, the three parties will coordinate to work on the following efforts:

- Continuous efforts toward improving utility performance through JANSI's peer reviews, support activities, and comprehensive station evaluations (peer pressure)
- Enhancement of risk assessment methods in partnership with NRRC, and decision-making that appropriately combines various elements obtained from said assessment

We will furthermore launch an organization described below to effectively use the entire nuclear industry's insight and resource, thereby stepping up efforts toward improved safety:

- A new organization to introduce effective measures to nuclear power stations by having dialogue with the regulatory authority, while effectively using knowledge and resources of the entire nuclear industry (e.g. nuclear operators, manufacturers, relevant bodies) in hopes of transcending regulatory boundaries and autonomously and continuously promoting safety improvement efforts

Under strong leadership, we will steadily maintain independent and autonomous safety improvement efforts. At the same time, we will harness third-party reviews actively to improve upon nuclear power stations performance, safety, and availability factor in hopes of achieving "S+3E" and contributing to Japanese economy and society accordingly. Efforts for continued dialogue with the regulatory authority in public meetings will continue as well. Influencing one another in positive ways and thoroughly fulfilling operators' mission of improving nuclear power safety, we will work to restore public trust.

\* Nine operators, the Japan Atomic Power Company, Electric Power Development Co., Ltd.

**Launch of New Nuclear Power Organization Establishment Preparation Office  
to Reinforce Efforts Toward Autonomous and Continued Improvement of Nuclear Safety**

March 16, 2018

The Federation of Electric Power Companies of Japan  
The Japan Electrical Manufacturers' Association

Embracing a strong commitment to preventing events similar to the Fukushima Daiichi Nuclear Power Station accident, nuclear operators have addressed new regulatory requirements accurately and have undertaken thorough safety measures.

We also launched the Japan Nuclear Safety Institute (JANSI) in November 2012, and later in October 2014 the Central Research Institute of Electric Power Industry (CRIEPI) Nuclear Risk Research Center (NRRC). We have been supported by these two institutions as they contribute to our safety improvement activities through improving plant performance via peer reviews and sharing risk study results.

Nuclear operators need to go beyond regulatory boundaries to implement and establish both autonomous and continued safety improvement initiatives.

Therefore, it is critical to make efforts to effectively harness knowledge and resources of the entire nuclear industry, including not only nuclear operators but also manufacturers and other nuclear organizations such as JANSI and CRIEPI while engaging in continuous dialogue with the regulatory authorities and accordingly encouraging nuclear operators to introduce measures efficient to nuclear power stations.

To enforce such efforts under a responsible framework, we decided to launch the New Nuclear Power Organization Establishment Preparation Office this April, aiming to establish a new organization, which the nuclear industry will be involved in, by the summer of 2018.

Under an original governance system, the new organization will develop safety measures and encourage nuclear operators to introduce those measures to their nuclear power stations. Taking advantage of its expertise, transparency, and objectivity, the new organization will help nuclear operators with their efforts to improve nuclear safety. To this end, the new organization will:

- specify, based on latest domestic and international knowledge, challenges in nuclear power safety that the nuclear industry needs to address
- coordinate the nuclear industry's activities to discuss solutions to challenges
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Nuclear operators will continue on their risk reduction efforts by implementing the safety measures to be set out by the new organization.

Nuclear operators, manufacturers, and other nuclear organizations will work together in the New Nuclear Power Organization Establishment Preparation Office to consider specific businesses of the new organization.

End of document

Attachment: Overview of New Nuclear Power Organization Establishment Preparation Office

## Overview of New Nuclear Power Organization Establishment Preparation Office

### 1. Objective

Consider specific businesses of a new organization, the establishment of which is to come around the summer of fiscal 2018

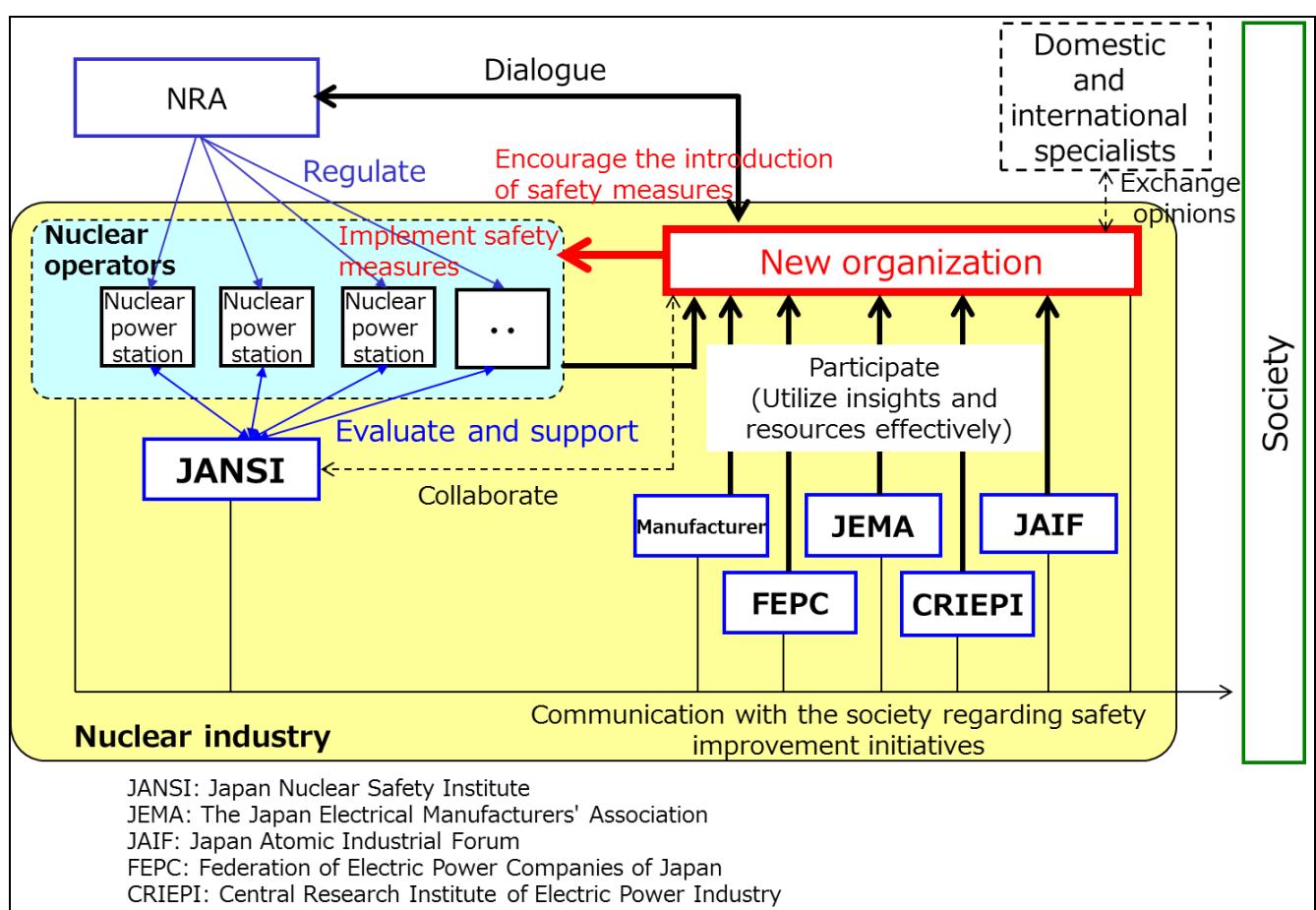
### 2. Framework of the Establishment Preparation Office

The Office will consist of staff members from nuclear operators and manufacturers

### 3. Timing of establishment

April 2018

#### Image of new organization's roles



[For reference: The operators and organizations that participate in the discussion to establish a new organization (as of 3/16)]

Chubu EPC, Chugoku EPC, FEPC, CRIEPI, Hitachi-GE Nuclear Energy, Hokkaido EPC, Hokuriku EPC, JAIF, JANSI, JAPC, JEMA, J-POWER, Kansai EPC, Kyushu EPC, Mitsubishi Electric, Mitsubishi Heavy Industries, Shikoku EPC, Tohoku EPC, TEPCO Holdings, Toshiba Energy Systems & Solutions Corporation (alphabetical order)

**The Federation of Electric Power Companies of Japan**  
**Announcement of Director Appointment**

March 16, 2018  
 FEPC

We hereby announce that the following resolution concerning the appointment of an FEPC director was adopted at today's meeting of the General Policy Committee. The transition is scheduled to take place on April 1.

Current	New
Senior Managing Director and Head of Fukushima Support Headquarters Satoshi Onoda (Counselor, Chubu Electric Power Co., Inc.)	Senior Managing Director and Head of Fukushima Support Headquarters Shigenobu Shimizu (Senior Managing Executive Officer & Director, Chubu Electric Power Co., Inc.)

Reference:

New FEPC Board of Directors (as of April 1, 2018)

Chairman Satoru Katsuno (President & Director, Chubu Electric Power Co., Inc.)

Vice Chairmen Michiaki Uriu (President, Kyushu Electric Power Co. Inc.)

Vice Chairmen Akihiko Mayumi (President & Director, Hokkaido Electric Power Co., Inc.)

Vice Chairmen & Head of Nuclear Waste Final Repository Promotion Headquarters Yuzuru Hiroe (Executive Officer, Kansai Electric Power Co., Inc.)

Senior Managing Director & Head of Fukushima Support Headquarters Shigenobu Shimizu (Director, Chubu Electric Power Co., Inc.)

Director & Secretary General Hirohisa Yashiro (Honorary Executive Officer, Tohoku Electric Power Co., Inc.)

Director & Deputy Secretary General Yoshihiro Tomioka (Tokyo Electric Power Company Holdings, Inc.)