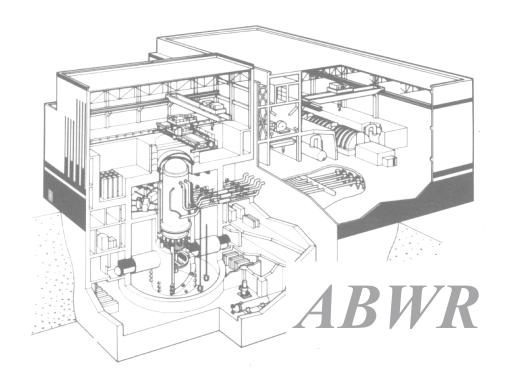
Near Term Challenges for Stable Operation of Nuclear Power

Takuya Hattori Tokyo Electric Power Company, Inc

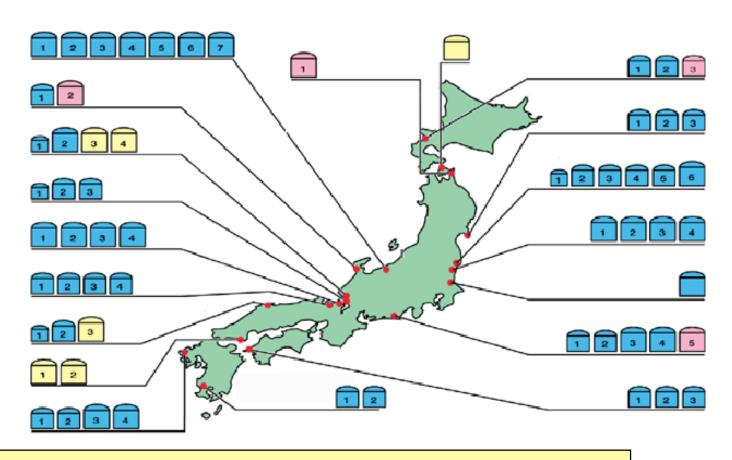
Today's Topics

- 1. Overview of Japanese Nuclear Power
- 2. Near Term Challenges
 - (1) Effective Operation
 - (2) Corporate Revitalization
 - (3) New Reactor Development
- 3. Conclusion

(1) Overview of Japanese Nuclear Power



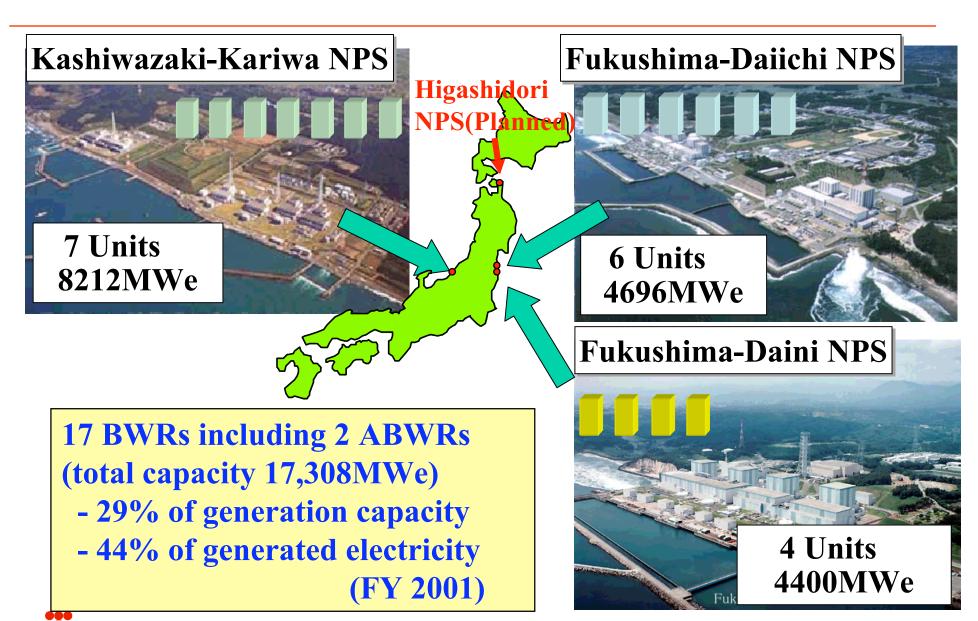
Nuclear Power Plants in Japan



- 52 operating plants (total capacity 45,742 MWe)
 - 20 % of generation capacity
 - 31 % of generated electricity (FY 2002)



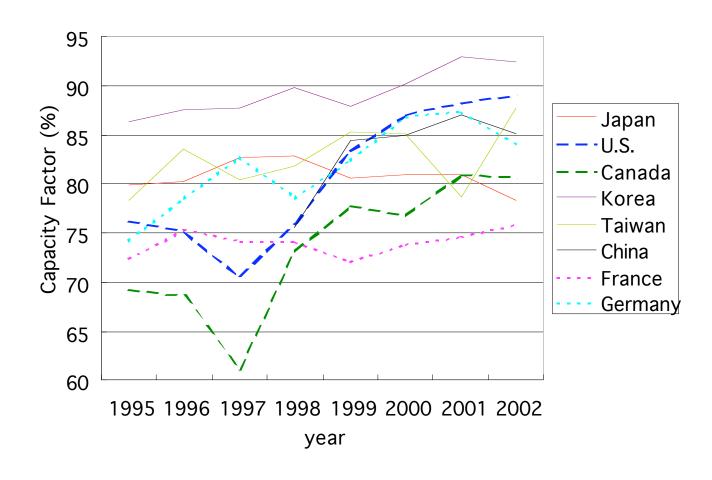
TEPCO's Nuclear Power Plants



2. Near Term Challenges

(1) Effective Operation

Comparison of Capacity Factors



Capacity factor must be improved

Outage Duration

♦ Reasonable maintenance method

- RCM is experimentally introduced
- To be fully applied in the future in systematic integration with CBM and online maintenance

♦ Inspection by regulatory agency

- New inspection framework has increased flexibility in inspection schedule

♦ Targets

- Achieve short outage (ex. less than 30 days)
- Constantly achieve short duration and reduce total outage duration over the long term



Cycle Length

- ♦ Operation cycle length has been restricted to 13 months at the longest
 - Restriction will be eliminated if safety of long operation cycle is confirmed
 - Long cycle operation ex. 18months, 24 months

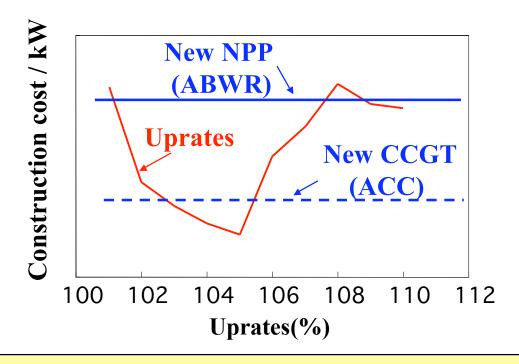


3~6% increase in capacity factor (assuming 60 days outage duration)



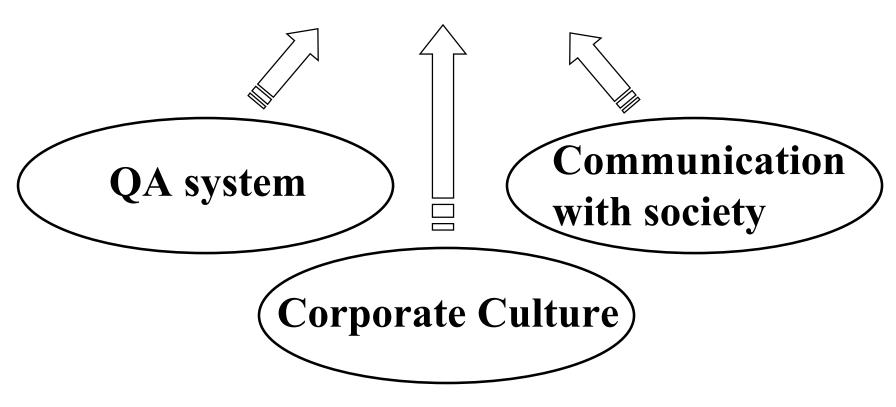
Power Uprates

♦ Cost analysis on plant uprates



- Start with ~5% uprates
- ->5% uprates will be considered at the timing of major equipment replacement.

(2) Corporate Revitalization



QA System

- **♦ Systematically define and qualify job elements**
 - Documentation structure
 - Work manuals
- **♦ Organizational reform in QA system**
 - Audit organization directly responsible to the president
 - Quality and Safety department at power stations
- ♦ The Nuclear Power Safety and Quality Assurance Meeting, composed of external personnel

Corporate Culture

- **♦ Eliminate the room for exclusive circle of nuclear engineers**
 - Open communication among all departments and job positions.
 - Staff exchange between nuclear and other divisions
 - Strict observance of code of ethics
 - Corporate Ethics Committee consists of TEPCO executives and external personnel

Communication with Society

♦ Expanded spectrum of information disclosure

- Even minor troubles are released to the public
- About 1,300 nonconformance events a month on the web-site

♦ Regional Information Meeting at local communities

- All information necessary to confirm safety operation is provided to the members

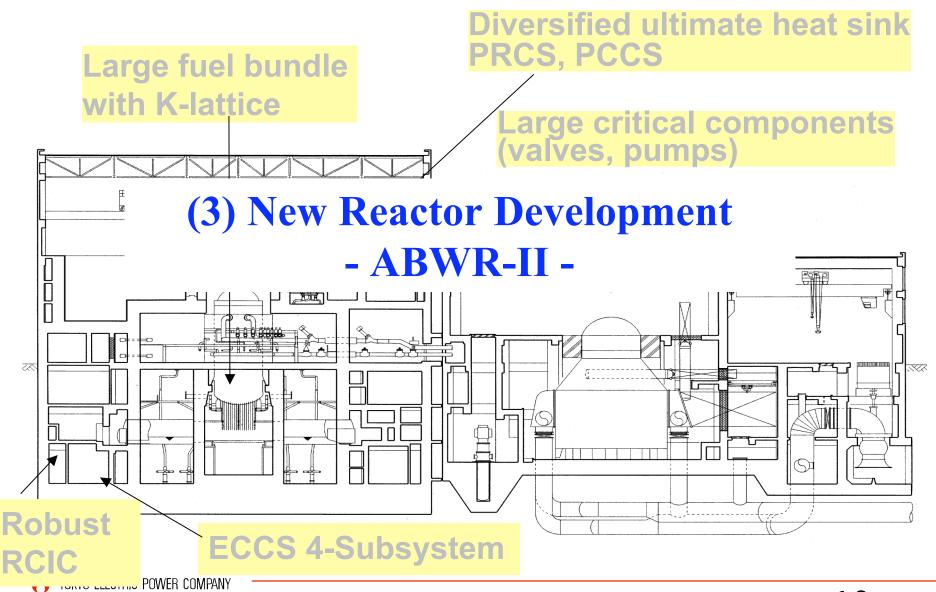
Nuclear Renaissance Activities

♦ Vision

"To be a reliable nuclear operator with the world highest level of safety and quality"

♦ Core Activities

- Leadership Development Training 500 employees (20% of nuclear staff) within 2 years
- Work Process Improvement redesign functional area processes and drive change continuously



ABWR-II

♦Development strategy

- Developed by the same framework as ABWR team
- Focused on evolution of ABWR to minimize development risk

♦Improved features

- Improved economy

Power generation cost is 15% less than ABWR

- Improved safety

$$CDF < 10^{-7}$$

♦Deployment Strategy

- Major candidate for replacement of existing plants



Conclusion

- ♦ Nuclear power plays major role in the electric power supply in Japan.
- **♦ 1st challenge: Effective Operation**
 - Shortening Outage Duration, Long Cycle Operation, Uprates
- **♦ 2nd challenge: Corporate Revitalization**
 - QA system, Corporate Culture, Communication with Society
 - Nuclear Renaissance Activities
- **♦ 3rd challenge: New Reactor Development**
 - ABWR-II

