FEPC's stance on Democratic Party of Japan's Policy Position on Energy and Environment

September 6, 2012 The Federation of Electric Power Companies of Japan Chairman Makoto Yagi

Today, the Democratic Party of Japan (DPJ) announced their policy position aimed at creating a society without nuclear power.

We believe that it is an important energy strategy for the future of Japan, a nation with limited natural resources, to aim to achieve the "3Es," namely energy security, environmental conservation, and economic efficiency. These goals are based on the premises of assured safety and the diversification of energy resources, including nuclear energy.

If the DPJ's policy is adopted as a national energy policy, which will be decided in the near future, we believe this will create numerous and expensive challenges.

Should Japan abandon nuclear power, the country's energy security, economic strength, and living standards will be severely damaged. Increased fossil fuel imports and electricity rates will cause an outflow of national wealth. The subsequent rise in greenhouse gas emissions will contribute to global warming. It may, moreover, be difficult to maintain the required human resources for operating Japan's nuclear power facilities.

Above all, the DPJ's policy would break the trust of communities hosting nuclear facilities, which have been supporting Japan's energy policies. Should nuclear power and the nuclear fuel cycle be abandoned at some point in the future, it would have a serious and immediate impact on Japan's electricity supply due to the necessary treatment of spent fuel.\*

We believe that it is necessary to take advantage of nuclear power as an important electricity source and to promote the nuclear fuel cycle, in cooperation with host communities. As a major component of this, we will dedicate all our strength to securing the safety of nuclear power.

In order to secure the diversification of energy resources, we strongly ask that the Government of Japan not abandon the use of "nuclear power" when they decide the national energy policy.

\* Due to legal agreements, if the Government of Japan decides to abandon spent fuel reprocessing, all spent fuel currently stored at Rokkasho Reprocessing Plant must be returned to their owners, Japan's electric power companies. As a result, nuclear power facilities will be forced to shut down eventually due to shortages of onsite spent fuel storage space.