

**REPORT OF THE NUCLEAR REFORM MONITORING COMMITTEE
TO THE BOARD OF DIRECTORS OF TEPCO HOLDINGS**

The Nuclear Reform Monitoring Committee (hereinafter referred to as “Committee”) held its 15th Committee meeting in Tokyo on October 5, 2018. At that meeting, it was given a report by Tokyo Electric Power Company Holdings, Inc. (TEPCO) on progress in the implementation of the Nuclear Safety Reform Plan and self-assessment of improvements, particularly those regarding key issues pointed out by the Committee.

Self-Assessment of Key Issues Pointed out by the Committee

The Committee continually reviews self-assessments conducted by TEPCO and gives related advice to TEPCO. During the January 2017 review, TEPCO was commended for making a certain degree of progress with its reforms, and in November 2017 the Committee requested that a self-assessment be conducted and that TEPCO report to the Committee on its efforts to make further improvements in the following five key areas:

1. Strengthening governance
2. Improving human resource development and training
3. Improving communication
4. Cultivating nuclear safety culture
5. Strengthening internal oversight functions

TEPCO’s report on its self-assessment noted various developments. In an effort to strengthen governance, basic policies on organizational action have been documented, leaders give periodic explanations [about these policies], and managers review the implementation of fiscal year business plans and issues instructions on making improvements. To improve human-resource training, the Systematic Approach to Training (SAT) has been introduced for education and training programs, although there were delays in formulating a comprehensive training program for engineers involved with design and configuration management. Departments have been reorganized and training implemented to establish an effective communication system, and the company is carrying out activities to cultivate safety culture in cooperation with contractors. To strengthen internal-oversight functions, recommendations are being issued, follow-up sheets are being used for oversight, and education/training for monitors is being implemented.

Furthermore, TEPCO reported that the Nuclear Safety Advisory Board (NSAB) takes initiatives in conducting reviews of the Fukushima Daini Nuclear Power Station, the Kashiwazaki-Kariwa Nuclear Power Station and the Nuclear Power & Plant Siting

Division, to improve safety and organizational efficiency.

The NSAB will conduct further reviews in the future and the Committee will examine the results carefully.

Activities regarding Public Relations and Public Hearings at Kashiwazaki-Kariwa Nuclear Power Station and Progress with Decommissioning Work at Fukushima Daiichi

In regards to activities concerning public relations and public hearings at the Kashiwazaki-Kariwa Nuclear Power Station, efforts to maintain close contact with the local community, such as the establishment of the local communication office which has been implemented.

In regards to the decommissioning of Fukushima Daiichi, TEPCO reported on its progress with decommissioning and measures against contaminated water. The committee is reported issues caused by lack of internal/external communications and lack of the perspective of society such as delay of fuel removal process and ALPS treated water issue. The committee would like to see safety continue to be prioritized when such activities are carried out, and easy-to-understand of information continue to be disseminated quickly and accurately.

Going forward, the Committee would like TEPCO to build trust by approaching issues from the perspective of society, particularly local stakeholders, and move steadily forward with safety measures and enhance effective and timely communication.

Conclusion

At this meeting, TEPCO reported its self-assessment of efforts to address key issues and strengthening governance, improving human resource development and training, improving communication, cultivating nuclear safety culture, and strengthening internal oversight functions. The Committee will examine these self-assessments during the period prior to the next meeting.

In reviewing TEPCO's self-assessments, the Committee will ascertain the plans of TEPCO department heads and the problems that they are currently facing. This will include examinations of safety-measures implementation at Kashiwazaki-Kariwa Nuclear Power Station and Fukushima Daiichi decommissioning site and interviews of nuclear experts.

The Committee believes that the practice of self-assessment is vital for achieving self-improvements and cultivating a culture of learning throughout the organization. We recommend that TEPCO continue to implement self-assessments, establish mechanisms for fully adopting this practice and periodically report back to the Committee.