

Summary of Press Conference Comments Made by Shigeki Iwane, FEPC Chairman,
on September 20, 2019

I am Shigeki Iwane, Chairman of the Federation of Electric Power Companies.

Today, I will talk about the “response to Typhoon Faxai (15th typhoon of the season)”, “preliminary figures for CO2 emissions in FY2018”, and the “direction of the energy policy going forward”.

<Response to Typhoon Faxai (15th typhoon of the season)>

Typhoon Faxai (15th typhoon of the season) hit the Japan islands on September 9, causing great damage in the Kanto area. I would like to address our response to this natural disaster.

I offer my heartfelt condolences for those who were affected by this typhoon. I sincerely apologize for all the immense trouble and inconvenience that the long power outage, concentrating in Chiba, is causing our customers.

TEPCO Power Grid is doing its utmost to recover facilities in the areas hit by this typhoon. Learning from the lessons of the string of natural disasters that occurred last year, utilities across the country gathered all their response personnel and high voltage generator cars as soon as the typhoon landed and have provided as much support as possible.

The electric industry has come together and is doing their best to recover power—utilities have sequentially dispatched to TEPCO Power Grid a total of 9,070 personnel in 4,000-person teams to recover power, as well as 174 high voltage generator cars.

As of 1PM today, there are still 20,000 homes in Chiba without electricity. TEPCO Power Grid and the dispatched utility support personnel will work closely together to

recover power so that customers in Chiba can start using their electricity again as quickly as possible.

Additionally, on September 17, we received instructions from the Minister of Economy, Trade and Industry to take all possible measures to prepare for typhoons.

Utilities have been implementing measures to prepare for a large-scale outage given the reflections and lessons learned from last year's string of natural disasters. We will again review our power recovery team structure, equipment deployment status, and coordination with other utilities and municipalities.

Stable supply of electricity is our core mission as utilities.

Utilities will continue to cooperate on stable supply and early recovery from outages and do our best to stably provide electricity to customers.

<Preliminary figures for CO2 emissions in FY2018>

Next, I would like to address "preliminary figures for CO2 emissions in FY2018".

The Electric Power Council for a Low Carbon Society put together the preliminary figures for CO2 emissions in FY2018 in its effort to achieve the goals set out in its Low Carbon Society Action Plan.

According to Council calculations, 372 million tons of CO2 were emitted in FY2018 and the CO2 emissions factor was 0.463kg per 1kWh of electricity sold. CO2 emissions fell by approximately 9.6% and the CO2 emissions factor by approximately 6.7% compared to last year, a significant reduction.

Major factors in this reduction are assumed to be the increase in power generated by restarted nuclear power plants and increased thermal efficiency from the introduction of the latest high-efficiency thermal power generating facilities. I also believe this achievement comes from member companies running PDCA cycles with a sense of responsibility for their own company initiatives.

The Council will also continue to run its own PDCA cycles to enhance the efficacy of targets set out in the Low Carbon Society Action Plan.

Nuclear power generation, which does not emit CO₂ in generating power, is considered an important baseload power source for the future in the Fifth Strategic Energy Plan. Nuclear power is expected to supply 22-20% of the power required in FY2030 and is considered as an “option for decarbonization that is at the practical stage” when looking at the future of energy in the long-term, toward 2050.

We as nuclear power utilities will continue to respond appropriately to the new regulatory requirements aiming for early restart and cooperate with the Atomic Energy Association and other external organizations beyond the regulatory framework to secure safety at a higher level.

As nuclear utilities of a country which has experienced the Fukushima Daiichi Nuclear Power Station Accident, we are committed to breaking new ground for the future of nuclear power. We will seek to further reduce CO₂ emissions while enhancing human resource development as well as technology development, pursuing safety and economic efficiency and preparing for the installation of new and additional plants and replacement of existing plants.

<Direction of the energy policy going forward>

Finally, I will address the “direction of energy policy going forward”.

On August 26, the government’s Strategic Policy Committee held a meeting that discussed the direction of the future energy policy which includes electricity.

The committee indicated a policy to drastically review the FIT system and to consider a system of subsidies with electricity market transactions in mind in order to

turn renewable energy into a major power source and to secure sustainable investments in power sources so that we can build a sustainable electricity system.

The necessity of deliberately developing the electrical grid and push forward the wheeling fee system reform to rebuild a next generational network was also confirmed.

On August 27, this meeting also inaugurated the Subcommittee on System Reform for Renewable Energy as Main Power Source and the Subcommittee for Sustainable Power Systems under the Strategic Policy Committee to discuss those challenges from a broad energy policy standpoint.

We, as electricity operators, consider turning renewable energy into a major power source and rebuilding an electricity system for generation, transmission, and distribution as critical to providing stable electricity in the future and to realize S+3E. We intend to cooperate fully in these discussions.

This will conclude my segment today.

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