

# TEPCO

CORPORATE BROCHURE 2011



TOKYO ELECTRIC POWER COMPANY

TEPCO

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We will contribute to creating affluent  
and comfortable environments by  
providing optimum energy services.



## Message from the Management

The environment the TEPCO Group finds itself immersed in is undergoing tremendous transformation. In addition to upheavals in Japan's social structure caused by such factors as the rapid aging of society due to a declining birthrate and decreasing population, we are confronted with many other changes, including global warming issues, the development of energy-saving technologies and increasing energy consumption, particularly in Asia.

The TEPCO Group is poised to meet these challenges head-on. We realize that this new environment will provide us with opportunities for additional growth, and in order to push forward progressive management policies characterized by flexibility and enhanced awareness, the TEPCO Group unveiled its "TEPCO Group Medium to Long-term Growth Declaration 2020 Vision" in September 2010, marking the fresh beginning of a dynamic and new 10-year era.

Along every stage of the energy supply chain—from generation to consumption—TEPCO will aggressively promote initiatives to reduce CO<sub>2</sub> emissions. At the same time, we will leverage the human resources and technologies nurtured through our domestic electricity business to promote efficient low-carbon energy use overseas and cultivate new ways to contribute to both society and the environment.

The accomplishment of these goals hinges on the capabilities of all TEPCO Group members. Hence, the TEPCO Group will promote people-oriented management, business innovation and operational excellence and strive to achieve unprecedented levels of superior service quality.

The TEPCO Group will lead the way in the new low-carbon emissions era and strive to strike a balance between its social and environmental efforts and its corporate profit, thereby realizing the sustainable growth of the Group. Ultimately, we will do our best to help create an affluent and comfortable future.



Tsunehisa Katsumata  
Chairman

Masataka Shimizu  
President

**Management Principle**

**We will contribute to creating affluent and comfortable environments by providing optimum energy services.**

**Management Policies**  
under 2020 vision  
(Corporate image)

The Management Policies define the direction of our business under 2020 Vision, toward ultimate realization of the TEPCO Group Management Principle.

The TEPCO Group will abide by three policies, to continue offering energy services based on low-cost, stable supply of electricity, as well as to achieve sustainable growth by pursuing new social and environmental roles in “leading the low-carbon era” and by striking a balance between those roles and corporate profit.

Policy No.1

**Value social trust**

**Our corporate activities are founded on earning trust from society**

- We have a social mission to deliver stable supplies of electricity. Based on this awareness, we will make ongoing efforts to enhance the quality of services that meet customer satisfaction.
- By reinforcing the awareness of prioritizing safety, we aim to join the ranks of the world’s safest companies.
- We will engage in frequent dialogue with stakeholders, including customers, local communities, shareholders and investors, business partners, and employees.
- As a member of society, we will adhere to the TEPCO Group Charter of Corporate Conduct in all aspects of our activities.

Policy No.2

**Open the way to the future**

**We will open the way to a low-carbon future through electricity**

**Further developing the electricity business**

- We will make steady efforts to promote nuclear power generation and otherwise strive to reduce carbon levels on the electricity *supply* side.
- We will recommend electric systems in all sectors and support carbon reduction efforts on the electricity *demand* side.
- We will develop “smart” power system network to connect the electricity *supply* and *demand* sides, while exploring new business possibilities.

**Expanding our business arena**

- We will implement projects that maximize the strengths of our Group, and actively expand our business area overseas.
- To steadily fulfill these initiatives, we will challenge ourselves to achieving greater efficiency.

Policy No.3

**Maximize human and technological potentials**

**Employee performance and cooperation are the engines of business**

- We will practice “people-oriented management,” which promotes independent performance and mutual cooperation among employees as the engines of our Group’s sustainable growth. At the same time, we will realize operational excellence where employees seek business innovations that increase the corporate value and pursue constant improvement and reform.
- We will make active efforts to develop and utilize technologies that support low-carbon efforts and stable electricity supply.

7 Value-up Plans

The seven Value-up Plans outline key initiatives which the TEPCO Group will be pursuing hereafter with particular focus toward realizing sustainable growth.

1. Actively introduce zero-emission power sources—Initiatives on the electricity *supply* side—
2. Recommend electric systems to all sectors—Approaches to the electricity *demand* side—
3. Develop “smarter” power system network—Initiatives to connect the *supply* and *demand* sides—
4. Expand our business arena
5. Continue improving business efficiency

6. Create operational excellence driven by employee performance and cooperation
7. Accumulate next-generation technologies

**Action Principles**

The Action Principles are principles which each of us TEPCO Group employees should heed in our daily operations.

**Be Sensitive**

Be sensitive to what customers feel, and what the facilities tell us.

**Think**

Think about other people, and seriously consider what you can do for them.

**Practice**

Once you decide on something, put it into practice immediately in a responsible manner.



# Value social trust

Our corporate activities are founded on earning trust from society



## Stable Supply of Electricity

Japan is the fourth largest energy consumer in the world, and as a country with few natural resources, it imports approximately 96% of all the natural resources it uses. At TEPCO, which today supplies roughly one-third of the total electricity consumed in Japan, we are striving to create a balance between stability, environmental performance, and economic efficiency in our business operations while endeavoring to respond meticulously to ever-fluctuating power demand, thereby ensuring a stable supply of high-quality electricity.



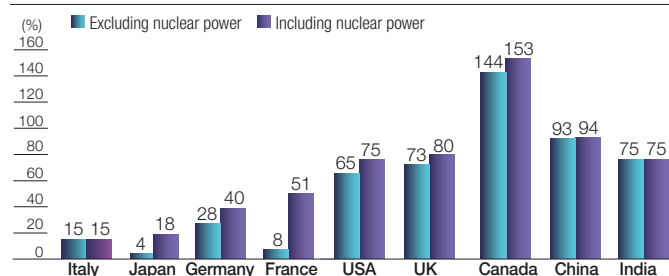
Inspection at Kawasaki Thermal Power Station

## Energy Environment in Japan

Japan's energy supply self-sufficiency is extremely low compared with other major countries. The stable procurement of energy resources is an issue Japan must tackle constantly.

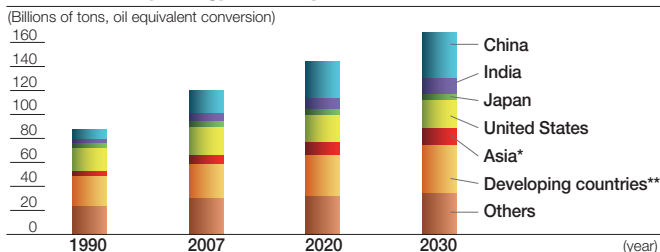
Meanwhile, driven by developing countries, the world's energy consumption continues to expand every year. If world energy consumption maintains its current pace, present remaining resources are expected to last 46 years for oil, 63 years for natural gas, 119 years for coal and 100 years for uranium. Furthermore, the entire world is facing many issues such as an increase in CO<sub>2</sub> emissions and extreme volatility in energy resource prices, both attributable to increased energy consumption.

## Major Countries' Self-Sufficiency of Energy Supply



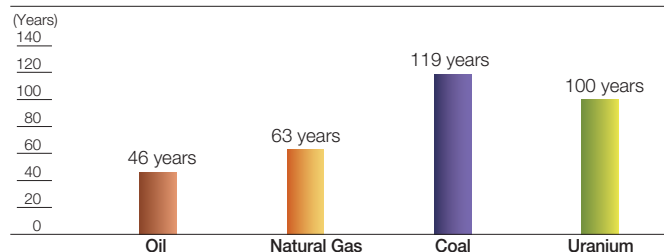
\*1 Imported/exported electric power was calculated as primary energy  
 \*2 Total may be inaccurate due to the rounding of figures  
 Source: IEA Energy Balances of OECD/Non-OECD Countries 2010 edition

## World's Primary Energy Consumption and Forecast



\*Excluding China, India and industrialized nations  
 \*\*Excluding Asia  
 Source: IEA World Energy Outlook 2009

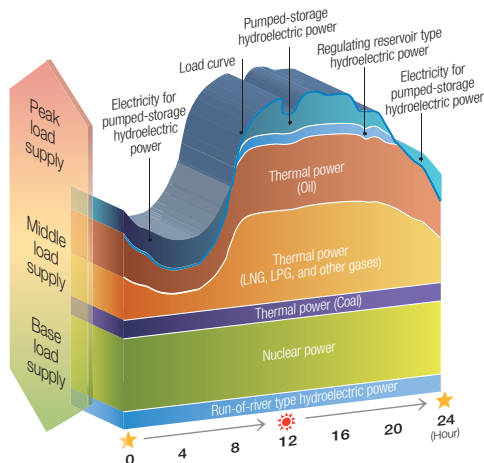
## Reserve-Production Ratio of the World's Energy Resources



Source for oil, natural gas and coal: BP, BP Statistics 2010  
 Source for uranium: OECD-NEA/IAEA Uranium 2007

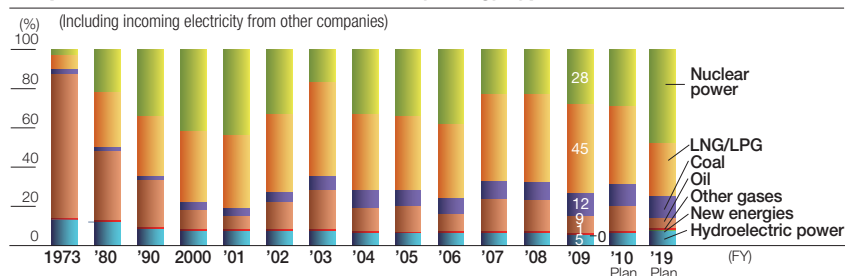
## Balanced Power Source

### Combining Energy Sources to Meet Ever-Changing Demand



Each of the energy resources and power generation methods—such as nuclear, thermal and hydroelectric—has its own unique characteristics. In leveraging these attributes, TEPCO is pursuing the best mix of power sources that is most appropriate from the perspective of medium- and long-term energy requirements.

## Composition of Electrical Power Generation by Energy Type



## Power Generation and Distribution Network and Supply-Demand Balance

Electricity generated at each power generation plant is delivered to customers in an efficient and stable manner.

### Nuclear Power Generation



Fukushima Daini Nuclear Power Station

As a stable, eco-friendly and economical power generation method, nuclear power generation accounts for approximately one-third of TEPCO's power generation facilities. A single fuel load of uranium in a nuclear reactor can generate at least one year's worth of electricity. Furthermore, because the spent fuel can be recycled, nuclear power generation has been positioned as a core power source in Japan's energy strategies. As nuclear power does not emit CO<sub>2</sub> and other greenhouse gases (GHGs) when generated, it is a very environment-friendly solution. The fact that Japan imports uranium from such politically stable countries as Australia and Canada and the fact that a large amount of electricity can be generated from a small quantity of fuel establishes nuclear power generation as a highly stable method of power generation. Moreover, nuclear power generation suffers minimal impact from fuel price fluctuations as the ratio of fuel cost to overall power generation cost is small. Therefore, it contributes to ensuring stable electricity prices.

### Thermal Power Generation



Futtsu Thermal Power Station

Thermal power generation stations account for approximately 60% of TEPCO's power generation facilities. TEPCO utilizes various fossil fuels, such as clean, sulfur-free liquefied natural gas (LNG) and liquefied petroleum gas (LPG), as well as relatively cheap and globally abundant coal, in addition to oil, which is flexibly supplied in line with electricity demand fluctuations. Due to the wide variety of fuels used, thermal power generation contributes to Japan's increased energy security. As for the goal of facilitating the effective use of energy resources and reducing CO<sub>2</sub> emissions, TEPCO is continuously implementing various initiatives aimed at improving the efficiency of thermal power generation.

### Hydroelectric Power Generation



Kannagawa Hydroelectric Power Station lower dam (Ueno Dam)

Hydroelectric power generation does not generate CO<sub>2</sub> and other GHGs during the power generation processes. Accordingly, it is a highly eco-friendly method of power generation. At the same time, hydroelectric power is now viewed as a valuable, domestically procurable energy. Startup to full-scale operations takes only a few minutes and the power output level can be quickly modified within a few seconds by adjusting the water flow. Thus, in terms of preparedness, hydroelectricity is an ideal power generation method.

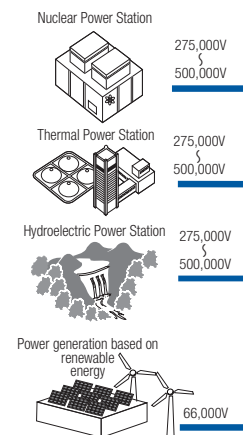
### Renewable Energy-Based Power Generation



Ohgishima Solar Power Station (under construction)

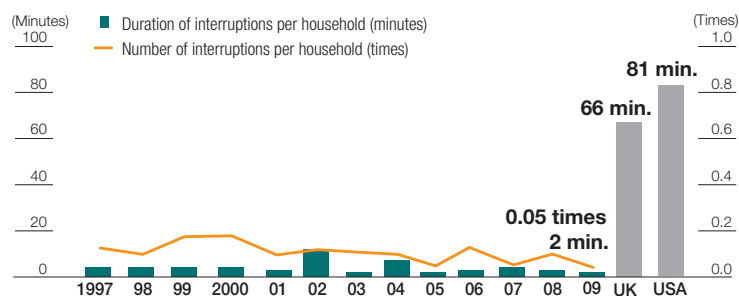
Power generation using such renewable sources as solar and wind energy excels in eco-friendliness as it does not generate CO<sub>2</sub> and other GHGs during the power generation processes. Furthermore, although successful solar and wind power generation is linked to the vagaries of changing natural conditions, expectations for these generation methods are rapidly growing as a means to secure domestically procurable energy and to counter global warming. TEPCO is aggressively developing and introducing technologies related to renewable energy while giving due consideration to its potential for economic efficiency.

### Power Station



### Power Station

### Number and Duration of Interruptions per Household (TEPCO)



Note: Figures exclude interruptions caused by emergencies, disasters and planned construction projects

Sources: UK: Ofgem 2008/09 Electricity Distribution Quality of Service Report 2008 figures

US: Average of the System Average Interruption Duration Index (SAIDI) for five companies in 2009: Consolidated Edison, Florida Power & Light, NSTAR, Pacific Gas and Electric, and Southern California Edison



Central load-dispatching office



**Load-Dispatching Office**

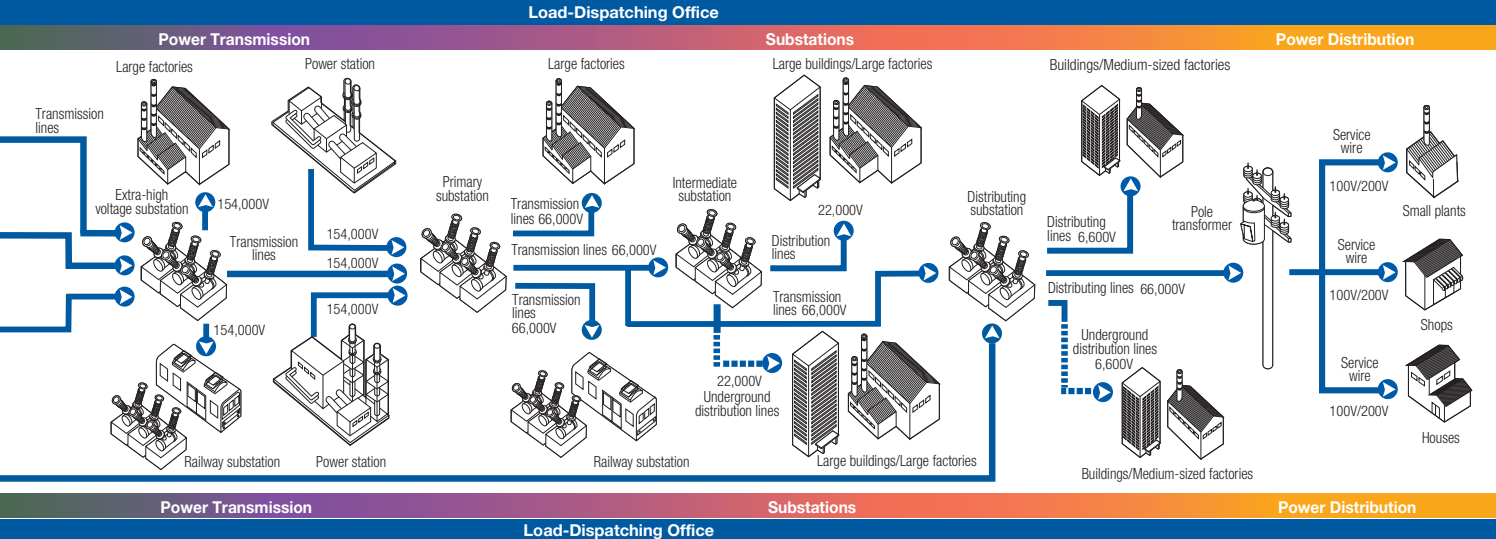
TEPCO controls the flow of electricity by maintaining constant vigilance over each power station's operations as well as the condition of transmission lines and substations and by closely monitoring the status of power consumption over the entire network. TEPCO sets up comprehensive yearly, monthly, weekly and daily operation plans for power generation and distribution facilities. Based on these plans, TEPCO ensures that facilities and fuels are ready to meet ever-changing electricity demands.

Inspection of underground power transmission



**Power Transmission**

High-voltage lines are employed to effectively transmit large amounts of electricity generated at distant power plants to high-demand regions. The transmission line network is laid out in a web formation, so if an accident occurs, electricity can be easily transmitted via alternate routes. In addition, underground transmission lines are also utilized, mainly in the metropolitan areas.



High-voltage electricity from power plants is sent to substations, where the voltage is lowered in stages and then transmitted to customers. In the event of a lightning strike, which could disrupt the flow of electricity, TEPCO has a system in place that automatically diverts the flow of electricity from the accident site and transmits it effectively to other service areas.

Distribution lines represent the final stage of the journey from the power plant to customers. TEPCO supplies stable electricity to customers at appropriate voltage levels, and underground distribution lines are employed in some high-demand regions.



New Fukushima Substation

**Substations**



**Power Distribution**

Inspection of high-voltage power distribution lines (indirect work)

## Aiming towards World-Class Safety Levels

As TEPCO's power facilities are distributed over a very broad area, the understanding and cooperation of society is essential to its business activities. In order to maintain the trust of society at large, top priority is given to safety and the promotion of workers' wellbeing and facility security companywide. Meanwhile, TEPCO has established disaster prevention plans and internal manuals as part of its groupwide risk management system. Through these activities and procedures, we are working to enhance our response capabilities to emergencies and disasters.

### Promotion of Safety Activities

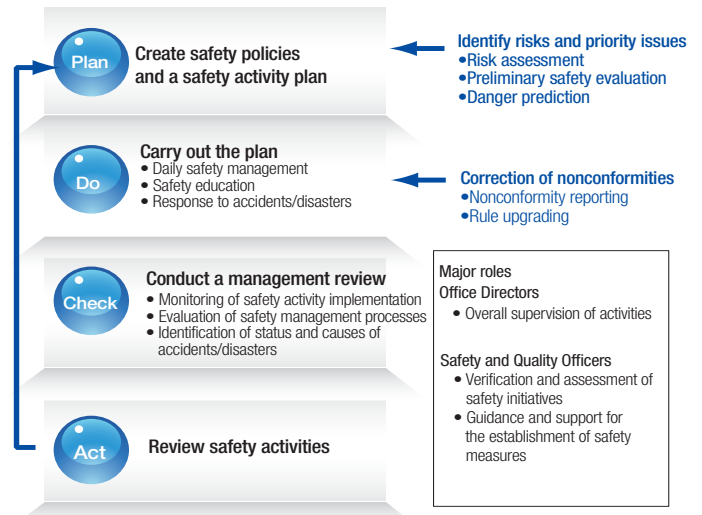
To prevent accidents, TEPCO formulates and implements an annual Safety Activity Plan based on risk assessments and other investigations. Furthermore, we check and evaluate the status of safety activities and reorganize them as necessary to ensure that our PDCA cycle for safety management functions appropriately and to constantly improve safety.

Safety and Quality Officers encourage each employee to be proactive in uncovering potential risks and issues that may be hidden in his or her business operations and to discuss them within the workplace. In this way, all offices are working to eliminate the causes of accidents and disasters.

The Head Office supports the efforts of other offices such as the upgrading of companywide safety rules, providing safety education, examining causes and countermeasures for major accidents and disasters and verifying and assessing the status of safety management.

TEPCO performs a variety of onsite work in collaboration with Group companies and partner companies in the power distribution and communications field. In order to strengthen these relationships, information is exchanged on safety activity frameworks and implementation status as well as the potential causes of accidents and disasters.

### Overview of Safety Activities at Each Office



### Ensuring Power Facility Security

To ensure public safety and power facility security, offices operating power facilities and individual facility divisions at the Head Office establish related frameworks and rules while setting up necessary support systems for maintenance and improvement. Based on these frameworks, rules and systems, TEPCO, as a whole conducts facility construction, pre-operation

inspections, facility maintenance and other safety activities relating to facility operations.

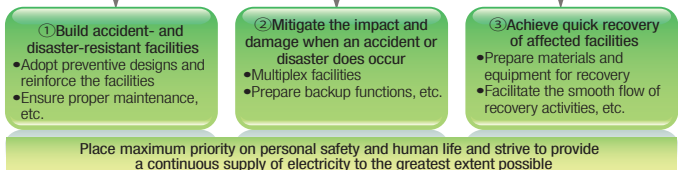
A security audit division, which is independent of the facility divisions, performs internal audits to periodically ensure that related systems are functioning effectively.

### Reinforcing Capabilities to Counter Emergencies

TEPCO's Basic Policy on Accident/Disaster Prevention Measures states, "First, we try to prevent accidents and disasters. If an accident or disaster does occur, we mitigate the scale of damage and restore the system back to normal as quickly as possible." Based on this policy, disaster prevention plans and internal manuals are formulated while establishing a companywide risk management system. When faced with an accident, disaster or even the threat of one, TEPCO immediately issues an emergency alert. Then, we quickly set up emergency response centers at the Head Office, branch offices and power plants and enter a system recovery mode promptly and systematically. We have materials and equipment necessary for recovery work stored in local depots throughout our service area as well as a network of partner electric power companies in other regions to ensure timely recovery.

### Basic Policy on Accident/Disaster\* Prevention Measures

First, we try to prevent accidents and disasters. If an accident or disaster does happen, we mitigate the scale of damage and restore the system back to normal as quickly as possible.



\* TEPCO defines "accidents and disasters" as incidents that interrupt the normal functioning of social and economic systems due to physically destructive events or wide-area, long-term blackouts resulting from damage to or destruction of power facilities caused by natural disasters (earthquakes, typhoons, lightning, rainstorms, etc.) and facility factors, as well as by external factors including terrorism and other destructive events such as unexpected flying objects and crane collisions with power lines.



Emergency power recovery training

### Implementation of Emergency Training

To ensure a stable supply of electricity even in case of accidents and disasters, TEPCO regularly holds emergency drills. Besides those held in-house, we also participate in national and local emergency drills. In addition to the Great Hanshin-Awaji Earthquake, a number of accidents and disasters have affected power supply in Japan in the past. For example, a crane ship's collision with a power

distribution line in 2006 caused a large-scale power outage, and the 2007 Niigata-Chuetsu-Oki Earthquake damaged a TEPCO nuclear power plant. We have compiled an in-house manual on countermeasures derived from these incidents. Emergency drills are opportunities to verify the effectiveness of such countermeasures and further improve our responses.

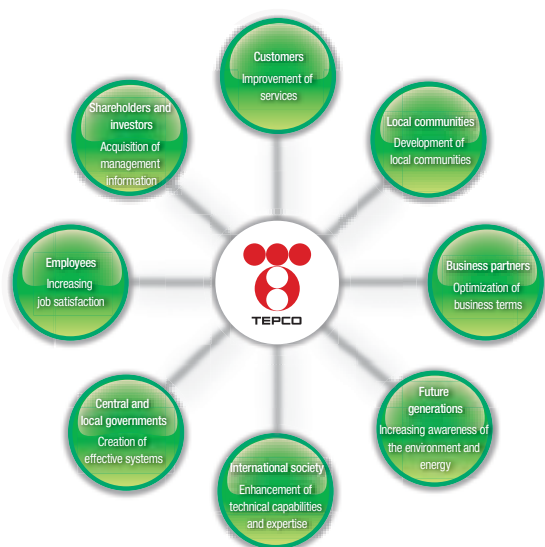
## Communication with Stakeholders

As TEPCO corporate activities involve many stakeholders, proactive communication is vigorously promoted, with the opinions and requests received reflected into our business practices. In this way, we are working to improve the methods and quality of our business development, thereby further enhancing stakeholders' trust in TEPCO.



TEPCO Nature School

### Stakeholders of the TEPCO Group



### Communication with Customers

In an effort to provide ever greater satisfaction to its customers, TEPCO operates customer centers that provide one-stop Q&A services to answer inquiries on various subjects. Furthermore, through wide-ranging communication media and tools—such as TV and radio commercials, newspaper advertisements, the Company website, various booklets and PR facilities—TEPCO disseminates information relating to electricity, energy, fully-electrified homes and other matters.



Customer center

### Communication with Shareholders and Investors

With the aim of reflecting the views of shareholders and investors in its business activities and enhancing its management transparency, TEPCO continues to strengthen information disclosure through annual reports and other IR materials, the Company website and other means. In particular, TEPCO holds briefing sessions on management plans and financial results for institutional investors and securities analysts as a forum for exchanging opinions.



IR briefing session

### Environmental Communications

TEPCO recognizes that protecting the world's rich natural environment—the origin of all forms of life—and passing it on to generations to come is an important part of its social responsibility. In an effort to enable people to coexist in harmony with nature and to protect biodiversity, TEPCO is engaged in various activities, including nature preservation activities in the Oze region in eastern Japan and the conservation and creation of greenery at its power plant sites. We are also promoting environmental education through various other activities. For example, through TEPCO Nature School activities, we provide local children, community members and, even, ourselves with opportunities to think more deeply about environmental concerns.



Nature observation session at Chiba Thermal Power Station



A view of the Ozegahara wetland encompassing Mt. Shibutsu and white arums

### Communication with Local Communities

As a local community member of good standing, TEPCO participates in various local activities that contribute to the development of these communities.

TEPCO is operating nuclear power stations in Fukushima Prefecture and Niigata Prefecture and is currently preparing for the construction of a new nuclear power station in Aomori Prefecture. To promote mutual understanding between residents of local communities in these prefectures and residents of TEPCO service areas around Tokyo, TEPCO implements producer-consumer exchange activities. For example, TEPCO stages events where places of interest and products unique to these prefectures are introduced. In addition, each TEPCO office throughout Japan holds events that promote face-to-face interaction with local community members.



"Home of Electricity" exchange event

Please see page 18 and page 24 of this brochure for communication with international communities and communication with employees.



# Open the way to the future

We will open the way to a low-carbon future through electricity



## Actively Introducing Zero-Emission Power Sources

The TEPCO Group will promote the best mix of power sources to reduce CO<sub>2</sub> emissions with a view to simultaneously achieving stability, environmental performance, and economic efficiency of power supply and making further efforts to achieve high-efficiency, low-carbon power sources.



Inspection at the Fukushima Daini Nuclear Power Station

## Promotion of Nuclear Power Generation

Because no CO<sub>2</sub> is emitted during the power generation process, nuclear power is a highly effective method for curbing global warming. Based on the premise of ensuring safety and security, we are aiming to expand nuclear power use by increasing nuclear power station utilization rates and developing new power sources.

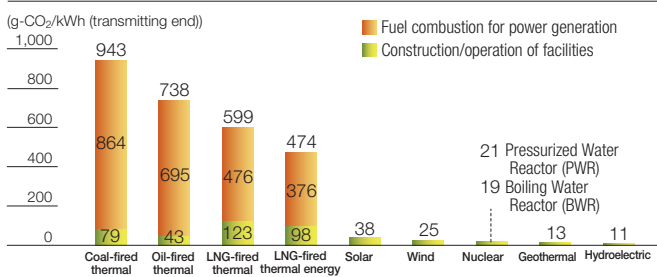
### Environmental Advantages of Nuclear Power Generation

Nuclear power generation utilizes the heat given off by uranium during nuclear fission in a reactor and, therefore, emits no CO<sub>2</sub> or other greenhouse gases (GHGs)—the very cause of global warming—during the generation process. Because of these attributes, nuclear power stations have a large effect on CO<sub>2</sub> emissions. Hypothetically, each one-percent increase in the facility utilization rate of TEPCO's nuclear power stations would reduce annual CO<sub>2</sub> emissions by approximately one million tons.

In an effort to reduce its CO<sub>2</sub> emissions, TEPCO is expanding the use of nuclear power and renewable energy, both of which are free of CO<sub>2</sub> emissions, while increasing the use of liquefied natural gas (LNG)-fired thermal and other power

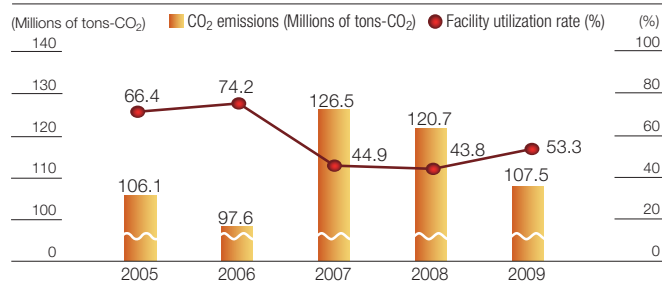
sources that are characterized by relatively low CO<sub>2</sub> emissions. In fiscal 2009, utilizing a mix of power sources—such as nuclear power, which does not emit CO<sub>2</sub> during the power generation process, renewable energy and LNG-fired thermal power stations, which emit comparatively small amounts of CO<sub>2</sub>—had the effect of reducing CO<sub>2</sub> emissions by approximately 98.3 million tons compared with the figure had all electric power been generated by standard oil-fired thermal power generation alone. Of these power sources, nuclear power generation reduced CO<sub>2</sub> emissions by approximately 55.2 million tons, equivalent to 56% of the estimated total reduction.

### Life Cycle CO<sub>2</sub> Emissions for Different Types of Power



\*1 The above figures include CO<sub>2</sub> emitted in the process of burning fuel to generate power, as well as CO<sub>2</sub> emissions from all energy use, such as during the extraction of raw materials, the construction of power generation facilities, fuel transportation and refining, and plant operations and maintenance. CO<sub>2</sub> emissions from nuclear power include emissions from the domestic reprocessing of spent fuels that is currently being planned, the utilization of plutonium-thermal energy (assuming that it is recycled once), and from the disposal of high-level radioactive waste.  
\*2 Figures may not add up to the total value due to rounding.  
Source: Evaluation of Life Cycle CO<sub>2</sub> Emissions of Power Generation Technologies by the Central Research Institute of Electric Power Industry

### Utilization Rate of TEPCO's Nuclear Facilities and Overall CO<sub>2</sub> Emissions



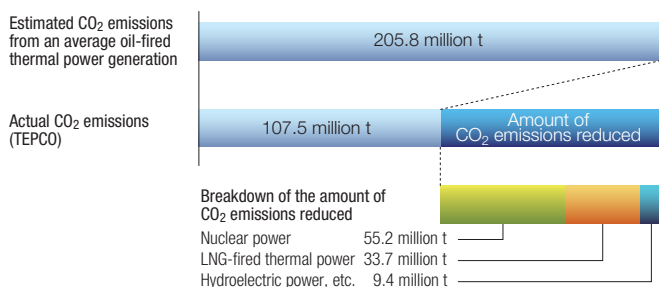
### Gaining the Trust of Local Communities

The operations of TEPCO nuclear power stations are conducted in such a way as to engender a high degree of trust and reliability from not only the local surrounding community but also the greater society at large. Specifically, TEPCO disseminates information regarding daily safety, security and quality control activities performed at these stations, along with the operation status and various other data, through its website, TV commercials, PR magazines and other communication media and tools. In addition, we hold various types of events to promote communication with members of local communities.



PR magazines of TEPCO's nuclear power stations (Japanese-only publications)

### CO<sub>2</sub> Emissions Reduction through the Combination of Power Sources (FY2009)

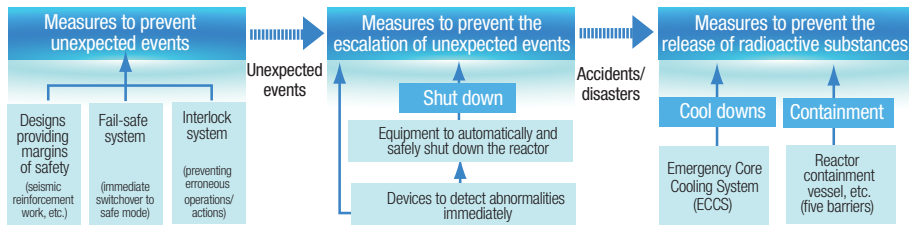


## Safety Measures at Nuclear Power Stations

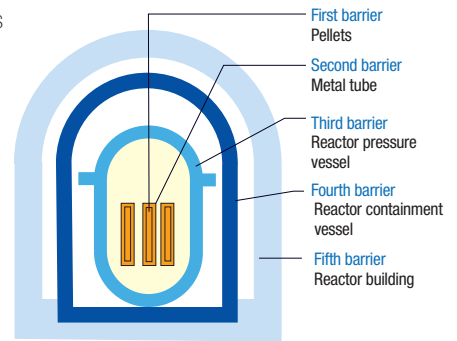
### “Defense in Depth”

Based on the multifaceted protective mechanism known as “Defense in Depth,” combined with the awareness that we are dealing with “radioactive substances” and fallible “machines” and “people,” susceptible to malfunctions and errors, TEPCO is taking multistep measures to secure the safety and security of its nuclear power stations.

#### “Defense in Depth” Concept



### Five Barriers Enclosing Radioactive Substances



### Building Disaster-Resistant Nuclear Power Stations

Ever since the July 16, 2007 Niigata-Chuetsu-Oki Earthquake, TEPCO has been taking various measures to strengthen the Kashiwazaki-Kariwa Nuclear Power Station against disaster. We are inspecting and evaluating all facilities, implementing the necessary restoration work, and improving seismic safety. We are applying the same initiatives to the Fukushima Daiichi Nuclear Power Station and the Fukushima Daini Nuclear Power Station. We have also incorporated the necessary considerations in preparation for the construction of a nuclear reactor at the Higashidori Nuclear Power Station.

#### Construction of Seismic-Isolated Buildings

TEPCO has completed a seismically isolated building that houses an emergency response center and important communications and power supply offices at each of its nuclear power stations. These seismic-isolated buildings commenced operations in January 2010 at the Kashiwazaki-Kariwa Nuclear Power Station and in July 2010 at the Fukushima Daiichi Nuclear Power Station and the Fukushima Daini Nuclear Power Station. These buildings are constructed with the insertion of seismic isolation systems (using anti-seismic rubber and other materials) between the buildings' bottom and the solid bedrock below. This structure allows for the effective absorption of seismic energy. As such, these buildings are designed to enable emergency responses even in the case of an earthquake measuring seven on the Japanese seismic intensity scale.



Emergency office at the Kashiwazaki-Kariwa Nuclear Power Station

### Personnel Training at Nuclear Power Stations

Operators and maintenance workers at TEPCO's nuclear power stations periodically receive internal and external education and training. Specifically, operators receive training for operations in preparation for possible accidents using a simulated main control room while undergoing training to acquire technological knowledge. Lead operators—who serve as the leaders of individual teams—are required to pass an examination based on standards set by the government. Meanwhile, maintenance workers receive practical training in maintenance operations using equipment and facilities that are identical or similar to those used at actual work sites while taking part in educational programs to acquire technological knowledge. In addition, they participate in training programs provided by the manufacturers of equipment used at TEPCO. In this way, they are encouraged to master advanced, specialized knowledge and skill.

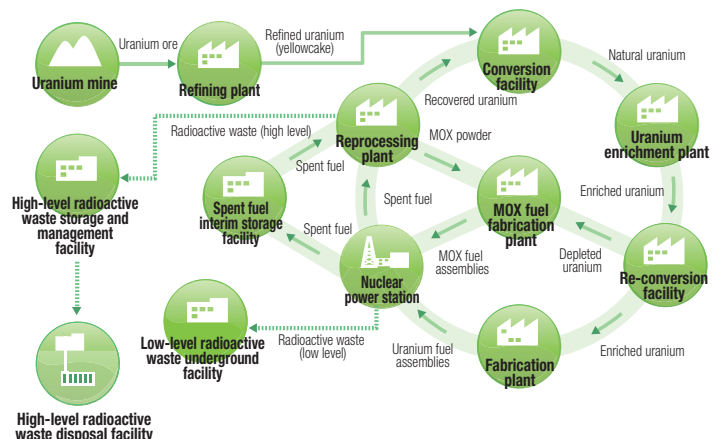


Simulated reactor (Fukushima Daiichi Nuclear Power Station)

## Establishing Nuclear Fuel Cycle

Spent nuclear fuel contains unused fissionable uranium and newly produced plutonium. They can be reused as recycled fuels at nuclear power stations after reprocessing and recovery. The uranium recycling process is referred to as the “nuclear fuel cycle.” TEPCO believes that the establishment of a nuclear fuel cycle is indispensable to securing a stable supply of energy that will last long into the future. Based on this belief, we are promoting the establishment of this cycle, with top priority given to safety. In a nuclear fuel cycle, the energy derived from MOX fuel,\* which is produced by mixing uranium with plutonium that is extracted through the reprocessing of spent fuel, is referred to as plutonium-thermal energy. In fact, the No. 3 unit at TEPCO's Fukushima Daiichi Nuclear Power Station began commercial operations using plutonium-thermal energy in October 2010.

\* Mixed oxide fuel composed of uranium and plutonium

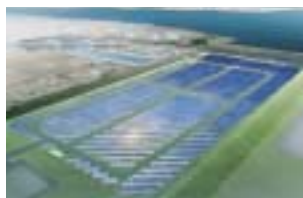


## Expanding the Use of Renewable Energy Sources

Solar (light), wind, water and biomass are renewable sources of energy that minimize CO<sub>2</sub> emissions and other environmental burdens and can thus be classified as “clean” energy. Through the development and introduction of technologies and through wide-ranging businesses conducted by its Group companies, TEPCO is working to spread the use of renewable energy.

### TEPCO's Mega Solar Power Generation Plan

In collaboration with Kawasaki City of Kanagawa Prefecture and Yamanashi Prefecture, TEPCO is advancing a Mega Solar\* project. Aiming to commence the facilities' operations in fiscal 2011, TEPCO is currently undertaking installation work. The total output capacity will be approximately 30,000 kW, which is equivalent to roughly 7,900 households' annual power consumption. This project has the potential to reduce CO<sub>2</sub> emissions by approximately 10,000 tons per year.



Rendering of the Ukishima Solar Power Station

\*Solar power generation system with over 1,000 kW of output capacity

#### Overview of TEPCO's Mega Solar Plan (Power station names are tentative)

|  |                                 |   |
|--|---------------------------------|---|
| Ogishima Solar Power Station (Kawasaki City, Kanagawa Prefecture)  | Output: Approximately 13,000 kW | Planned commencement of operations: Fiscal 2011         |
| Ukishima Solar Power Station (Kawasaki City, Kanagawa Prefecture)  | Output: Approximately 7,000 kW  | Planned commencement of operations: Fiscal 2011         |
| Komekurayama Solar Power Station (Kofu City, Yamanashi Prefecture) | Output: Approximately 10,000 kW | Planned commencement of partial operations: Fiscal 2011 |

### Reaccelerating Hydroelectric Power Generation

For its hydroelectric power stations, TEPCO is working to improve generation efficiency by, for example, rehabilitating old facilities and developing new water turbine technologies. At the same time, we are now constructing new hydroelectric power stations. Specifically, the Tochigawa Hydroelectric Power Station (Nagano Prefecture) and the Togawa Hydroelectric Power Station (Tochigi Prefecture) are scheduled to begin operations during fiscal 2010. The Tochigawa Hydroelectric Power Station is a conduit-type power plant and uses the water resources of the Tochigawa River, which branches off from the Shinano River, for power generation. The facilities will boast a rated output of 1,000 kW. The operation of the Tochigawa facilities is expected to reduce TEPCO's annual CO<sub>2</sub> emissions by approximately 2,100 tons.

## Promoting High-Efficiency, Low-Carbon Thermal Power Generation

Thermal power generation is important in ensuring the stable supply of electricity, as it can respond flexibly to changes in power demand. Accordingly, TEPCO is working to improve thermal power generation efficiency and minimize CO<sub>2</sub> emissions attributable to thermal power generation. TEPCO commenced operations of a 1,500°C combined cycle power generation system (More Advanced Combined Cycle [MACC] system) at its Kawasaki Thermal Power Station in 2007 and at its Futtsu Thermal Power Station in 2008. At 59%, the system boasts the world's top-tier thermal efficiency. Also, TEPCO is currently conducting an environmental assessment\* in conjunction with the introduction of a 1,600°C MACC II system. We plan to start operations of this new system, which has an improved thermal efficiency rate of approximately 61%, at the Kawasaki Thermal Power Station in fiscal 2016 and at the Goi Thermal Power Station after fiscal 2020. TEPCO's annual CO<sub>2</sub> emissions will be cut by approximately 1.9 million tons when the average thermal efficiency for all of its thermal power stations improves by 1%.

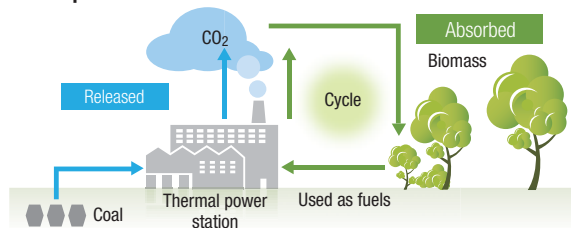
\* An activity that corporations and other organizations conduct to estimate, investigate and evaluate the impact of their business or other activities on the environment, to publicize the estimation, investigation and evaluation results and to seek the opinions of local community members and other related parties

### Woody Biomass Mixed Fuel Combustion Project

Plant-based biomass\* generates CO<sub>2</sub> when burned. However, it is believed that the CO<sub>2</sub> absorbed by plants during growth offsets such CO<sub>2</sub> emissions. Therefore, plant-based biomass is considered to be a renewable source of energy. TEPCO is currently advancing a plan to launch power generation operations using woody biomass mixed fuel combustion at the No. 1 unit of its Hitachinaka Thermal Power Station in fiscal 2012. Compressed woody biomass, which comes from wood chips and other wood materials, is mixed with coal at the ratio of 3% to the total mass of the resultant mixed fuel and is then used for combustion. Fully implemented, this initiative is expected to bring the benefit of reducing TEPCO's annual CO<sub>2</sub> emissions by approximately 110,000 tons.

\*A general term used for plant-based resources

#### Concept of Biomass Power Generation



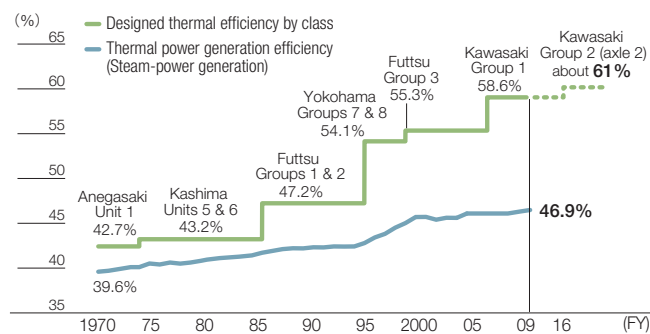
### Strengthening the Power Generation Business Worldwide

Under the leadership of its subsidiary, Eurus Energy Holdings Corporation and its affiliates, TEPCO will aggressively pursue not only wind power projects but also solar power projects on a global scale. Eurus Energy is spearheading wind and solar power generation businesses in Japan, South Korea, Europe and the United States. In fact, this TEPCO subsidiary is the largest wind power business in Japan and is one of the leading wind power businesses worldwide.



P&L Wind Farm, operated by Eurus Energy Holdings Corporation (Wales, the United Kingdom)

#### TEPCO's Thermal Power Generation Efficiency (Lower heating value)



Note: Lower heating value is based on the higher heating value result calculated by the conversion factor used in the publication *General Energy Statistics* (Fiscal 2004)

## Recommending Electric Systems to All Sectors

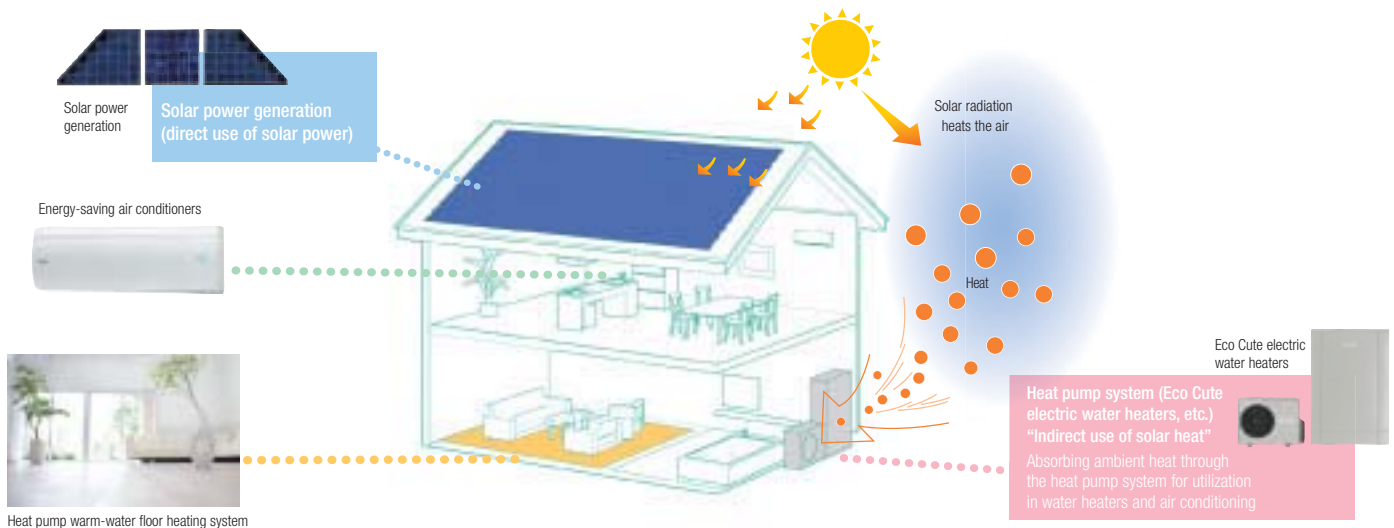
The TEPCO Group is committed to increasing customer satisfaction and to creating a low-carbon society. We will fulfill this commitment by providing services befitting the emerging energy-efficient age via the aggressive promotion of electricity-driven systems in all sectors of society and increasing the efficiency of customer energy use.



Switch! Station MINATOMIRAI, hands-on showroom for fully-electrified kitchen systems

## Promoting Electricity-Driven Systems in the Residential Sector

Fully-electrified homes are domestic residences in which such household essentials as kitchen appliances, water heaters and air conditioners are powered by electricity. TEPCO recommends energy-efficient, eco-friendly and economical, fully-electrified homes. Customers who are living in fully-electrified homes have testified to a high level of lifestyle satisfaction with the number of customers adopting electricity-powered systems increasing every year. As of August 2010, a total of 800,000 households have introduced these systems into their homes within TEPCO's service areas.

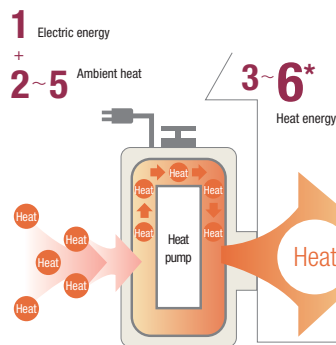


### Heat Pumps: A Revolutionary Low-Carbon Solution

Heat pumps use ambient heat, which is an inexhaustible natural energy like solar and wind power. They require only a small amount of electricity to gather ambient heat, but they produce about three to six times more heat energy than the electric energy they use. Due to their superior eco-friendliness and thermal efficiency, heat pumps are indispensable to the realization of a low-carbon society.

If all air conditioners and water heaters in the residential, commercial and industrial sectors were replaced with those powered by heat pumps, annual CO<sub>2</sub> emissions in Japan would be reduced by approximately 140 million tons (residential and commercial sectors: approx. 100 million tons; industrial sector: 40 million tons). This figure represents roughly 10% of total CO<sub>2</sub> emissions in Japan.

#### The Heat Pump System Structure



\* An example when the coefficient of performance (COP heating) is 3.0 to 6.0

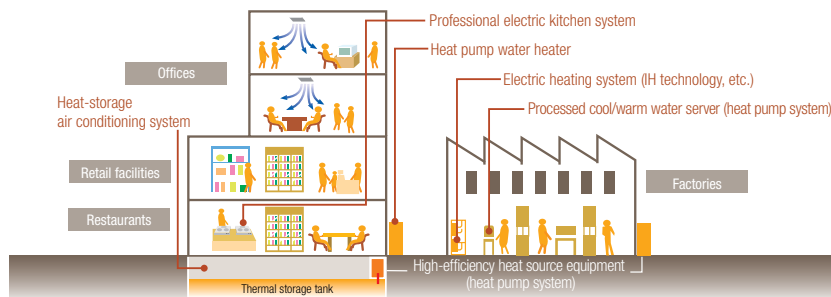
#### Ambient Heat is a Renewable Source of Energy

The EU Renewable Energy Directive (implemented June 2009) defines aerothermal, geothermal and hydrothermal energy used by heat pump systems with a certain thermal efficiency level as a renewable source of energy. Furthermore, in Japan, under the directives relevant to the Law on the Promotion of the Use of Nonfossil Energy Sources and Effective Use of Fossil Energy Materials by Energy Suppliers (implemented August 2009), aerothermal energy, in other words energy stored in the form of heat in the ambient air, is defined as a renewable source of energy.



## Promoting Electricity-Driven Systems in the Commercial and Industrial Sectors

TEPCO provides its corporate customers who own office buildings and factories with wide-ranging solutions based on its high-efficiency, electricity-driven systems that employ heat pump and induction heating (IH) technologies. Through such solutions, TEPCO helps these customers reduce their CO<sub>2</sub> emissions. In addition, we are promoting joint R&D activities with various manufacturers to create new products that would cultivate new electricity applications. In this way, we are accelerating the promotion of electric solutions in the commercial and industrial sectors while contributing to the reduction of CO<sub>2</sub> emissions.



TEPCO fully-electrified restaurant "Paysage" (Omiya Sonic City building 31F)

### TEPCO Electrified Factory

The TEPCO Electrified Factory is an exhibition facility where the latest heat pump and induction heating (IH) technologies are introduced. Through this facility, TEPCO supports the process innovation at customer plants by providing hands-on experience of its electric products.

Note: Scheduled for renewal in fiscal 2011.

Location: 4-1, Egasaki-cho, Tsurumi-ku, Yokohama City, Kanagawa Prefecture



### Switch! Station Pro. Ariake

Professional electric kitchen systems built for the hospitality industry help realize a superior level of hygiene and comfort while providing high thermal efficiency and energy-loss minimization. Switch! Station Pro. Ariake is a comprehensive hands-on facility for professional electric kitchen systems.

Location: 20th floor, TOC Ariake East Tower, 3-5-7, Ariake, Koto-ku, Tokyo



Model kitchen zone

## Promoting Electric Solutions in the Transportation Sector

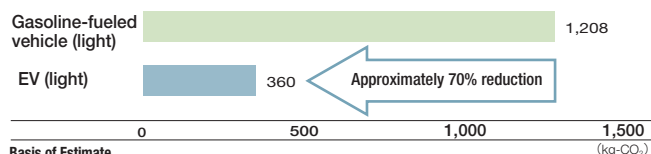
The transportation sector is still largely dependent on fossil energy. TEPCO is actively working to help the sector reduce its CO<sub>2</sub> emissions through various initiatives, including the promotion of electric vehicles (EVs), which generate less CO<sub>2</sub> than conventional cars.

### In-House Use and Promotion of Electric Vehicles

TEPCO has actively introduced eco-friendly EVs as its company vehicles. In fiscal 2009, a total of 310 EVs were introduced. Our plans are for the introduction of approximately 3,000 EVs. This initiative will have the effect of reducing TEPCO's annual CO<sub>2</sub> emissions by approximately 2,500 tons.

Meanwhile, the development of infrastructures, including power-charging facilities, is indispensable to the spread of EVs. To this end, TEPCO has developed versatile, rapid chargers that are compatible with any EV regardless of the manufacturer.

### CO<sub>2</sub> Reduction Effect of Electric Vehicles (when a light vehicle travels 10,000km)



#### Basis of Estimate

#### Fuel efficiency

Gasoline-fueled light vehicle's fuel consumption: 19.2km/l Japan Mini Vehicles Association, *The More We Learn about Mini Vehicles, the More We Like Them* (Fiscal 2008) (Japanese Only)

EVs: 10km/kWh (based on the 10-15 mode performance publicized by automakers, calculated using per-charge driving range and battery capacity)

#### CO<sub>2</sub> emissions intensity

Gasoline: 2.32kg-CO<sub>2</sub>/l The Ministry of the Environment, *Greenhouse Gas Emissions Calculation and Reporting Manual*

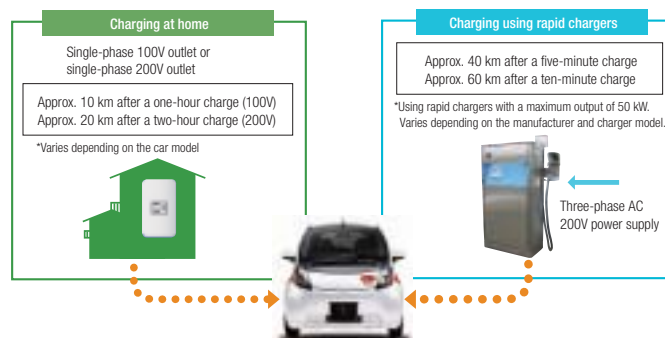
Electricity: 0.324kg-CO<sub>2</sub>/kWh TEPCO fiscal 2009 result

Charging efficiency at 0.90

### Supporting the Spread of Rapid Charger Use

TEPCO is working to improve the performance of its rapid chargers while supporting their broad dissemination. In March 2010, TOYOTA MOTOR CORPORATION, NISSAN MOTOR Co., LTD., Mitsubishi Motors Corporation, Fuji Heavy Industries Ltd. and TEPCO formally established the "CHAdeMO Association" with executive membership comprised of these five companies. This association is promoting EVs through various initiatives, including technical improvements of rapid chargers, activities aimed at standardizing charging methods and the international provision of Japan's expertise in rapid charger installations.

As of August 4, 2010, 270 business entities and government bodies—including foreign organizations—have joined this association. They include charger manufacturers, charging service providers as well as other supporting groups.



## Developing “Smarter” Power System Networks

TEPCO is implementing initiatives to reduce CO<sub>2</sub> emissions on both the supply and demand sides and is working to develop “smarter” power system networks that effectively connect suppliers and users.



Symposium on the “smarter” use of electricity

### Three Key Success Factors for “Smarter” Power System Networks

TEPCO will take advantage of information communications technology (ICT) to develop “smarter” power system networks by integrally: (1) building a network that can integrate a huge amount of renewable energy; (2) supporting customers’ energy-saving efforts; and (3) improving the efficiency and reliability of power systems.

| 1. Building network that can integrate huge amounts of renewable energy |  | 2. Supporting customers’ energy-saving efforts |   | 3. Improving the efficiency and reliability of power systems |  |
|---|--|--|---|--|--|
| Goal  | While maintaining the quality of the electricity we supply, we aim to introduce a significant amount of electricity based on renewable energy, particularly through household solar power generation.      | Goal   | We will help enhance household awareness of how and where energy is saved and improve convenience by providing a clear-cut breakdown of regular electricity usage and the status of solar power generation. | Goal   | We will work to maintain and improve the quality of the electricity we supply through such measures as reducing the duration and scale of interruptions.   |
| Issue   | A substantial amount of solar power-based electricity flowing into power system networks may have a negative impact on the quality of the electricity we supply, including an unexpected surge in voltage. | Current status                                 | On-site metering is conducted once a month.   | Issue  | Automated distribution and other systems currently enable us to maintain a sufficient level of electricity quality. However, to achieve the goal stated above, we need to develop and introduce new functions for our power systems.                   |
| Measures  | To maintain the quality of the electricity we supply, we will implement measures aimed at preventing voltage surges, balancing demand and supply instantly and stabilizing the power system network.       | Measure  | We will launch automated remote metering services while strengthening the provision of information through the Internet.  | Measure  | We will introduce new power system functions that will enable us to, for example, speed up the identification and isolation of accident-affected segments of our distribution lines, with due consideration given to the efficiency of such functions. |

### Technological Development for “Smarter” Power System Networks

TEPCO will actively participate in external demonstration tests to develop smart network technology.

#### Ongoing and Future External Demonstration Tests (as of July 2010)

- Project for power system stabilization toward integration of a huge amount of distributed new energies
- Project for demonstration of optimum control technology for next-generation transmission and distribution systems
- Project for demonstration of the effects of introducing load leveling devices
- Project for demonstration of next-generation energy and social systems (Yokohama City)

### Pursuing New Business Opportunities

TEPCO will examine the potentials of new businesses based on its advanced meters, which will support customers’ energy-saving efforts.

#### 1. Building network that can integrate huge amount of renewable energy

Take advantage of ICT to build power system network that would boost the penetration of photovoltaic power generation



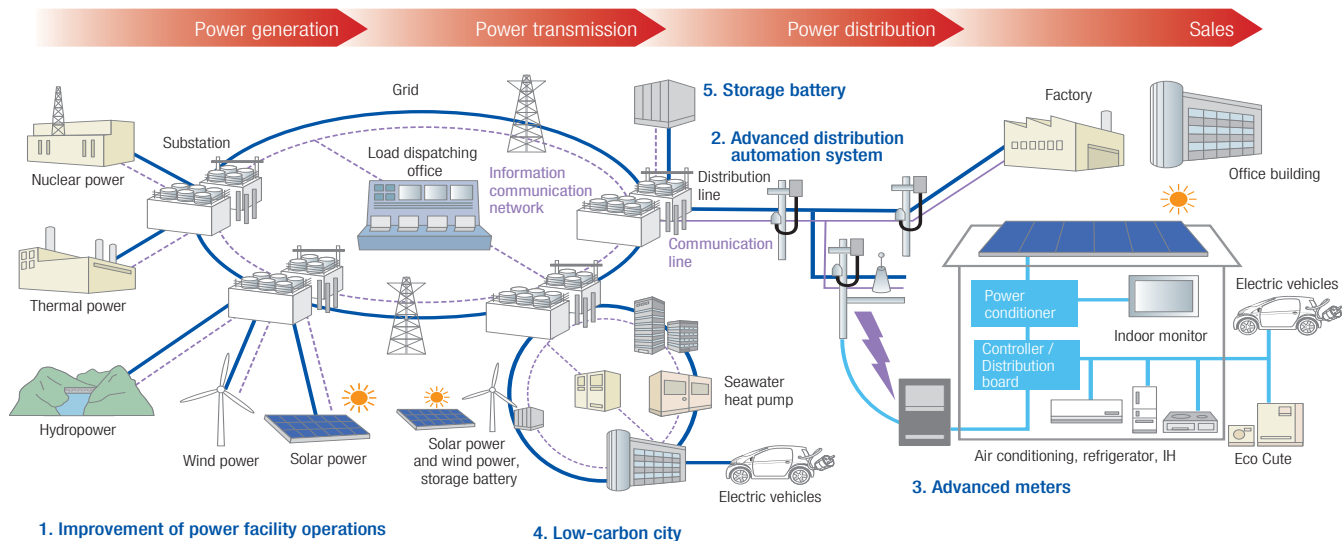
#### 2. Supporting customers’ energy-saving efforts

In addition to electrification promotion, support customers’ energy-saving efforts by utilizing advanced meters, and promote the creation of low-carbon cities

#### 3. Improving the efficiency and reliability of power system

Deliver stable, low-carbon electricity by improving the efficiency and reliability of power system by utilizing ICT and storage batteries

## Overview of Smart Power System Networks



### 1. Improving Power Generation Operational Efficiency.....

TEPCO will improve the operation efficiency of thermal and hydro power generation to respond flexibly to power demand fluctuations and help boost the penetration of solar power generation.

### 2. Promoting Advanced Distribution Automation Systems.....

TEPCO will develop advanced distribution automation systems so that it can maintain power quality when a huge amount of solar power generation is integrated, increase the operating rates of distribution lines and shorten restoration times.

### 3. Installation and Utilization of Advanced Meters .....

- TEPCO launched a test of multi-functional, advanced meters in certain areas of Tokyo in October 2010.
- TEPCO will examine the potential of new ICT services in anticipation of the utilization of advanced meters.

### Expected Benefits from the Introduction of New Advanced Meters

#### 1. Enhanced Customer Services

- An electronic recording will provide customers with a visual breakdown of their power usage via the Internet and enable TEPCO to provide them with optimal advice on electricity contracts and the more effective use of their home appliances.
- Easier identification of interrupted distribution line segments will shorten restoration times.
- Remote operations at the time of customers' moving or changing contract terms will eliminate the need for customers to attend on-site operations and reduce other burdens placed on them.
- Remote metering will facilitate the protection of customer privacy.

#### 2. Improved Efficiency in Business Operations

- Remote operations and control of monthly metering, contract termination and service resumption in line with customer relocation, contract term changes and other processes will improve overall business efficiency.



The new advanced meter

### 4. Experimental Study toward a Low-Carbon City.....

TEPCO will examine low-carbon city development at Toyosu district in Koto Ward, Tokyo,\* making maximum use of renewable resources inside the region in addition to power supply from power system network and actively employing high-efficiency electricity devices such as heat pumps.

\* Besides making maximum use of renewable energy resources and untapped energy in addition to power supply from power system network, measures for visualization of energy use and introduction of energy management system, etc. will be examined as well.

### 5. Support for penetration of Storage Batteries .....

To enhance the reliability and convenience of storage batteries, TEPCO will assess the performance of various types of batteries and develop technology for their effective utilization.

## Actively Diversifying into Growth Businesses

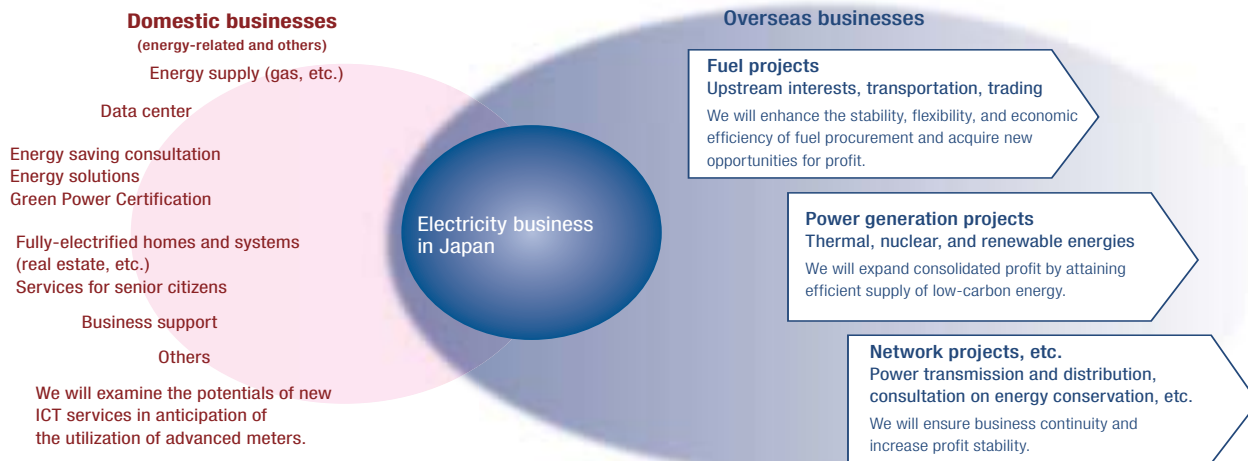
Leveraging the human resources, technologies and expertise it has cultivated through the electricity business in Japan to date, the TEPCO Group will actively diversify into growth businesses\*—including overseas businesses—in areas where it has a decisive competitive advantage. Through new enterprise development and expansion, TEPCO aims to reinforce its business foundation and more effectively contribute to society and the environment in wide-ranging fields.



Consultation services in India

\*TEPCO will focus on expanding its business in three domains: the domestic electricity business, overseas businesses and energy-related and other businesses. We refer to the latter two domains as "growth businesses," because we will be seeking growth, in particular, in these domains, in addition to the domestic electricity business.

## Overview of the TEPCO Group's expanding business arena



## Expanding Overseas Businesses

TEPCO will focus on overseas businesses as a pillar of the Group's operations and harness the Group's strengths to actively expand into relevant sectors abroad, such as the power generation and fuel sectors.

### Power Generation Projects

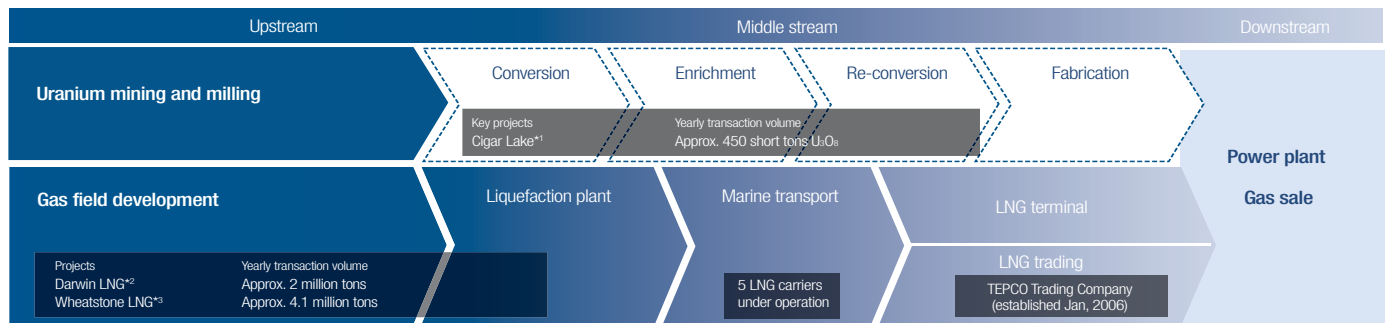
Overseas power generation projects that are based on our achievement of the world's highest level of operational performance in power generation in Japan are the drivers of the TEPCO Group's consolidated growth. By engaging in thermal, nuclear and renewable energy power generation projects overseas, we will increase our overseas output quota to 10,000 MW (approximately three times the fiscal 2009 performance level) over the next ten years.

|                                  |   |
|----------------------------------|---|
| <b>Thermal Power Projects</b>    | <ul style="list-style-type: none"> <li>For the immediate future, TEPCO will seize project opportunities around the world, without narrowing its sights on any specific region.</li> <li>In the medium to long term, TEPCO will advance into the Asian market, particularly into China and India, where economic growth is conspicuous.</li> <li>To further leverage the TEPCO Group's strengths, we will consider increasing our controlling share in projects* or collaborating on fuel projects.</li> </ul> <p>* In the TeaM Energy Project ("Investment business 1" as shown on the world map on page 19), we are taking advantage of our large controlling share (50%, the largest compared to other projects) to apply our strengths to the fullest.</p> |
| <b>Nuclear Power Projects</b>    | <ul style="list-style-type: none"> <li>TEPCO will engage in nuclear power projects by drawing upon its previous experience in ABWR* development, construction and operation projects. We will launch overseas projects in the United States ("Investment business 2" as shown on the world map on page 19) and other countries that have already introduced nuclear power generation and expand into other countries, step by step.</li> <li>By showing the world the technical and operational performance of ABWR, we will secure new project opportunities while strengthening the operational foundation of our domestic power plants.</li> </ul> <p>* Advanced Boiling Water Reactor</p>   |
| <b>Renewable Energy Projects</b> | <ul style="list-style-type: none"> <li>TEPCO will utilize existing systems in Europe, the United States and other developed countries to launch renewable energy projects under the leadership of Eurus Energy Holdings Corporation.</li> <li>We will also consider expanding into regions other than Europe and the United States over the medium to long term.</li> </ul>   |

## Fuel Projects

TEPCO will expand its participation in fuel projects to increase fuel procurement stability, flexibility and economic efficiency.

### Overview of the fuel value chain



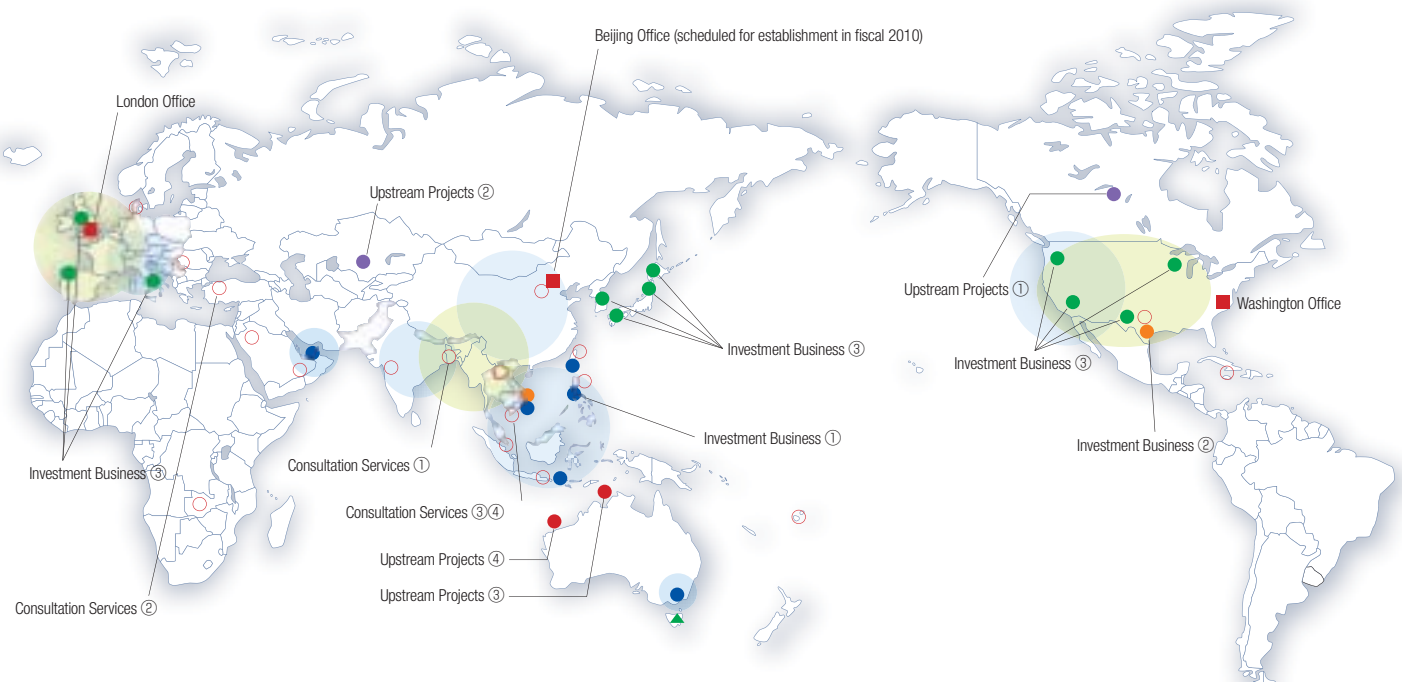
← Through involvement in all aspects of the value chain, will aim to achieve greater procurement stability, flexibility, and economic efficiency, and seize opportunities for greater profit. →

\*1 "Upstream Project 1," listed in the chart, "Overview of Overseas Projects," below  
 \*2 "Upstream Project 3," listed in the chart, "Overview of Overseas Projects," below  
 \*3 "Upstream Project 4," listed in the chart, "Overview of Overseas Projects," below

## Other Projects

TEPCO will strengthen its consultation services on energy conservation and other fields in each country by maximizing the technical capabilities of the Group and establishing new customer relationships in all of its business areas. In addition, we will consider participating in network projects, with a view to ensuring business continuity and profit stability.

## Overview of Overseas Projects



### Locations of Overseas Projects (including those under preparation)

- Thermal power project
- Nuclear power project
- Renewable energy project
- Upstream LNG project
- Uranium project
- Consultation services
- ▲ Afforestation project
- Overseas office

### Future Priority Areas

- Thermal power
- Renewable energy

### Investment Business

- ① The Philippines: TeM Energy Project (Output: 3,200 MW/thermal power)
- ② The United States: South Texas Project Unit 3 & 4 (Output: 1,350 MW x 2 (plan)/nuclear power)
- ③ Japan, Europe, the United States and South Korea: Eurus Energy Holdings Corporation/wind and solar power

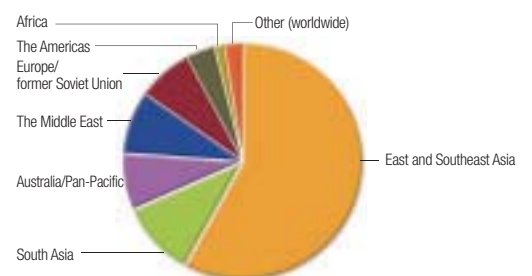
### Consultation Services

- ① Bangladesh: The Study for the Master Plan on Coal Power Development
- ② Turkey: The Study on Optimal Power Generation for Peak Demand
- ③ Vietnam: Study on the Plan for Joint Development of Coal-Fired Power Stations
- ④ Vietnam: Preliminary Study for UHV Transmissions System

### Upstream Projects

- ① Canada: Cigar Lake Uranium Mine Project
- ② Kazakhstan: Kharassan Uranium Mine Project
- ③ Australia: Darwin LNG Project
- ④ Australia: Wheatstone LNG Project (under consideration)

### Breakdown of Overseas Consultation Services by Region



\* As of September 30, 2010, TEPCO has executed 411 consultation projects in 64 countries with aggregate operating revenues of ¥14.4 billion.

## International Activities

TEPCO has been using its advanced technological expertise and managerial resources to vigorously expand its interests throughout the world, with the aim of further expanding and developing the Company by creating new global business opportunities. TEPCO also promotes international exchanges and carries out research on international energy policies and electricity markets through its offices in Washington, D.C. and London.

### Exploration of New Global Business Opportunities

In light of public concerns, there is an increasing need for a high-quality power sector infrastructure to satisfy electricity supply and global environmental considerations. In line with these global interests, TEPCO has invested in the power industry, providing consulting services that utilize expertise and know-how developed in Japan. As of September 2010, TEPCO unveiled its "TEPCO Group Medium to Long-term Growth Declaration," stating its intent to focus on overseas businesses as one of the pillars of the TEPCO Group Business.



TEPCO President Masataka Shimizu participating in the International Electricity Conference.

### Global Investment

TEPCO has invested in several global projects located in various regions in Asia, Australia, the Middle East, Europe and the United States, and is continually looking for further business opportunities.

| Company or Project Name                                    | Location             | Output  | Type  | Remarks  |
|--|----------------------|---|---|--|
| TeaM Energy Project  | Philippines          | 735 MW (Pagbilao)<br>1,218 MW (Sual)<br>1,251 MW (Ilijan) | Coal-Fired<br>Coal-Fired<br>Natural Gas-Fired | Acquisition completed in June 2007   |
| Chang Bin Project<br>Fong Der Project<br>Star Buck Project | Taiwan               | 490 MW<br>980 MW<br>490 MW                                | Natural Gas-Fired                             | Commenced operation in Mar. 2004<br>Commenced operation in Mar. 2004<br>Commenced operation in June 2009 |
| Phu My 2-2 Project   | Vietnam              | 715 MW  | Natural Gas-Fired                             | Commenced operation in Feb. 2005   |
| Paiton I Project   | Indonesia            | 1,230 MW  | Coal-Fired                                    | Acquisition completed in Nov. 2005   |
| Loy Yang A Project   | Australia            | 2,200 MW  | Coal-Fired                                    | Acquisition completed in Apr. 2004   |
| Umm Al Nar IWPP Project                                    | UAE                  | 2,200 MW  | Natural Gas-Fired                             | All facilities commenced operation in July 2007  |
| Eurus Energy Holdings Corporation                          | USA, UK, Italy, etc. | 1,903 MW  | Wind Power                                    | Capital participation Sept. 2002   |



Sual Coal-Fired Power Plant, TeaM Energy Project in the Philippines



Paxareiras, Spain, Eurus Energy Holdings Corporation

## Consulting Services

Via leveraging its advanced technologies and abundant management expertise acquired through many years of experience in the electric power field both in Japan and abroad, TEPCO offers a wide range of power supply consulting services. Some examples are as follows:

Feasibility Study on Bilateral Crediting Scheme via the Introduction of the Ultra Super Critical Coal Fired Power Technology (Vietnam)

Preliminary Study for UHV Transmission System (Vietnam)

The study for the Master Plan on Coal Power Development (Bangladesh)

Preparatory Survey for Bakaru Hydroelectric Power Plant Rehabilitation and extension Project (Indonesia)

Technical Cooperation Project on Sustainable Promotion of Energy Conservation (Saudi Arabia)

Introduction of Energy Management System in Energy Consumption Sectors (Serbia)

The Study on Optimal Power Generation for Peak Demand (Turkey)



Site survey of pumped storage power plant in Turkey



Signing ceremony for the project in Saudi Arabia

## International Exchange and Cooperation

TEPCO maintains collaborative relationships at top management and expert levels with major foreign utilities and transmission system operators such as the State Grid Corporation of China, Électricité De France, Korea Electric Power Corporation, PJM Interconnection LLC (U.S.A.), and Saudi Electricity Company. Further, as an E8 project, we constructed and donated a mini-hydro power plant in Ifugao, Philippines to save the area's rice terraces, a UNESCO world heritage site.



Ifugao rice terraces



The 24th annual top-level meeting with State Grid Corporation of China

## Washington Office

TEPCO's Washington D.C. office primary focus is on:

- The U.S. energy and climate change policies;
- New nuclear development;
- Coal, natural gas and unconventional resources; and
- Implementation of the state-of-the-art technologies of the future, such as, CCS, electric vehicles, IT and smart grid.

Our D.C.-based professional staff members monitor the developments of the U.S. energy/environmental policies at the local, state and regional levels.

This liaison office also has established working relations and regular discussions with utilities, various think tank organizations/institutions and energy experts in the United States.

With the constantly dynamic political and economic landscape, the experienced D.C. staff members are able to evaluate and report on the energy trends, markets and the future policy development and course of the U.S. electric industry.

The TEPCO Washington D.C. office is also actively involved in the local community and in various U.S.–Japan events to promote cultural understanding between the two nations.



Branch President entertaining guests at the Washington Office

## London Office

There is rapid change both in the European economy and its energy sector. Parts of Europe are emerging from the recession and some countries have focused on developing renewable energy, energy security and market reform of which the London office obtains timely information.

The office liaises with European energy companies and organizations, monitoring the policies and technologies regarding climate change, development of nuclear, offshore wind and solar power, implementation of state-of-the-art technologies, such as CCS, electric vehicles and smart grids and also monitors M&A activity. Simultaneously, this office strives to further expand its communication network.

In addition, the London office is important in promoting international understanding, for example providing European interests with timely information on developments in the Japanese energy sector as well as TEPCO's own business activities.



Branch President entertaining guests at the London Office

## Promoting Domestic Energy-Related Projects and Other Businesses

TEPCO aims to enhance its energy services and achieve the overall growth of the Group's business by reinforcing the added value it offers through the electricity business. It will take on projects in domains outside of the electric power industry, where the Group's strengths can be exploited, while steadily promoting existing businesses.

### Major Businesses

TEPCO operates data centers that boast superior earthquake resistance, have secure power supply facilities and demonstrate Japan's highest level of reliability.

Data center operated by AT TOKYO Corporation



TEPCO carbonizes sewage sludge into biomass fuel and sells it as power generation fuel.

Bio Fuel Co., Inc.'s sludge carbonization plant and carbonized sludge



TEPCO conducts the planning, management and operation of for-profit nursing care centers.

"Momi-no-ki Yokohama-Tsurumi" for-profit nursing care center operated by TODEN LIFE SUPPORT CO., LTD.



TEPCO is engaged in the housing renovation business, including the sale and leasing of renovated houses.

Previous corporate housing renovated as ReNOA TAMA-PLAZA fully-electrified home by ReBITA Inc.



## Major Affiliated Companies

### Power Generation

- The Tokyo Electric Generation Company, Incorporated
- Kimitsu Cooperative Thermal Power Company, Inc.
- KASHIMA KYODO ELECTRIC POWER Co., Ltd.
- Soma Kyodo Power Company, Ltd.
- Joban Joint Power Co., Ltd.
- The Japan Atomic Power Company

### Facility Construction and Maintenance

- TODEN KOGYO CO., LTD.
- Tokyo Electric Power Environmental Engineering Company, Incorporated
- Tokyo Electric Power Services Company, Limited
- Tokyo Densetsu Service Co., Ltd.
- TEPCO HOME SERVICE CO., LTD.
- TOSSETU CIVIL ENGINEERING CONSULTANT Inc.
- KANDENKO CO., LTD.
- SHIN-NIHON HELICOPTER CO., LTD.
- JAPAN NUCLEAR SECURITY SYSTEM CO., LTD.
- Transmission Line Construction CO., LTD.

### Material and Equipment Supply and Transportation

- Tokyo Keiki Kogyo Co., Ltd.
- TEPCO LOGISTICS CO., LTD.
- TOKO ELECTRIC CORPORATION
- TAKAOKA ELECTRIC MFG. CO., LTD.
- Toshiba Toko Meter Systems Co., Ltd.

### Fuel Supply and Transportation

- TEPCO RESOURCES INC.
- TEPCO Australia Pty. Ltd.

- TEPCO Trading Co., Ltd.
- Recyclable-Fuel Storage Company
- Pacific LNG Shipping Limited
- Pacific LNG Yuso Limited
- Pacific Eurus Shipping Limited
- Transocean LNG Yuso Limited
- LNG Marine Transport Limited
- Cygnus LNG Shipping Limited
- Tokyo Timor Sea Resources Inc. (U.S.A.)
- NANMEI KOUSAN Co., Ltd.
- TEPCO-Yu Company, Limited
- TEPSTAR CO., LTD.
- TEPCO Darwin LNG Pty. Ltd.
- Tokyo Timor Sea Resources Pty. Ltd. (Australia)
- NANSO SERVICE CO., LTD.
- Japan Nuclear Fuel Limited
- Pacific Hope Shipping Limited
- Japan Coal Development Co., Ltd.
- Nuclear Fuel Transport Company, Ltd.
- CELT Inc.

### Energy and Environmental Solutions

- TOKYO TOSHI SERVICE COMPANY
- Bio Fuel Co., Inc.
- KAWASAKI STEAM NET CO., LTD.
- Morigasaki Energy Service Co., Ltd.
- Isehara Energy Service Co., Ltd.
- TOKYO WATERFRONT RECYCLE POWER CO., LTD.
- Hitachi Heat Energy Co., Ltd.
- Japan Natural Energy Company Limited
- Haneda Solar Power Co., Ltd.
- JAPAN FACILITY SOLUTIONS, Inc.
- Kanto Natural Gas Development Co., Ltd.
- AOYAMA ENERGY SERVICE Co., Ltd.
- Fuchu D.H.C. Co., Ltd.

- CLEAN COAL POWER R&D CO., LTD.
- Tokyo Heat Energy Co., Ltd.
- Tas Forest Holdings Pty. Ltd.

### Telecommunications

- FAMILYNET · JAPAN CORPORATION

### Cable TV Broadcasting

- TEPCO CABLE TELEVISION Inc.

### Information Software Services

- TEPCO SYSTEMS CORPORATION
- TEPCO UQUEST, Ltd.
- AT TOKYO Corporation
- Tepco Office Service Corporation
- TOKYO RECORDS MANAGEMENT CO., INC.
- Japan e-Market Co., Ltd.
- JAPAN CABLENET HOLDINGS LIMITED
- Japan Digital Serve Corporation
- TEPSYS SOLUTIONS CORPORATION

### Construction and Maintenance of Telecommunication Facilities

- TEPCO OPTICAL NETWORK ENGINEERING INC.

### Real Estate Management

- TODEN REAL ESTATE Co., Inc.
- OZE Corporation
- Tepco Land Management Corporation
- ReBITA Inc.
- Mutsu-Ogawara Habitat Inc.
- Toso Real Estate Management Co., Ltd.
- TF Service Co., Ltd.

### Service

- Tokyo Living Service Co., Ltd.
- TEPCO PUBLIC RELATIONS CO., LTD.

- CareerRise Corporation
- Tepco Town Planning Corporation Limited
- The TEPCO Reinsurance Company PCC Limited
- TEPCO HUMMING WORK CO., LTD.
- TODEN LIFE SUPPORT CO., LTD.
- Toden Kokoku Co., Ltd.
- TEPCO CALL ADVANCE Inc.
- Tepco Partners Co., Inc.
- Good-Serv Co., Ltd.
- Houseplus Corporation, Inc.
- Kankyou Bika Center Inc.
- ATEMA KOGEN RESORT INC.
- The Japan Utility Subway Company, Incorporated
- Daido Industrial Arts Co., Ltd.
- Houseplus Architectural Inspection, Inc.

### Global Operations

- Tokyo Electric Power Company International B.V.
- Eurus Energy Holdings Corporation
- Tokyo Electric Power Company International Paiton I B.V.
- TM Energy (Australia) Pty Ltd.
- Tokyo Electric Power Company International Paiton II B.V.
- CIPI-GP Ltd.
- Capital Indonesia Power I C.V.
- TeaM Energy Corporation
- Loy Yang Marketing Holdings Pty. Limited
- ITM Investment Company Limited
- Great Energy Alliance Corporation Pty. Limited
- ITM O&M Company Limited
- Star Buck Power Corporation





# Maximize human and technological potentials

Employee performance and cooperation are the engines of business

## Creating Operational Excellence Driven by Employee Performance and Cooperation

One of TEPCO's most valuable assets is its people. TEPCO is practicing people-oriented management so that employees' independent actions and cooperation will drive its sustainable growth. At the same time, we are promoting that will enhance the added value created through our operations, thereby achieving field-oriented abilities based on continual improvements and reforms.



Active communication is the key to TEPCO's success

### Practicing People-Oriented Management

To draw forth and bundle the greatest potential of each individual into organizational strength, TEPCO will create an environment that values people, based on mutual trust and responsibility between employees and management. This will allow each person among diverse personnel to engage in their work with a sense of purpose. To this end, we are focusing on "thorough human resource development," "human resource diversity" and "strong communication and cooperation."

### Supporting Employees' Self-Realization and Skill Development

#### Training Systems

In addition to providing on-the-job training (OJT) and self-improvement opportunities, TEPCO implements various training sessions at each division, office and the TEPCO General Training Center for the purpose of aiding participants in acquiring advanced knowledge and skills in a short period of time, while also fostering mutual understanding. Through these initiatives, TEPCO supports its employees' overall skill development.

At the TEPCO General Training Center, in particular, we offer an extensive lineup of training programs that range from courses for new employees to those for top management.

The PDCA cycle ensures the effectiveness and efficiency of training programs, and proper workplace support is provided to promote the effective application of skills and knowledge acquired through training to actual workplace practice sessions.

#### Major Training Programs Offered by TEPCO General Training Center

Legend:   Organized by the TEPCO General Training Center   Organized jointly by the TEPCO General Training Center and various divisions and branch offices

| Goal Scope   | Development/strengthening of management skills   | Development/strengthening of abilities to discover and solve issues  | Maintenance/transfer of front-line technologies and skills   | Development of managerial/innovative leaders  | Awareness-raising and others  |
|--|--|--|--|---|---|
| Managers   | <ul style="list-style-type: none"> <li>New branch office managers training</li> <li>Office management training</li> <li>GM follow-up training</li> <li>New GM training</li> <li>Practical skill development program leadership training</li> <li>Emergency disasters response capability improvement training</li> </ul> |  |  | <ul style="list-style-type: none"> <li>Business management training</li> <li>Next-generation leadership training</li> </ul> | <ul style="list-style-type: none"> <li>Career vision training<sup>*3</sup></li> </ul>   |
| General employees  | <ul style="list-style-type: none"> <li>Management skill improvement training</li> <li>Team leader training</li> <li>Management-by-objective (MBO) training</li> </ul>  | <ul style="list-style-type: none"> <li>Problem-solving capabilities training (advanced)</li> <li>Problem-solving capabilities training (mid-level)</li> <li>Practical skill development program (step III)</li> <li>Practical skill development program (step II)</li> <li>Practical skill development program (step I)</li> </ul> | <ul style="list-style-type: none"> <li>Technical leader training</li> <li>Security control systems training</li> <li>Facilities automation systems training</li> <li>Intensive technology course</li> <li>Division-specific technology/skill training</li> <li>Sales and marketing training (businesses, consumers)</li> </ul> | <ul style="list-style-type: none"> <li>W-TSP<sup>*1</sup></li> </ul>  | <ul style="list-style-type: none"> <li>WT training<sup>*2</sup></li> <li>University-graduate administrative staff follow-up training</li> <li>Engineer ethics training</li> </ul> |
| New employee training (new employee orientation, control station/comprehensive control station staff training, university-graduate electrical engineer training, second-half power distribution division training, etc.) |  |  |  |   |   |

Individual training programs include in-house communication (i.e., dissemination of management principles and collection of employee feedback).

\*1 W-TSP: Offers young employees an opportunity to exercise and expand their potential and fosters employees who are capable of taking positive action to promote new technologies, restructure businesses and create corporate value

\*2 WT training: Offers an opportunity to discuss the latest management issues with various department representatives in order to raise the motivation for innovation and foster a positive and independent attitude toward work

\*3 Career vision training: Helps employees create a career vision based on an objective understanding of their own values and strengths and motivates them to develop the capacities necessary for realizing their vision



### Skills and Performance Evaluation

To appropriately assess employee capabilities and performance and to ensure the objectivity, transparency and understanding of evaluation processes and results, evaluations are conducted from multifaceted angles by a number of senior employees. Details of the system and evaluation criteria are disclosed on the Intranet, and employees are notified of evaluation results in interviews with their respective superiors.

### Realizing Human Resource Diversity

As an equal opportunity employer, TEPCO posts activities to achieve workforce diversity and allow its employees to fully exercise their capabilities.

#### Employment of Persons with Disabilities

TEPCO actively employs individuals with disabilities. For the TEPCO Group—comprised of TEPCO and its 13 affiliated companies—they make up 2.1% (610 persons, as of June 1, 2010) of the total number of employees, more than satisfying the 1.8% statutory requirement.

In July 2008, as a means of creating new employment opportunities for persons with disabilities and further supporting their societal participation and independence, TEPCO established TEPCO HUMMING WORK CO., LTD. This company conducts operations mainly in the areas of printing/copying, cleaning and gardening (growing flowers and planting flowerbeds). By accepting trainees from special-needs schools and supporting organizations, the yearly inclusion of about 1,500 observers and other activities, TEPCO HUMMING WORK is moving to increase the employment of people with disabilities.



Gardening operation by TEPCO HUMMING WORK CO., LTD.



Printing operation by TEPCO HUMMING WORK CO., LTD.

#### Systems to Encourage Employees to Exercise Their Capabilities

To cultivate employees' spirit of challenge, TEPCO has set up the In-house Recruiting System and the Internal Human Resource Market to provide employees with opportunities to exercise their capabilities. Furthermore, as a means of supporting its employees' self-development efforts, TEPCO has established a system to allow them to study at graduate schools in Japan and overseas, while offering opportunities to take TOEIC Institutional Program (IP) Tests. In addition, TEPCO has established a "professional system" and a "specialist system" for employees with advanced expertise to evaluate and certify their high technical capabilities and skills.

#### Employment of Older Persons

TEPCO has reviewed its employment system for older persons and extended the company retirement age to 65, in accordance with the June 2004 revision of the Law for the Stabilization of Employment of the Aged. Under the new employment system, employees from 55 to 57 years of age are allowed to choose either to work until age 65 through reemployment by TEPCO or through transfer to a different TEPCO Group company, or to work at TEPCO until the government mandated retirement age of 60.

#### Support for Female Employees

To support the careers of its female workers, who account for roughly 12% of TEPCO's workforce, the Diversity Development Office plays a central role in establishing educational policies and developing better working conditions. Since February 2004, TEPCO has continued to hold seminars aimed at empowering female managerial staff and leaders, and approximately 300 female workers have attended these seminars. During fiscal 2009, TEPCO assigned nine female employees to management positions, increasing the total number of female managers to 63. Furthermore, in order to raise female workers' awareness of the career development options available, TEPCO stages seminars for young female employees to help them consider their career path, along with cross-industrial exchange seminars for middle-level female employees, which are jointly held with other interested companies.





## Promotion of Work/Life Balance

TEPCO believes that achieving a good work/life balance leads to greater individual work performance among employees and improved overall Company productivity. Accordingly, TEPCO promotes a healthy work/life balance. As a result of various efforts, TEPCO's Work/Life Balance Index\* topped 89%.

\* Work/Life Balance Index: An index created by the Ministry of Health, Labour and Welfare for companies to objectively evaluate the effectiveness of their measures and policies in support of a good work/life balance.

### Management of Work Hours

Appropriate work hours are established by taking into due consideration proper management, efficiency and work styles, raising employee awareness and improving the work atmosphere. In order to maximize efficiency during business hours, TEPCO promotes the "Merihari Work" campaign across the board. This campaign features an "Out-of-the-Office by 8 pm" rule, a designated "No Overtime Day" once a week, and transparent working hours.

### Staging of Family Days

On Family Days, employees are encouraged to bring their family members to their workplace. Family Days are intended to bring employees closer together by providing them with an opportunity to meet the family members of their colleagues as well as reinforce the fact that everyone has a private life that is separate from their work life. We believe that such a reaffirmation facilitates communication and mutual understanding on a deeper level among employees.

During fiscal 2009, Family Days were held at many offices and other business sites.

On Family Day at TEPCO's Head Office, 302 participants, including employees and their family members, visited various workplaces within the Head Office.



Family Days

### Sports and Cultural Activities

TEPCO encourages employees to engage in extracurricular sports and hobbies. To this end, we support and promote a women's soccer team, TEPCO Mareeze, and a long-distance road relay race team that proudly reflects our team spirit and business philosophy. In addition, we provide information regarding a variety of volunteer opportunities to encourage employees' active participation in various activities that will benefit society.



TEPCO Mareeze



Long-distance road relay team



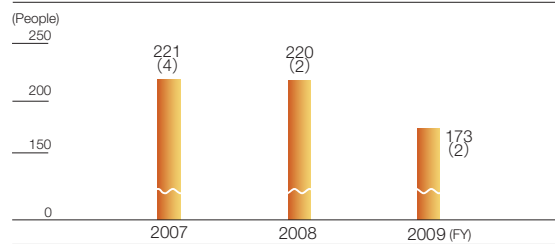
## Various Systems to Support Employees

### ◎ Systems to Support Childbirth, Child-Rearing and Nursing Care

TEPCO has established various systems to support expecting employees as well as employees who are raising children or caring for family members.

In support of child-rearing, TEPCO provides a leave system that is valid up to the fiscal year in which the child turns three, as well as shortened work hours/flextime systems that are valid up to the fiscal year in which the child finishes the first year of elementary school. As a support system for nursing care, TEPCO offers a leave system that is valid for up to three years, as well as a shortened work hours/flextime system that can be used continuously until such care becomes unnecessary.

### Number of Employees Who Have Used the Parental Leave System



Note: Number of employees who began their leave during the fiscal year. Figures in parentheses represent the number of male employees.

### ◎ Leave Systems

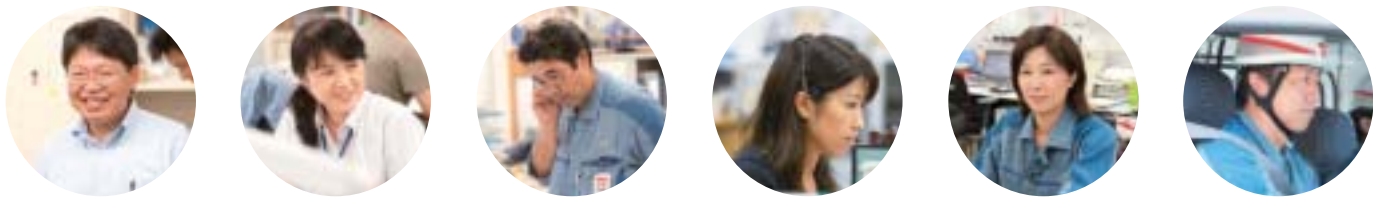
TEPCO employees are allotted 15 days of annual ordinary leave in their first year of employment and 20 days from the second year onwards. In addition, we offer a three-consecutive-day "anniversary leave" in the month in which the employee's own birthday or wedding anniversary or immediate family member's birthday falls, along with "summer holidays," "marriage leave," "volunteer leave" and "refreshment leave."

### ◎ Facilities

TEPCO provides corporate dormitories and housing as well as resort facilities, meeting facilities, athletic fields and tennis courts for employees' use. Furthermore, TEPCO has in-house day-care centers for employees who are raising children.

### ◎ TEPCO My Choice

TEPCO My Choice is a cafeteria-style benefit program designed to satisfy employees' individual sense of values and needs. Using points granted by TEPCO, employees can select and utilize, or receive subsidies for, various services set up both in and outside of the Company. These services cover such activities as nursing care, child-rearing, marriage, healthcare, self-enlightenment, and holidays and leisure.



## Active Communications

In pursuit of an optimal working environment for each employee, TEPCO promotes open communication between offices that transcends department and rank, striving to boost the Company's dynamism and sense of unity.

### Communications with Top Management

TEPCO's top management makes it a point to visit almost every single office at least once a year in order to gain firsthand an understanding of each workplace through frank opinion exchanges with the employees. These visits also allow top management to provide management-related information directly. Furthermore, TEPCO maintains a "Space for Communication with Top Management" on its Intranet.

### Open Communication That Transcends Department and Rank

Along with other training programs, TEPCO provides a WT training program aimed at raising employees' motivation to innovate. Through this program, various TEPCO members—regardless of age, rank and department—gather and discuss management issues. The number of employees who have participated in the WT training program has reached 1,500 as of July 2010.



WT training

### In-House Communication Tools

Utilizing various tools, including its Intranet, newsletter and in-house TV broadcasts, TEPCO actively shares information with employees resulting in an enhanced awareness of various issues.



In-house television broadcast



Internal newsletter *Toden*

## Strengthening Field-Oriented Abilities

Out in the field where operations, maintenance and construction of power facilities are conducted, TEPCO implements OJT through daily operations, while also holding seminars. Through such training and seminars, TEPCO is working to maintain and improve technical capabilities and skills of frontline employees.

Meanwhile, TEPCO has established a skills accreditation system, which specifies the technological and technical level required for the operations involved and is used to award accreditations to employees according to their achievement levels. Furthermore, TEPCO holds a Companywide skills competition, where contestants compete with each other in tackling technological and technical assignments, whose mastery is required in various departments. Opportunities for

employees to gain hands-on experience in actual operations are decreasing due to outsourcing and facility automation, while the number of experienced workers is also decreasing, a situation attributable to generational changes. These systems and events, however, help not only to secure opportunities for the intergenerational transfer of technological and technical capabilities, but also to bolster employee motivation to acquire such capabilities, helping to reinvigorate TEPCO's workplaces.



Companywide skills competition



## Research and Development

The TEPCO Group is combining its technological strengths to create and accumulate technologies for future generations. Through advanced innovations, we are helping society at large to reduce CO<sub>2</sub> emissions while providing technologies that enable a safe and stable energy supply.



Research on CO<sub>2</sub> absorption by plants

### R&D for Actively Introducing Zero-Emission Power Sources

Through the active introduction of zero-emission power sources, TEPCO is promoting R&D to improve the efficiency of power sources and reduce CO<sub>2</sub> emissions.

- Technological development aimed at spreading the use of nuclear power generation, such as improving nuclear power generation performance and developing advanced light-water reactors
- Technological development aimed at expanding the use of renewable energy, such as offshore wind power and biomass
- Technological development aimed at promoting various low-carbon thermal power generation processes, such as developing technologies for integrated coal gasification combined cycle (IGCC) and carbon dioxide capture and storage (CCS) operations

### R&D for Realizing “Smarter” Power System Networks

TEPCO is advancing technological development toward the realization of “smarter” power system networks through such initiatives as establishing power system networks that enable the large-scale integration of renewable energy, contributing to customers’ energy saving and enhancing the efficiency and reliability of its power distribution systems.

- Technological development aimed at introducing power system network technologies and advanced distribution automation systems, all of which enable the integration of a huge amount of renewable energy
- Development of new advanced meters and R&D for energy-saving support technologies that utilize advanced meters
- Development of devices that reduce transmission and distribution loss and the demonstration of superconductive power cables

### R&D for Promoting Electric Systems

TEPCO is stepping up technological development to promote electric systems in all sectors—such as residential, commercial, industrial and transportation—and to help customers improve the efficiency of their energy usage.

- Development of hot water and steam heat pumps as well as electric technologies such as those for melting furnaces and heat-treating furnaces
- Technological advancements aimed at improving the efficiency of heat pumps while spurring on their innovative development
- R&D for standardizing technologies that facilitate the promotion of electric vehicles (EVs) and an EV charging infrastructure

### R&D for Ensuring Stable Supply and Safety

TEPCO is accelerating technological development and other activities required to ensure a stable energy supply and safety, including the development of technologies to effectively maintain old facilities and the reinforcement of risk management.

- Development of technologies to counter the aging of facilities, to efficiently and effectively inspect old facilities and to extend their service lifespan
- Establishment of nuclear power plant earthquake countermeasures, expansion of fuel types for assuring energy security, and development of technologies to prevent fatal accidents and enable more secure PCB treatment

## Development of Electric Vehicles and Rapid Chargers .....

TEPCO is contributing to the reduction of CO<sub>2</sub> emissions in the transportation sector through the joint development of EVs with automakers. Even today, with the commercialization of EVs having already gathered much momentum, we continue to conduct EV testing activities.

In addition, by leveraging its long-nurtured power electronics technologies, TEPCO has developed rapid chargers compatible with the EVs of all automakers while advancing efforts to establish international standards for EV charging methods.



Mitsubishi Motors Corporation’s i-MiEV and TAKAOKA ELECTRIC MFG. CO., LTD.’s rapid charger

### Stress Corrosion Cracking (SCC) Growth Behavior Evaluation Equipment

TEPCO is undertaking the development of technologies to counter SCC and to more accurately forecast SCC growth through tests conducted in a hot, pure-water environment that simulates a nuclear power plant using cooling water.



SCC growth testing equipment

### Development of Electric Equipment

In striving to realize energy conservation and reduced CO<sub>2</sub> emissions in the residential, commercial and industrial sectors, TEPCO is working to develop heat pump systems and induction-heating (IH) cooking equipment.



Eco-Cute Solar Heat  
Joint development with DENSO CORPORATION and Yazaki Corporation (distributor: Yazaki Corporation)



Air-cooled Heat Pump UNIVERSAL SMART X  
Joint development with Toshiba Carrier Corporation (distributor: Toshiba Carrier Corporation)

### Development of Offshore Wind Power Generation Technology

One of our approaches to expanding the use of renewable energy entails promoting the development of an offshore wind power station jointly with the University of Tokyo and other institutions. In August 2009, TEPCO participated in an experimental project involving the construction of a windmill and a tower for observing wind conditions offshore of Choshi City, Chiba Prefecture. This project has been entrusted by the New Energy and Industrial Technology Development Organization (NEDO) to commence a study concerning the establishment of offshore wind power generation technology suitable to naturally occurring conditions in Japan.

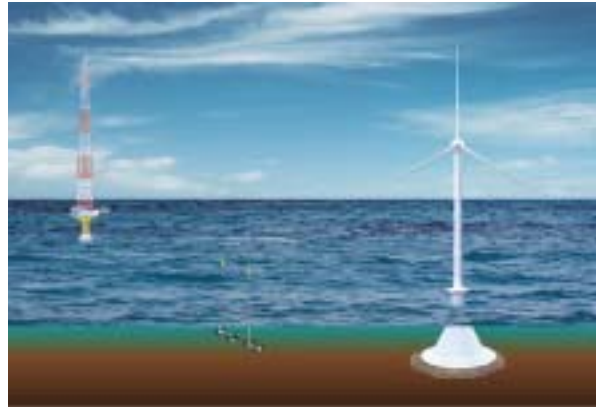


Image of offshore wind power station

### Development of Superconductive Cables

In progressing towards the introduction of compact superconductive cables—capable of transmitting high-current electricity with low loss—in its power system network, TEPCO is promoting the development of three-in-one, high-temperature, superconductive (HTS) cables.

In 2011, TEPCO plans to conduct Japan's first in-grid HTS cable tests, using actual power system networks, at its Asahi substation in Yokohama City, Kanagawa Prefecture.

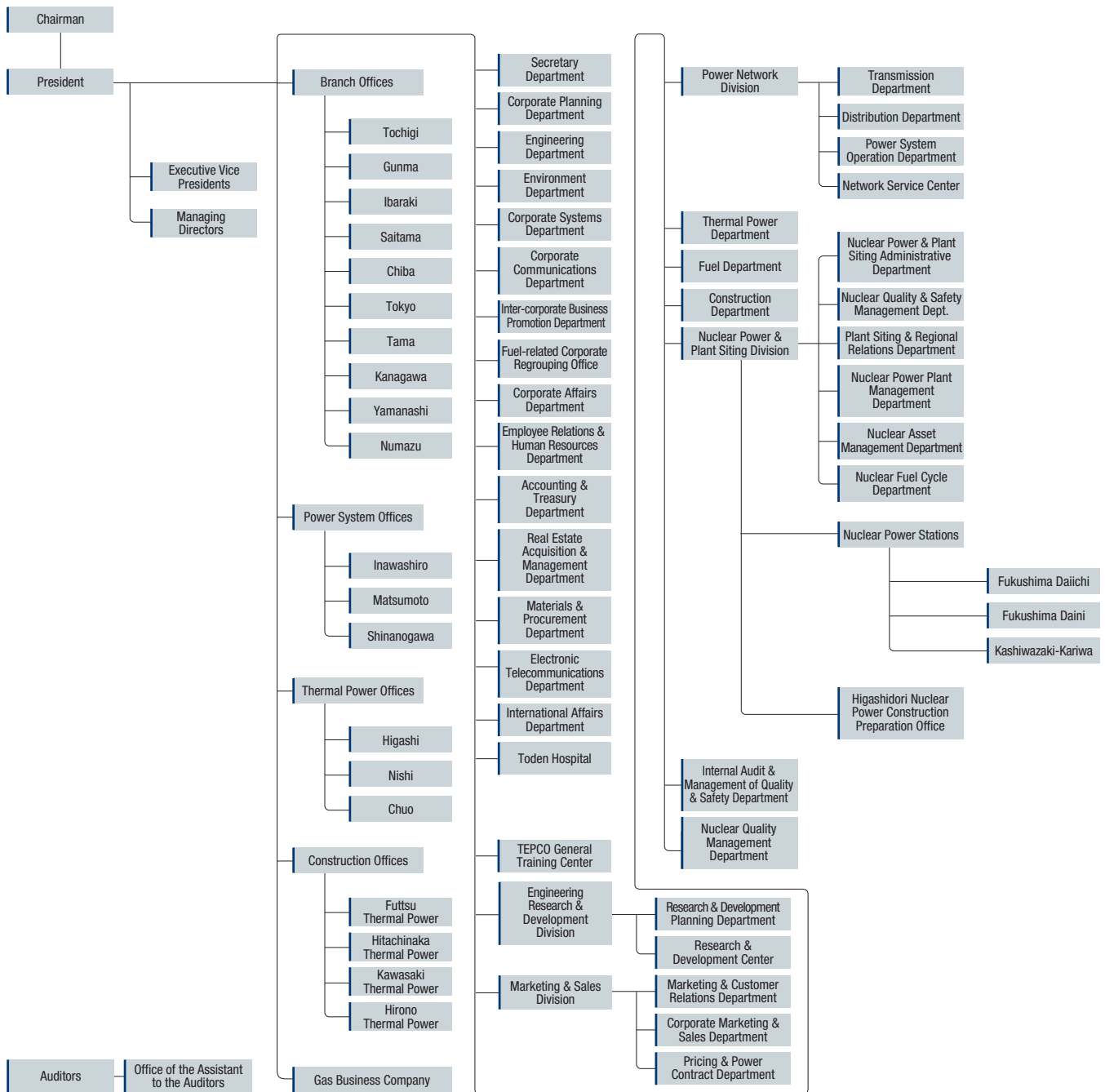


HTS cable



External view of a 30-meter HTS cable test system at Sumitomo Electric Industries, Ltd.'s Kumatori Works  
Joint development with Sumitomo Electric Industries

## Corporate Organization Chart (As of December 1, 2010)



## Directors and Auditors (As of June 25, 2010)

### CHAIRMAN

Tsunehisa Katsumata

### PRESIDENT

Masataka Shimizu

### EXECUTIVE VICE PRESIDENTS

Norio Tsuzumi  
Takashi Fujimoto  
Masao Yamazaki  
Masaru Takei  
Makio Fujiwara  
Sakae Muto

### MANAGING DIRECTORS

Hiroshi Yamaguchi  
Yoshihiro Naito  
Toshio Nishizawa  
Zengo Aizawa  
Takao Arai  
Hiroaki Takatsu  
Naomi Hirose  
Akio Komori  
Fumiaki Miyamoto

### DIRECTORS

Shigeru Kimura  
Tomijirou Morita  
Yasushi Aoyama

### STANDING AUDITORS

Katsutoshi Chikudate  
Norio Chino  
Takashi Karasaki

### AUDITORS

Sadayuki Hayashi  
Koichi Takatsu  
Hiroshi Komiya  
Kazuko Ohya



# Corporate Overview

(As of March 31, 2010)

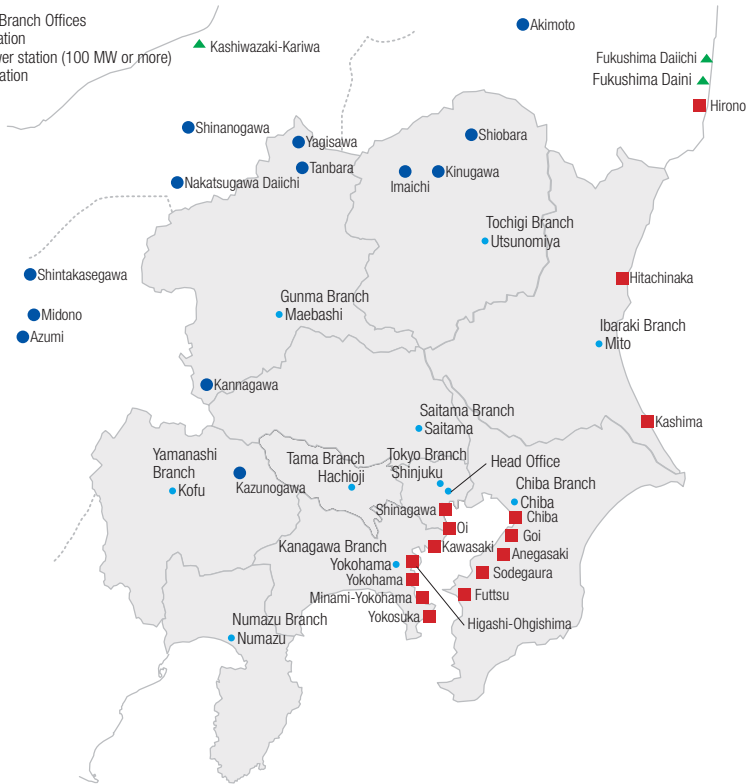
|   |                    |            |
|---|--------------------|------------|
| Date of Establishment:                            | May 1, 1951        |            |
| Capital Stock:                                    | ¥676.4 billion     |            |
| Number of Shareholders:                           | 794,653            |            |
| Operating Revenues:*1                             | ¥5,016.2 billion   |            |
| Operating Income:*1                               | ¥284.4 billion     |            |
| Net Income:*1                                     | ¥133.7 billion     |            |
| Number of Employees:                              | 38,277             |            |
| Electricity Sales:*2                              | 280,200 millionkWh |            |
| Number of Power Stations and Generating Capacity: | 190 sites          | 64,487MW   |
| Nuclear:  | 3 sites            | 17,308MW   |
| Thermal:  | 25 sites           | 38,189MW   |
| Hydro:  | 160 sites          | 8,987MW    |
| New energy, etc.:                                 | 2 sites            | 4,000kW    |
| Substations:                                      | 1,591 sites        | 265,760MVA |
| Transmission Lines:                               | 40,303km           |            |
| Distribution Lines:                               | 1,036,528km        |            |

\*1 Consolidated results of fiscal 2009

\*2 Fiscal 2009

Power Stations and Branch Offices

- ▲ Nuclear power station
- Hydroelectric power station (100 MW or more)
- Thermal power station
- Branch office



## History

|                          |  |
|--------------------------|--|
| <b>May 1, 1951</b>       | Established as the Tokyo Electric Power Company with ¥1,460 million in capital (The original form of the current 10-power company structure)   |
| <b>November 18, 1953</b> | Following its founding, commenced operations of Unit 3 (55 MW) at Ushioda Thermal Power Station, TEPCO's first thermal power generating facility   |
| <b>August 18, 1959</b>   | With the completion of Unit 4 at Chiba Thermal Power Station, thermal power output exceeded hydropower output (from this time, thermal power became the predominant form of power generation)                    |
| <b>December 10, 1965</b> | Started operating Unit 2 (80 MW) at Yagisawa Power Station, TEPCO's first pumped-storage plant   |
| <b>August 8, 1969</b>    | Summer peak load surpassed that of winter (from winter peak to summer peak)  |
| <b>March 26, 1971</b>    | TEPCO's first nuclear power facility, Fukushima Daiichi Nuclear Power Station's No. 1 reactor (460 MW) began operation   |
| <b>April 1, 1980</b>     | Electricity rates rose 52.33%, as a result of a sharp increase in fuel costs, caused by the second oil crisis  |
| <b>April 1984</b>        | Started the "Echo System" to improve our customer responsiveness   |
| <b>December 20, 1985</b> | Began operation of Futtsu Thermal Power Station, which used TEPCO's first combined cycle generators (Unit 1 train, Axle 1: 165 MW)   |
| <b>October 1, 1987</b>   | Launched utility bill collection at convenience stores   |
| <b>May 15, 1995</b>      | TEPCO's cumulative nuclear power generating output achieved one billion MWh  |
| <b>January 10, 1997</b>  | Determined the successful bidders to supply power during the three-year period from fiscal 1999, when IPP supply began (eight companies for 1,100 MW)  |
| <b>July 2, 1997</b>      | Initiated operation of Unit 7 at Kashiwazaki-Kariwa Nuclear Power Station. All units were completed for a total capacity of 8,200 million MW, making it one of the world's largest-capacity nuclear power plants |
| <b>February 10, 1998</b> | Reduced electricity rates an average of 4.2%   |
| <b>March 21, 2000</b>    | Commencement of liberalization of retail sector for high-voltage customers   |

|                           |  |
|---------------------------|--|
| <b>March 31, 2000</b>     | Started operations of Hachijojima Wind Power Station, TEPCO's first wind power generation facility for commercial use (500 kW)                           |
| <b>October 1, 2000</b>    | Reduced electricity rates 5.32%<br>Initiated Green Power Fund  |
| <b>January 30, 2001</b>   | Established the Mutsu Office in Aomori Prefecture. Location feasibility study commenced for a recycled fuel storage center                               |
| <b>July 24, 2001</b>      | Recorded highest system peak load in five years (64.3 GW)  |
| <b>April 1, 2002</b>      | Reduced electricity rates 7.02%  |
| <b>August 27, 2004</b>    | Total cumulative power generated by TEPCO nuclear power plants reached two trillion kWh  |
| <b>October 1, 2004</b>    | Reduced electricity rates 5.21%  |
| <b>October 7, 2004</b>    | Announced Management Vision 2010, the TEPCO Group's medium-term management policy  |
| <b>April 1, 2005</b>      | Scope of the liberalization of retail power sales extended to all customers who receive high-voltage electricity   |
| <b>November 21, 2005</b>  | Established the Recyclable-Fuel Storage Company through a joint venture with The Japan Atomic Power Company (to replace the Mutsu Office)                |
| <b>April 1, 2006</b>      | Reduced electricity rates 4.01%  |
| <b>June 15, 2007</b>      | Kawasaki Thermal Power Station, Japan's first 1,500°C-class, more advanced combined cycle generator, commenced operations (Unit 1 train, axle 3: 500 MW) |
| <b>September 1, 2008</b>  | Review of electricity rates  |
| <b>September 13, 2010</b> | Announced the TEPCO Group's Medium to Long-term Growth Declaration 2020 Vision   |
| <b>September 29, 2010</b> | TEPCO's Board of Directors resolved to issue new shares through a public offering (approx. 250 million shares)   |

# TOKYO ELECTRIC POWER COMPANY

## HEAD OFFICE

1-3, Uchisaiwai-cho 1-chome, Chiyoda-ku  
Tokyo 100-8560, Japan  
Phone: +81-3-6373-1111

## WASHINGTON OFFICE

Suite 720, 1901 L Street, N.W.,  
Washington, D.C. 20036, U.S.A.  
Phone: +1-202-457-0790 Fax: +1-202-457-0810

## LONDON OFFICE

Wing 7, Fourth Floor, Berkeley Square House  
Berkeley Square  
London W1J 6BR, U.K.  
Phone: +44-20-7629-5271 Fax: +44-20-7629-5282

## INTERNET HOME PAGE

<http://www.tepco.co.jp/en/>