

Summary of Press Conference Comments Made by Kazuhiro Ikebe, FEPC Chairman,

on March 19, 2021

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

First, I will talk about the partial loss of functions of physical protection facilities at the TEPCO Holdings' Kashiwazaki-Kariwa Nuclear Power Station.

Securing nuclear security is a serious responsibility for nuclear operators. I would like to express my deepest apologies for the anxiety and concern this event is causing to society.

The Nuclear Regulation Authority considers this an event that could have escalated into a serious nuclear security incident, and the Federation of Electric Companies of Japan (hereinafter FEPC) also takes this event seriously. TEPCO Holdings swiftly shared the details of this event with other utilities at an FEPC meeting. We have confirmed that similar cases have not occurred at other utilities.

Currently, TEPCO Holdings is working to determine the detailed cause of the event

and is discussing the necessary measures. Other utilities will also respond appropriately in line with these discussions. In the General Policy Committee meeting, the Presidents of each utility in attendance again confirmed that “the industry will take this seriously and will do their utmost to improve physical protection work overall beyond the response measures required for this event”. I have instructed the physical protection managers of each utility to cooperate and learn about the rules and initiatives implemented at each company to improve upon them. We are committed to implementing thorough recurrence prevention measures to ensure an event like this will never happen again.

Now for the rest of my time today, I will talk about “10 years since the Great East Japan Earthquake”, “initiatives to autonomously improve safety in nuclear power” and “establishment of Transmission and Distribution Grid Council for the legal separation of the transmission and distribution division”.

<On “10 years since the Great East Japan Earthquake”>

I will now talk about marking 10 years since the Great East Japan Earthquake.

I, as a person involved in the nuclear power business, am very regretful that the effects of the Fukushima Daiichi Nuclear Power Station accident continue to

inconvenience, concern, and burden many people.

In March of last year, the evacuation orders for parts of Futaba-machi, Okuma-machi, and Tomioka-machi in Fukushima Prefecture were gradually lifted. The whole of the JR Joban line that runs through the Hamadori area also reopened for service. Of the remaining municipalities in the difficult-to-return zone, six villages and towns in the specified reconstruction and recovery zones are expected to be habitable again by 2023.

In Fukushima recovery, efforts to help evacuees return home need to be expanded according to the Act on Special Measures for the Reconstruction and Revitalization of Fukushima, and efforts to reconstruct and revitalize Fukushima such as the rebuilding of businesses and livelihoods need to be accelerated.

Meanwhile, the Fukushima Daiichi Nuclear Power Station Decommissioning Project is progressing safely and steadily under TEPCO Holdings, and necessary measures are being implemented according to the Mid-and-Long Term Roadmap. Extremely difficult work without precedent in the world including fuel debris retrieval lies ahead. I ask that TEPCO Holdings challenge themselves in implementing decommissioning steadily, putting safety above all. The industry as a whole will continue to fully support the initiatives of TEPCO Holdings such as decommissioning with safety above all,

improving living conditions in the area, building an industrial infrastructure, and creating job opportunities.

As I will explain later on, under a strong commitment to never let an accident like this occur again, we nuclear operators have been each responding appropriately to the new regulatory requirements and strengthening autonomous safety improvement initiatives at nuclear power plants in collaboration with external organizations such as the Japan Nuclear Safety Institute (JANSI), Nuclear Risk Research Center at the Central Research Institute of Electric Power Industry (NRRC at CRIEPI), and the Atomic Energy Association (ATENA) to secure higher levels of safety.

We will continue these initiatives, and actively share information with society to increase transparency in plant operations and recover the trust of the people of the siting region and society.

<On “initiatives to autonomously improve safety in nuclear power”>

Next, I will talk about our “initiatives to autonomously improve safety in nuclear power”.

As I mentioned before, we have been autonomously promoting a variety of safety

improvement measures in the last 10 years, constantly eyeing the unique characteristics and risks associated with nuclear power generation under a strong commitment to never let an accident like the Fukushima Daiichi Nuclear Power Station Accident occur again. Going forward, we will continue to pursue safety beyond what is required in the new regulatory requirements.

Today, top management of nuclear operators and external organizations including the Japan Nuclear Safety Institute (JANSI), the Nuclear Risk Research Center at the Central Research Institute of Electric Power Industry (NRRC at CRIEPI), and the Atomic Energy Agency (ATENA) gathered via videoconference to discuss their roles, new initiatives, and items that require cooperation. Specifically, as laid out in the materials, we will actively:

- Study common technical challenges, promote technical discussions with the regulatory authority, and facilitate introduction of effective safety measures in collaboration with ATENA
- Continuously monitor, assess, and improve plant performance, and pursue safety at the world's highest level in collaboration with JANSI
- Enhance risk assessment methods, further establish risk-informed decision making, and promote the development of safety management systems that use risk

information in collaboration with NRRC

The new inspection system started in April 2020 uses risk information and takes a performance-based approach to ensuring plant safety. As a result, nuclear power operators are emphasizing their individual roles more than ever in pursuing safety and engaging in effective safety improvement activities. High safety standards can only be achieved through the efforts from both the nuclear power operators and the regulatory authority. We will increase understanding regarding safety activities by engaging in routine dialogue with the regulatory authority as part of the new inspection system and will also actively communicate with the regulatory authority through our collaboration with ATENA.

Last year, the national government pledged carbon neutrality by 2050. The use of nuclear power generation, an established, zero-emission technology, now and in the future is critical in reaching that goal. We nuclear power operators will continue to autonomously pursue safety, restart plants with improved safety swiftly, and work to use the restarted plants as much as possible. To that end, we will communicate with the people of the siting region and with the society-at-large regarding the state of the plants, our safety improvement measures, and risk-related information as an industry to recover

the trust of society.

<On “establishment of Transmission and Distribution Grid Council for the legal separation of the transmission and distribution division”>

Finally, I will talk about the “establishment of Transmission and Distribution Grid Council for the legal separation of the transmission and distribution division”.

As the final step in the electricity system reform, the general transmission and distribution operators of utilities were spun off to become legally separated entities in April of last year. The FEPC has been preparing to establish the Transmission & Distribution Grid Council (hereinafter TDGC), an organization independent of the FEPC this April to respond flexibly to the changes in the environment surrounding legal separation and the electricity business.

On March 17, the day before yesterday, the inaugural general meeting and board of directors meeting for TDGC was held where the new structure was decided; members determined that the Council will officially be established on April 1 and decided on the directors. Having done so, we believe that the TDGC will be able to collaborate with general transmission and distribution operators in operating the business which includes

operating systems, managing supply and demand, planning, building, and maintaining facilities, and working with the supply and demand regulation market while securing neutrality and transparency.

The business operations of general transmission and business operators are facing many challenges as electricity system reform progresses, from strengthening resilience for the purpose of maintaining and increasing electricity supply reliability, to dealing with increasingly diversified and complex technical matters that must be discussed to further deploy renewable energy. Under the new organizational system, we will continue to work on soundly developing the transmission and distribution business. While securing a higher level of transparency and neutrality for TDGC than ever before, the FEPC will continue to cooperate with them in disasters and resilience strengthening efforts as needed.

This is all from me today.

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