

Adjustment of labor expenses associated with contracted work based on improvements to the work environment at Fukushima Daiichi NPS



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Tokyo Electric Power Company Holdings, Inc.

Fukushima Daiichi Decontamination and Decommissioning Engineering Company

1. Overview of labor expense adjustments associated with contracted work

<Intent>

- Labor expenses associated with contracted work* in areas workable with light equipment will be adjusted because the work environment has been significantly improved** at the Fukushima Daiichi NPS with the introduction of a new controlled zone (G zone) where neither full- or half-face masks nor coveralls are required, for example.

* For “Labor expenses associated with contracted work”, please see the NOTE on slide # 5.

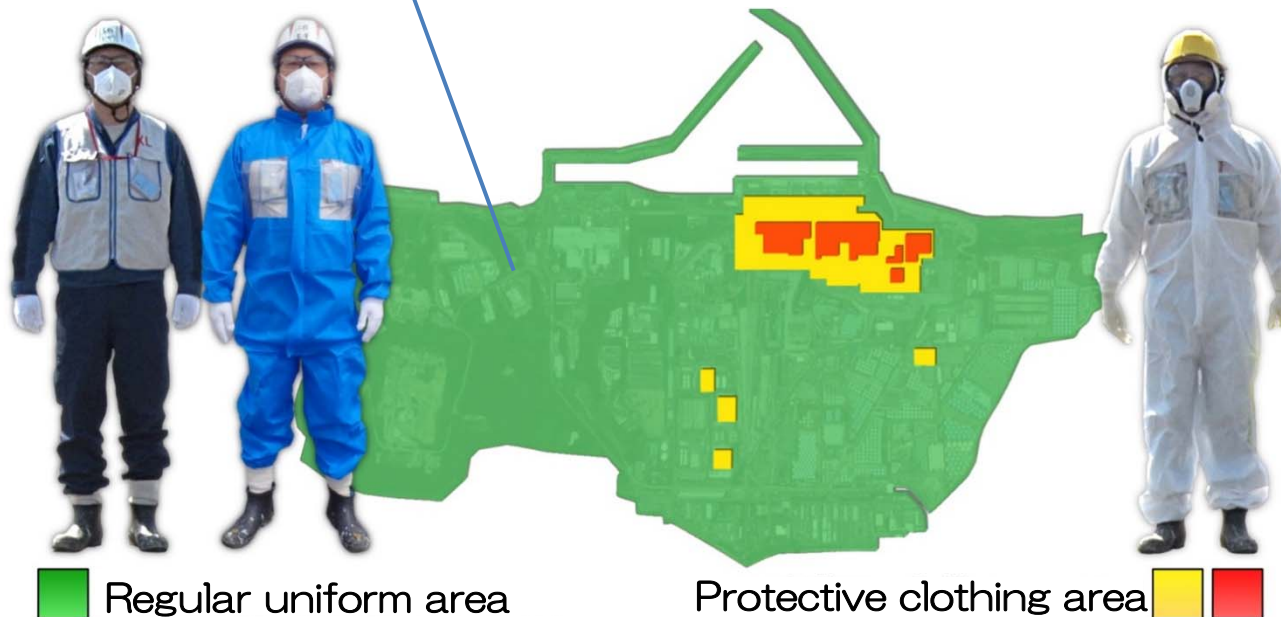
<Details and applicable areas>

- Additional labor expenses associated with contracted work will be recalculated in conjunction with the newly established G zone (equivalent to B/C zones) and for normal areas and areas equivalent to A zone.
- Current additional expenses for Y/R zones (equivalent to D zone), where full- or half-face masks etc. is required, will continue [no change].

** Main achievements in work environment improvements

- G zone expanded to 95% of the whole site Reference①
- Average radiation levels for the whole site are less than 5 μ Sv/h (excluding around Units 1 ~4)
- With the addition of newly built rest areas about 6,500 workers can now be accommodated
- Hot meals provided in newly opened dining hall, and convenience store opened. Reference②
- We will continue to improve the work environment to stabilize long-term employment as we deliberate measures to contribute to the recovery of the local communities and help residents move back home.

G Zone, where full- or half-face masks are not required, has been enlarged to 95% of the whole site.



R zone (Anorak area)	Y zone (Coverall area)	G zone (Regular uniform area)
Full-face mask 	Full-face mask or Half-face mask ※1 ※2  	Disposable dust mask 
Anorak over coveralls or two pairs of coveralls 	Coveralls 	Regular uniform ※3 In-site uniform  



Dining hall



Tray service



Large rest house
(Outside)



Large rest house
(Inside)

2. Changes made to controlled areas and required equipment **TEPCO**

<After additional labor expenses associated with contracted work introduced in conjunction with the implementation of emergency safety measures (Nov. 2013) >

Protective equipment	Regular uniform	Protective equipment with full- or half-face masks	Special protective equipment including anorak suits, oxygen tanks, etc,
Zone segment	Outside of controlled area Equivalent to A zone	Equivalent to D zone	Equivalent to D zone

A G zone (equivalent to B/C zones) where neither full- or half-face masks nor coveralls are required **was created** in conjunction with the improved work environment.

<Current demarcations (Mar. 2016~) >

Revised demarcations for controlled areas	Areas other than G/Y/R zones	Green (G) zone	Yellow (Y) zone		Red (R) zone
	<ul style="list-style-type: none"> • New Main Administration Bldg. • Main Anti-Earthquake Bldg. 	Areas other than Y/R zones	Areas surrounding Bldgs. for Units 1-4	Inside buildings, including water treatment facility	<ul style="list-style-type: none"> • Inside reactor buildings for Unit 1-3 • Buildings surround Units 1-4 in which accumulated water exists
Protective equipment	<ul style="list-style-type: none"> • Regular uniforms 	<ul style="list-style-type: none"> • DS2 masks • In-site uniforms 	<ul style="list-style-type: none"> • Half-face masks • Coveralls 	<ul style="list-style-type: none"> • Full-face masks • Coverall 	<ul style="list-style-type: none"> • Full-face masks • Two pairs of coveralls or anorak suit
Zone segment	Outside of controlled area Equivalent to A zone	Equivalent to B/C zones	Equivalent to D zone		Equivalent to D zone

Adjustment to be applied in area surrounded by red dotted line

Current additional expenses will continue (No change)

3. Basic approach to adjusting labor expenses associated with contracted work

- Additional labor expenses associated with contracted work (unit price) (resulting from the environment) required prior to the implementation of emergency measures shall be reduced to the same level as that at Fukushima Daini ... **[A]**
- Additional labor expenses associated with contracted work applied to G/Y/R zones that were generated as part of the emergency safety measures will continue/be maintained... **[B]**

[Note] “Additional labor expenses associated with contracted work” refers to the additional labor expenses (basic unit price) required in conjunction with the consigning of work to contractors entering into contracts with TEPCO to engage in decommissioning work at Fukushima Daiichi NPS. This term does not refer to unit labor costs for sub-contracts nor the wages paid to workers based on labor contracts.

<Concept diagram>

