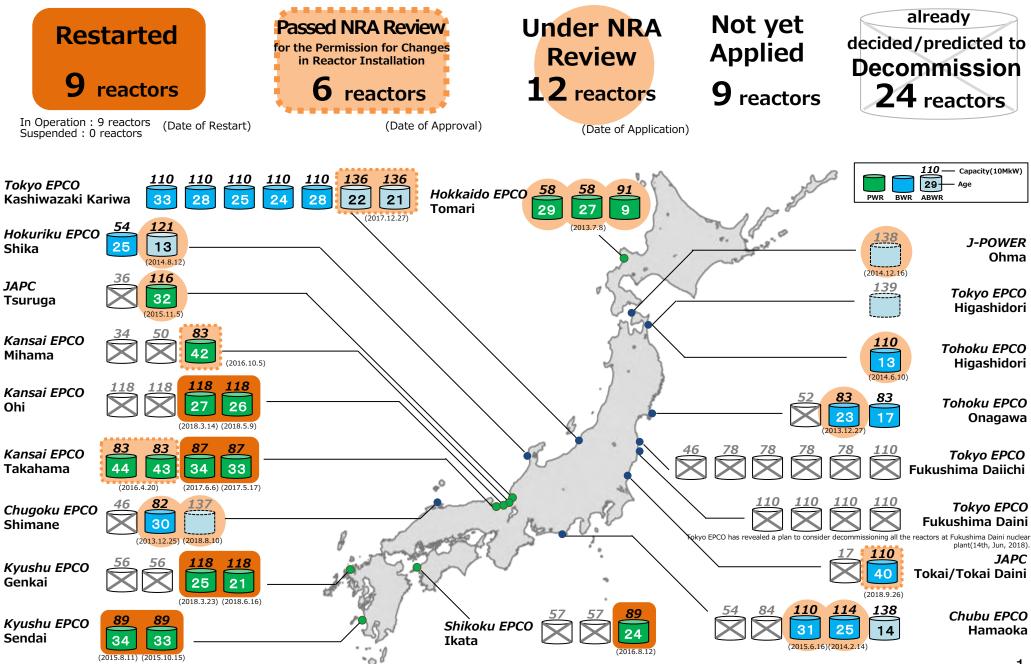
Nuclear Innovation

April 2019 Agency for Natural Resources and Energy

Nuclear Power Plants in Japan

As of 5th, Apr, 2019



5th Strategic Energy Plan (Cabinet Decision in July 2018)

5 ^{an} Strategic Energy Plan (Cabinet Decision in July 2016)	
O Energy security+ RaiseO Environment+ WorkO Economic efficiency+ Enhal	Sophisticated 3 E + S y innovation by technology/governance reform technical self-sufficiency rate and ensure diversity of choice towards decarbonisation nce domestic industrial competitiveness
 Towards 2030 To reduce emission of greenhouse gases by 26% ~ ~ To achieve energy mix target ~ Currently halfway to the target Deliberate promotion Realistic initiatives Intensify and enhance measures Primary measures > O Renewable energy Lay foundations to use as major power source Cost reduction, overcome system constraints, secure flexibility of thermal power O Nuclear power Lower dependency on nuclear power generation to the extent possible Restart of nuclear power plants and continuous improvement of safety O Fossil fuels Promote independent development of fossil fuels upstream, etc. Effective use of high-efficiency thermal power generation Enhance response to disaster risks, etc. O Energy efficiency Continued thorough energy efficiency Integrated implementation of regulation of Act on Rationalizing Energy Use and support measures O Promotion of hydrogen / power storage / distributed energy 	<section-header> Powards 20550 ~ Challenges towards energy transitions and decarbonisation ~ - Possibility and uncertainty - Ambitious multiple track scenario - Pursue every option Portancy directions> Oneowable energy Aim to use as major power source, economically independent and decarbonised O Energy Dower • Ant on hydrogen/power storage/digital technology development and decarbonised • Start on hydrogen/power storage/digital technology development • Possib fues • Angor power source during the transitional period. Enhance resource diplomacy • Shift to gas, fadeout inefficient coal • Start hydrogen development for decarbonisation • Hydrogen development for decarbonisation • Lalenges for decarbonisation with hydrogen, power storage, etc. • Shiftued energy systems and regional development</section-header>

Draw up strategic plan \Rightarrow All Japan's efforts (projects, international collaboration, financial dialogue, policy)

Position of Nuclear Energy in 5th Strategic Energy Plan

Towards 2030 : Achievement of Optimal Energy-Mix Target

• Based on the principle of 3E+S, towards steady realization of the 2030 energy mix

Nuclear power = Important base-load power source contributing to the stability of the energy supply-demand structure in the long term

- On the premise that safety comes before everything else, in case that the NRA confirms the conformity of nuclear power plants with the new regulatory requirements ,which are of the most stringent level in the world, the GOJ will follow the NRA's judgment and will proceed with the restart of nuclear power plants.
- Under the policy of reducing dependency on nuclear power as much as possible, we will aim towards realization of the power source composition ratios in the 2030 energy mix, which was formulated after assessing certain levels of nuclear power to be maintained, and steadily implement necessary measures.

Towards 2050 : Challenges of Energy Transition

- Pursuing every option "Ambitious multiple track scenario"
- Through "scientific review mechanism", flexibly revise and determine development goals and the relative importance

Nuclear power = Option for decarbonization that is at the practical stage

- Having experienced TEPCO's Fukushima Daiichi Nuclear Power Plant disaster, Japan will give the highest priority to safety and will lower reliance on nuclear power as much as possible while attempting to expand economically selfsustaining and decarbonized renewable energy.
- To recover public trust, the GOJ will immediately begin strengthening human resources, technology, and the industry's foundations and go forward with the pursuit of reactors that are safe, economical, and mobile while developing technology that aims to resolve backend problems.

Various Issues

Nuclear nonproliferation

- Demand for safety, nonproliferation and strengthening nuclear security
- Active contribution to emerging countries where nuclear demand is increasing

Multi-purpose use of energy

 Not only power generation, but various nuclear power applications such as hydrogen production and heat utilization

Demand for improved safety

 Pursuing further safety expansion worldwide, such as strengthening regulatory standards for natural disasters such as earthquakes and tsunamis, and pursuing passive safety

Radioactive waste management

 Volume reduction / hazard reduction for long-term risk reduction related to high level radioactive waste

Mobility

- Adaptation to an environment in which the expansion and introduction of renewable energy is progressing
- Dispersion-type power source

Economic efficiency

 Pursuing further economic efficiency by cutting costs through new technology and shortening construction periods

Research and technology development

<Technology development for further improvement of safety, reliability and efficiency of LWR >

<u>Safety improvement technology development budget : 3.02 billion yen</u> (FY2019)

(Practical examples)

- O Development of a new fuel component that is not easily damaged and generates less hydrogen
- \bigcirc Development of system to process hydrogen generated at the time of accident

 \bigcirc Development of a core catcher that catches molten fuel at the time of an accident and prevents erosion of concrete

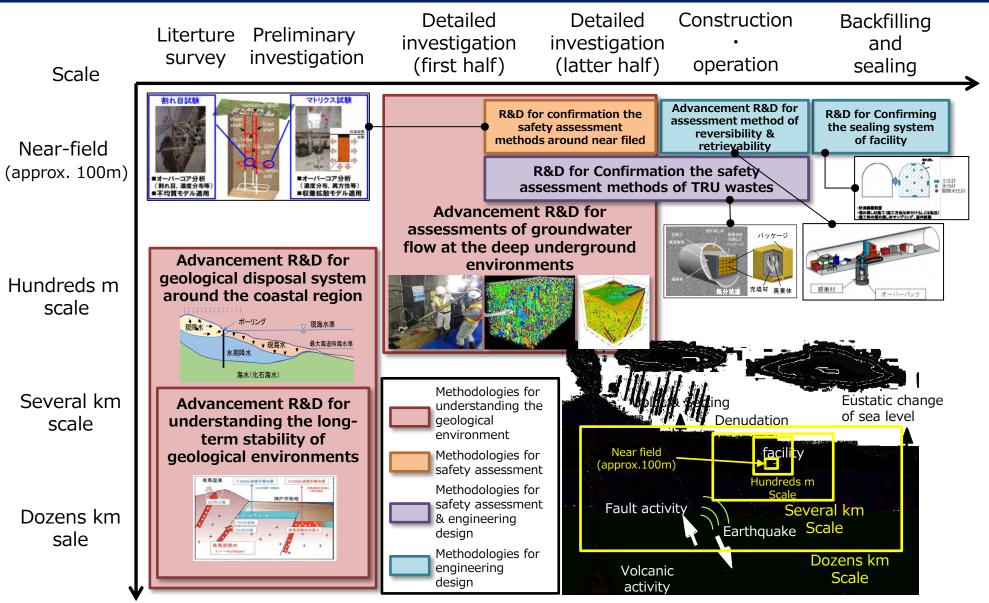




<Promotion of innovation based on diverse social demands >

※Fast reactor development budget : 4.15 billion yen (FY2019) ⇒ Formulated a "strategic road map" in December last year
※Innovation Technology Development Budget : 650 million yen (FY2019)

R&D for geological disposal in METI



XIn addition, "R&D for Confirming the safety assessment of direct disposal & alternative method" and "R&D for low-level radioactive wastes disposal" are underway.

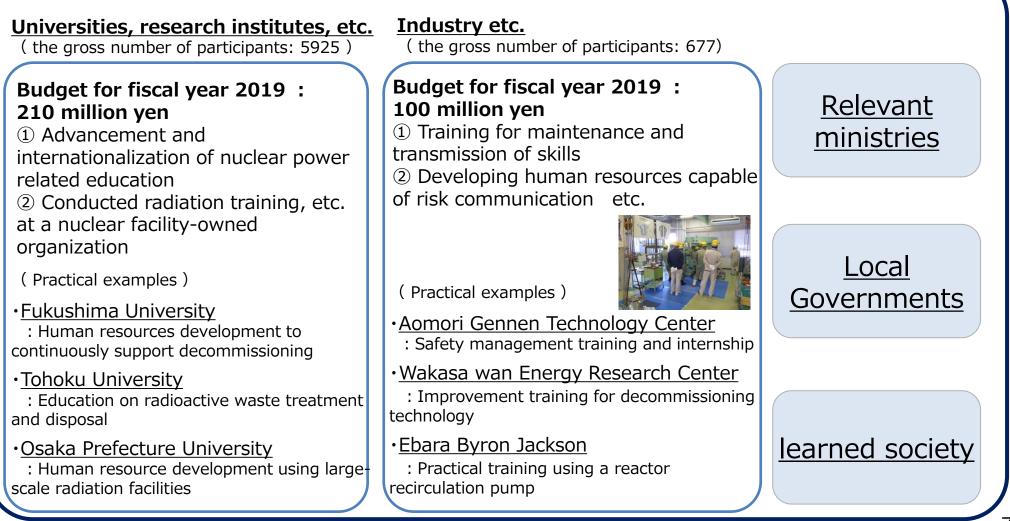
R&D budget (METI,2019) : 4.02 billion yen R&D budget (NUMO,2019) : 1.9 billion yen

Development of human resources

Human resource development is implemented in the framework of the "Nuclear Human Resource Development Network" in which makers, electric power companies, universities, and so on, participate.

In the future, we will collaborate with US and international organizations.

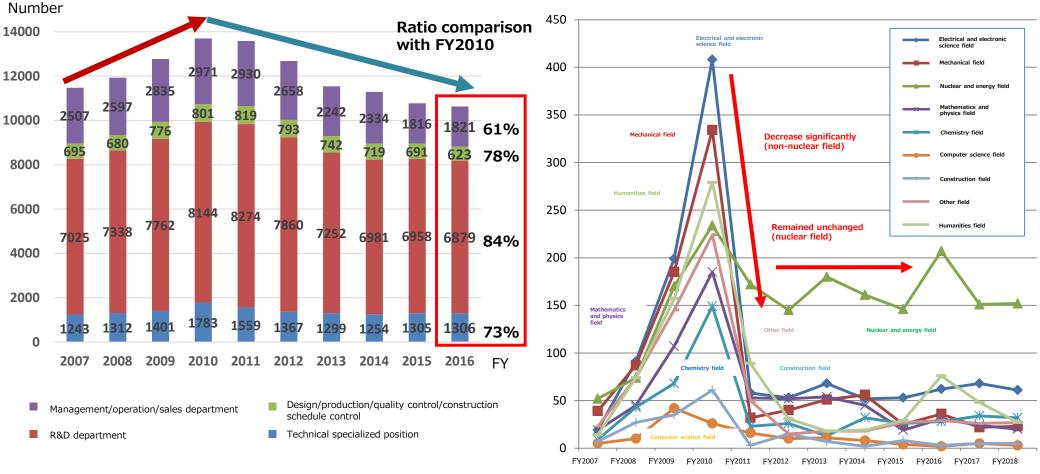
Nuclear Human Resource Development Network



Current situation of nuclear human resources

<Number of nuclear workers in each sector over the last 10 years>

<JAIF number of participants of job fairs by major>



Ref. THE JAPAN ELECTRICAL MANUFACTURERS' ASSOCIATION

Ref. JAPAN ATOMIC INDUSTRIAL FORUM