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Mr. Kazuhiko Shimokobe, Chairman
Tokyo Electric Power Company, Incorporated (TEPCO)



Nuclear Reform Monitoring Committee
Dr. Dale Klein, Chairman
Lady Barbara Judge CBE, Deputy Chairman
Dr. Kenichi Ohmae, Committee Member
Mr. Masafumi Sakurai, Committee Member
Mr. Kazuhiko Shimokobe, Committee Member

Report on the findings of the Nuclear Reform Monitoring Committee
to the Board of TEPCO on the Reassessment of the Fukushima Nuclear
Accident and Nuclear Safety Reform Plan

The Nuclear Reform Monitoring Committee, having monitored/supervised the initiatives of the Nuclear Reform Special Task Force (the "Task Force") since last October in response to a request from the Board of Directors of TEPCO, reviewed the final report entitled "Reassessment of Fukushima Nuclear Accident and Nuclear Safety Reform Plan" (the "Reform Plan") produced by the Task Force at the third Nuclear Reform Monitoring Committee meeting held today.

The Nuclear Reform Monitoring Committee's resulting evaluation of the Reform Plan, as follows, affirms the Reform Plan as constituting appropriate countermeasures, based on past suggestions from the Nuclear Reform Monitoring Committee. The aim is to restructure TEPCO into an organization with the world's highest standards of nuclear safety culture. It will do this by breaking away from TEPCO's past inability to ensure nuclear safety in TEPCO's serious reassessments and earnest reflections of the Fukushima Daiichi Nuclear Power Plant (hereinafter referred to as "Fukushima Daiichi") Accident.

- TEPCO shall eliminate the overconfidence and self-conceit reflected in its past nuclear safety measures and firmly establish a safety culture by first changing its management's awareness of nuclear safety. The awareness of safety will then be established throughout the TEPCO organization.
- TEPCO has responded seriously to the harsh criticism of the Fukushima Nuclear Accident Analysis Report, released in June of 2012. Measures have been taken to understand the technical causes as well as organizational causes of the Fukushima Daiichi Accident.
- TEPCO admits that one of the causes of the Fukushima Daiichi Accident was from deficiencies in the facilities at the Fukushima Daiichi Nuclear Power Plant, and deeply regrets having betrayed local trust because of its inability to ensure nuclear safety.
- TEPCO shall establish a self-regulatory organization (named "Nuclear Safety Oversight Office"), that is regarded as an in-house self-regulatory authority which is based on the experiences learned from the United States and Europe. This organization reports directly to the Board of TEPCO to ensure that it is independent from the executive operational and engineering functions of TEPCO when it inspects TEPCO's activities in the area of nuclear safety.
- TEPCO is implementing required improvements to ensure safety at the Nuclear Power Plants based on the lessons learned from the Fukushima Daiichi Accident. These include facility improvements to the physical infrastructure such as by securing power and water supplies, securing a means of cooling, and countermeasures against water inundation, among others. As a result of comparing and verifying TEPCO's countermeasures with the Ohmae Report released in October 2011 by Dr. Ohmae, a member of the Nuclear Reform Monitoring Committee, most of its content are in agreement.
- TEPCO shall strengthen its operational and engineering capabilities, along with reorganizing its emergency response capability through procedural improvements and practicing emergency preparedness drills.

- TEPCO admits and deeply regrets that it lacked promptness and accuracy in its communication activities both at the outbreak and in the aftermath of the Fukushima Daiichi Accident. TEPCO shall communicate information and engage in dialogue with the public regarding nuclear safety.

By observing TEPCO's response to "falsified information briefing to the National Diet of Japan Fukushima Nuclear Accident Independent Investigation Commission" and "recent power supply failure accident at Fukushima Daiichi", the reform that TEPCO aspires needs additional penetration to organizations within TEPCO. The Nuclear Reform Monitoring Committee affirms that Reform Plan, produced by TEPCO, constitutes an appropriate set of activities. The steady execution of the Reform Plan rests with TEPCO. The Nuclear Reform Monitoring Committee proposes the following initiatives for the Reform Plan to take effect at TEPCO to firmly establish the world's highest standards in nuclear safety culture.

- TEPCO's board members and TEPCO's senior management shall fully recognize the necessity of the reforms and lead all employees to a thorough understanding of their necessity to reform.
- Utilizing external third party assessments, an understanding of the state of safety culture penetration across the entire TEPCO organization will be demonstrated.
- All employees, including board members, shall study and gain an understanding of the lessons learned from the Fukushima Daiichi Accident and their countermeasures to be able to give convincing explanations that TEPCO has the highest standards for safety and security.
- Promptly implementing safety measures through constant proactive acquisition of the world's current information and knowledge regarding safety measures at nuclear power plants.

- A system will be developed that enables long-term sustainability by demonstrating the necessity of reform and its significance to all employees, and the need for continuous improvement.
- TEPCO will perform emergency drills and training to further enhance their effectiveness by reviewing their content and how they are put into practice.
- TEPCO will continuously disseminate information on the lessons learned from the Fukushima Daiichi Accident to the world, and active engagement in international activities.
- TEPCO shall create an action plan to achieve nuclear safety reforms and set targets for each area. The progress of each target will be monitored and the status reported to this committee.

As the advancement of these activities, also including decommissioning work at Fukushima Daiichi, are crucial, the Nuclear Reform Monitoring Committee will follow the execution status of the Reform Plan at regular intervals, and will continue to publish the findings.

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