

On the Greenhouse Gas Emission Reduction Target for 2030

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The Federation of Electric Power Companies of Japan
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Today, Prime Minister Suga announced that Japan will aim to reduce greenhouse gas emissions by 46% in FY2030 from FY2013 levels.

Although many difficulties are expected in achieving this target, we electric operators will continue to contribute to encouraging the development of renewable energy and the overall deployment of as much renewable energy as possible, use of nuclear power generation as much as possible with safety as a premise, and further increasing efficiency and promoting technological development in thermal power generation.

At the same time, in resource-poor Japan, the perspective of S+3E, of achieving stable energy supply (or energy security), economic efficiency, and environmental protection with safety as a major premise, is critical. In particular, stable supply of electricity is the foundation of the livelihoods of the people and economic activity, and cannot be sacrificed.

Given the limited timeline until 2030, there is a limit to the amount of renewable energy that can be deployed given lead times on construction projects and constraints in terms of suitable siting regions, and nuclear power generation as a semi-domestic energy, and established decarbonization technology, must be maximally used to achieve the goal. Thermal power generation, regardless of how much renewable energy can be deployed, is necessary as a supply capability and reserve capacity. In addition to the low carbonization and decarbonization of power sources, electrification and power conservation on the demand side also need to be advanced.

To achieve the ambitious targets announced today, many challenges and their responses will be discussed by the government which will need to include the following.

○Maximal use of nuclear power generation with safety as a premise

- Revision of the operational life system given the opinions of the regulatory authority
- Increasing efficiency in conformance review by both the operator and regulatory authority/accelerating restart
- Clarifying the positioning of nuclear policy in the mid-to-long term, including construction, expansion and replacement

○Response for the large-scale deployment of renewable energy

- Securing power sources that have reserve capacity, inertia, and synchronizing force (nuclear power, thermal power, pumped storage)
- Measures to prevent power sources necessary for stable supply from becoming unfeasible (appropriate allocation of cost burden, etc.)
- Striking a balance between the high efficiency coal-fired thermal and LNG-fired thermal that enables stable supply and strengthens resilience (appropriate compensation if there are policy changes such as the introduction of a policy to phase out of high-efficiency coal-fired thermal)
- Early establishment of network system stabilizing technology
- Support for accelerating development and promotion of carbon-free fuel technology such as hydrogen and ammonia

○Increasing electrification in all sectors (industry, transportation, office/household) on the demand side

- Policy support for technological development and revision of regulations that are inhibiting electrification

○Fostering the public's understanding of the cost burden

- Quantitative assessment of the public's burden that is expected to increase with decarbonization, and fostering the public's understanding of the burden

END