Outline of “Electricity supply-demand measures in summer time”

1. Basic concept of electricity supply-demand measures in this summer

(1) Basic perspective of examination

- To aim for minimization of impact on people’s living and economic activities.
- To minimize especially the impact on the production and operation of industries which are the foundation of recovery.
- To proceed with preparations through adequate consultations between labor and management.
- To pay the utmost consideration to the disaster-affected areas, principally the Tohoku region.
- To deal with the electricity supply-demand measures not only in this summer but also in the future.

(2) Basic framework of electricity supply-demand measures

- To show how power consumption can be reduced at the peak period/time in advance so that customers can creatively and systematically deal with the measures, including shifts of operational hours and stagger holidays.
- To consider rolling blackouts as a safety net.
- To proceed with preparations of electricity supply-demand measures after this summer.

2. Forecast of supply capacity in this summer and target of demand reduction

(1) Forecast of supply capacity in this summer

- Maximum electricity will be interchanged from TEPCO to Tohoku EPCO. As a result, supply capacity of TEPCO will be 53.8 GW (at the end of July) and supply capacity of Tohoku EPCO will be 13.7 GW (at the end of August). The percentages of minimum required demand reduction will be 10.3% for TEPCO and 7.4% for Tohoku EPCO.
<Comparison of supply-demand balance with electric power interchange at its maximum>

<table>
<thead>
<tr>
<th></th>
<th>TEPCO area</th>
<th>Tohoku EPCO area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected demand (with demand reduction)</td>
<td>60 GW</td>
<td>14.8 GW</td>
</tr>
<tr>
<td>Forecast of supply capacity (with electric power interchange)</td>
<td>53.8 GW</td>
<td>13.7 GW</td>
</tr>
<tr>
<td>Percentages of required demand reduction</td>
<td>-10.3%</td>
<td>-7.4%</td>
</tr>
</tbody>
</table>

(Note) It is assumed that the peak of expected demand (with demand reduction) in each area will be at the same level as the previous year.

(2) Target of demand reduction rate

- Taking into account the influence of aftershock and technological risks of continuous day-and-night operation of decrepit thermal power stations, etc., the target of demand reduction rate in the entire area of TEPCO and Tohoku EPCO is set as -15%.
- The target of demand reduction rate in each sector of large customers, small customers and households is equally set as -15%.
(Note) Customers include the government and local governments.

3. Demand side measures

(1) Large customers (contract electricity: 500 kW or more)

- A large customer will map out and implement a plan on the specific approaches.
(As of the end of April, 637 companies participate in the voluntary action plan of the Japan Federation of Economic Organizations.)
(Note) If multiple companies implement a cooperative measure, the companies will be counted as one company.
- The government will secure effectiveness and fairness, respecting the voluntary measures of the customers and will proceed with preparations to effectively use Article 27 of the Electricity Business Act as a complementary measure.
- The government will review related regulation systems such as clarifying practices
under the Anti-Monopoly Act.

(2) Small customers (contract electricity: less than 500 kW)

- A small customers will map out and announce specific target of demand reduction and a voluntary plan which is appropriated to each business type.
- In order to promote the measures taken by the small customers, the government will take necessary measures, such as an awareness campaign for electricity saving based on the “standard format for action plan of electricity saving”.
- In order to promote electricity saving, etc., the government will provide information on how to save electricity to the small customers through instructions or orientation meeting by visit.
- Reduction of contract electricity, etc. by the small customers will be promoted.

(3) Households

- In order to promote electricity saving by households, the government will familiarize households with the “menu of electricity saving measures by households” and provide electricity saving education, etc.

(4) Measures to promote the national movement

- With consideration for the following principles, etc., the government will actively implement *awareness campaigns* aimed at all levels of civil society and make efforts in order to boost electricity saving measures as a nation-wide movement.
  - To promote people’s participatory activities
  - To provide understandable explanations and feedback (To show the expected result in an easily understandable way)
  - Step-by-step awareness campaign (To explain the necessity first, then specific actions)
- The government will call for electricity saving from the public through a variety of media including newspapers, television and the Internet.
- The government will *visualize* the actual electricity supply-demand status and expected electricity demand through websites, etc., and actively motivate all levels of the public to save electricity.
- In cases when electricity supply-demand become tight and there is a high risk of the
necessity for rolling blackouts, etc., the government will issue a "tight supply-demand alert (provisional name)" to request emergency electricity saving and will widely announce the possibility of rolling blackouts to the public.
- The government will request to organizers of events to consider the possibility of flexible scheduling, including avoidance of holding events at peak period/time.
- The government will promote the staggering of holidays through adequate consultation between labor and management.

(5) Government side measures

- The government will establish the “Basic policy for the government’s electricity saving”, map out an electricity saving plan for each ministry and agency and reduce the maximum usage of electricity by -15% or more.
- The government will request incorporated administrative agencies and public interest corporations to map out electricity saving plans.

(6) Rolling blackouts as a safety net

- We have already moved to the status where the rolling blackouts “not implemented in principle”. However, operations will be improved in preparation for possible implementation of rolling blackouts (including avoidance of blackouts more than once in a day and reductions of blackout times).
- Necessary measures will be taken for medical institutions, etc., including improvement of operations at electric power substations to mitigate the impact of blackouts as far as possible.

4. Electricity supply-demand measures after this summer

- Although the electricity supply-demand measures after this summer depend on examination of the future energy policy, we will take every possible measure to secure safety of nuclear power stations and aim for better supply-demand status than this summer, by taking the following measures for the both supply and demand sides.
- On the supply side, we will continuously make efforts for the restoration, launch and proliferation of thermal power stations, the new establishment of emergent power sources, and active use of private power generation, etc. as well as the strengthening of interregional connection facilities. In addition, we will further deal with the expansion
of distributed power sources and renewable energy sources introduction.
- We will *curb demand* through further promotion of energy saving, the introduction of smart meters, the active use of gas and other measures.