

Summary of Press Conference Comments Made by Kazuhiro Ikebe, FEPC Chairman,
on November 13, 2020

I am Kazuhiro Ikebe, Chairman of the Federation of Electric Power Companies.

On October 26, Prime Minister Yoshihide Suga gave a policy speech, stating the goal of reducing net greenhouse gas emissions to zero by 2050 and realizing a carbon-free society. We see this as a very challenging goal.

Energy policy supports the foundation of the lives of the people and economic activity as the basis of the country. We believe the government will be holding discussions to realize this goal and request that the government form policies informed by S+3E.

To realize this goal, innovation that generates and spreads radical and innovative technologies, in addition to turning renewable power into a main power source and maximally utilizing nuclear power generation, will be essential. There are many challenges to realizing innovation but we believe that the government will be accelerating discussions relating to innovation and we will also respond appropriately.

The Minister of Economy, Trade and Industry Hiroshi Kajiyama commented in a press conference held on the day of the Prime Minister's policy speech that, on the demand side, "electrification and promoting the use of hydrogen energy will be the foundation for the industry, transport, office, and household sectors." We will take the initiative and comprehensively balance global warming countermeasures and the development of the electric power business by continuing to promote the low carbonization of power sources and electrification.

Now, I would like to talk about "promoting the nuclear fuel cycle" and "conducting recovery support training with the ten power transmission and distribution business operators."

< On “promoting the nuclear fuel cycle” >

First, I will talk about the promotion of the nuclear fuel cycle.

On October 21, Governor Mimura of Aomori-ken, and relevant ministers including Chief Cabinet Secretary Katsunobu Kato, Minister of Economy, Trade and Industry Hiroshi Kajiyama, Minister of State for Special Missions Cabinet Office Shinji Inoue, State Minister of Education, Culture, Sports, Science and Technology Hinako Takahashi, JNFL President Masuda and I as FEPC Chairman met to participate in the “Nuclear Fuel Cycle Council”.

The Council confirmed again that nuclear power generation and the nuclear fuel cycle will continue to be promoted by the government as a national strategy unwavering over the mid to long term. The Aomori Governor requested that nuclear power operators also continue to further promote MOX fuel.

Regarding the final disposal of high-level radioactive waste, the governor reiterated that Aomori-ken is not a final disposal site and requested that the government take the initiative in securing a final disposal site to dispose of the waste as soon as possible and that nuclear power operators also step up their efforts on that front.

Given the energy situation in resource-poor Japan, nuclear power generation will need to continue to serve its part as an important baseload power source. The nuclear fuel cycle is critical in effectively utilizing uranium, and reducing the volume and toxicity of waste.

All of this is premised on the completion of the Rokkasho Reprocessing Plant. On July 29, Japan Nuclear Fuel Limited (hereinafter JNFL) received permission for changes in the business operation of the Rokkasho Reprocessing Plant from the Nuclear Regulatory Authority (hereinafter NRA). JNFL will put forth every effort in safety improvement measures work for the completion of the Rokkasho Reprocessing Plant

and we, as nuclear operators, will continue to fully support JNFL as an industry.

Regarding the final disposal of high-level radioactive waste, initiatives to conduct a literature survey at Suttsu-cho and Kamoenai-mura in Hokkaido have begun. We hope that interest in the disposal business continues to spread across Japan to as many people as possible.

We have a basic responsibility as a business producing high-level radioactive waste. With this in mind, we will continue to cooperate with the Japanese government and the Nuclear Waste Management Organization of Japan (NUMO), and engage in dialogue with local residents to deepen their understanding of the disposal business and attract interest in the issue.

< On “conducting recovery support training with the ten power transmission and distribution business operators” >

Next, I would like to talk about “conducting recovery support training with the ten power transmission and distribution business operators”.

On July 9 of this year, the general transmission and distribution operators submitted of disaster cooperation plan to the Organization for Cross-regional Coordination of Transmission Operators, JAPAN (OCCTO) given the Act for Establishing Energy Supply Resilience (Act on the Partial Revision of the Electricity Business Act and Other Acts for Establishing Resilient and Sustainable Electricity Supply Systems) that came into effect on July 1. Following this plan, we conducted desktop training on July 22 for confirming cooperation procedures and communication systems in a disaster. This month, the ten power transmission and distribution business operator will be jointly conducting actual recovery support training to confirm the effectiveness of the stipulations of the disaster cooperation plan which include the building of support systems within each utility, and emergency power transmission and facility recovery via support personnel in a large disaster.

We were initially planning to muster personnel from the ten utilities to the area provided for by the utility hit by the postulated disaster. However, because the effects of the novel coronavirus are still ongoing, we have decided not to assemble and instead switched to online and video material-based training. Each utility will be conducting support training assuming that they must recover facilities in the affected area from November 4 to 13. On November 25, the ten utilities will be videoconferencing to discuss the exercise, including any challenges.

Approximately 200 personnel from the ten power transmission and distribution business operators will be participating in this training whose three main training items are “building a support providing structure and support receiving structure”, “repairing severed power lines”, and “emergency transmission recovery via power supply car”. The host utility directly affected by the postulated disaster will send video training materials and recovery materials to each utility so that each utility can conduct training assuming the actual facilities of the affected utility and confirm the effectiveness of the manual.

General transmission and distribution operators will continue to further enhance preparations in ordinary times and ramp up initiatives to swiftly recover from a disaster by cooperating more closely with relevant municipal organizations as well as with other utilities to further strengthen electricity resilience.

< In closing >

In closing, I would like to address this winter’s supply and demand outlook.

The government’s Electricity and Gas Basic Policy Subcommittee met on October 30 and discussed this winter’s supply and demand outlook. It was confirmed that, even assuming the coldest of winters, all areas will be able to secure the minimum required reserve rate of 3% or more.

However, on the demand side, we are still factoring in customers' cooperation in conserving energy, and on the supply side, we are still forced to continually use aging thermal power plants.

We will continue to do our utmost on both the demand and supply sides in preparing for increased demand due to falling temperatures and a potential decline in supply capabilities due to facility failures while also keeping a close eye on the effects of the novel coronavirus.

We ask the Japanese public for their continued cooperation in the efficient use of electricity when possible.

This will conclude my segment today.

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