State of electricity supply and demand, and thanks for cooperation in conserving energy

February 19, 2021 The Federation of Electric Power Companies of Japan

Since at the tail end of December last year, we have been causing our customers and society at large much inconvenience and concern regarding the nation-wide tightening of power supply and demand. We have started asking the public to conserve energy by using electricity efficiently, and I would like to express my sincere gratitude once again to everyone for their gracious cooperation in these efforts.

We believe that the tight supply and demand margin is due to an increased electricity demand compared to previous years in the extreme cold that swept the nation which led to reduced fuel inventory, which in turn lead to shortages in supply capability, especially in the amount of power generated (kWh).

Despite these circumstances, utilities have managed to secure sufficient stable supply by doing their utmost to secure supply capability by procuring additional fuel and operating all power plants, including aged thermal power plants that are usually not in operation at maximum capacity, while conducting power interchange on a regional scale with areas with especially tight supply and demand margins in collaboration with the Organization for Cross-regional Coordination of Transmission Operators, JAPAN (OCCTO).

In the second half of January to February, as warmer days with temperatures above the average have started to mix with days of severe cold, electricity demand has leveled, and inventory of LNG for power generation has recovered to levels needed for stable supply for each utility. On the supply side, Ohi Unit 4 of the Kansai EPCO, a nuclear power plant with capacity of 1180 MW that had been undergoing a periodic inspection, started up on January 15 and has been operating at rated output. Utilities have also been working to secure supply capability using thermal power plants by postponing periodic inspections and continuing operation of plants at increased output. As a result, we believe we will be able to avoid having tight supply and demand for the rest of this winter.

This supply and demand issue is being verified by the Electricity and Gas Basic Policy Subcommittee of the Ministry of Economy, Trade and Industry. We as utilities are also deliberating over solutions to challenges that came to light in the tightening of electricity supply and demand.

I want to sincerely thank everyone from those who have been using electricity efficiently, those in related industries who have helped utilities procure fuel, to those who have maximally operated their private power generators.

Thank you very much.

Furthermore, multiple power sources mainly on the Pacific coast shutdown as a result of the earthquake that occurred on February 13 with an epicenter off the coast of Fukushima. However, operation has been restarted, beginning with plants that only experienced minor damages, and impact on electricity supply will be minimal.

*For the state of electricity supply and demand for each region, please reference the "electricity forecasts" that can be found on the websites of general transmission and distribution operators.

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