

Initiatives to Resume Operations at Isogo Thermal Power Plant

Electric Power Development Co., Ltd. (“J-POWER”) sincerely apologizes to residents of the community and other concerned parties for the inconvenience and concern caused by the fire that occurred at the premises of the Isogo Thermal Power Plant (capacity; 1,200MW) on November 24, 2011.

Since the accident, J-POWER has been fully cooperating with investigations of the relevant authorities and has set up an assessment panel under a company-wide interdepartmental framework that includes external specialists. The panel is continuing its efforts to determine the cause of the fire and to finalize measures to prevent the recurrence of a similar accident in the future.

Based on the opinion of the assessment panel (\*), J-POWER has been working in consultation with the relevant authorities to resume operations as soon as possible. These measures include the installation of a temporary coal-receiving conveyor that bypasses the screening and crushing facility and coal silos where the fire occurred.

J-POWER will continue its thorough investigation of the cause of the fire and initiatives to avert any future accidents of a similar nature. Once the plant completes installation of the temporary coal-receiving conveyor and obtains the approval of the relevant authorities, J-POWER will promptly resume operations at the plant.

\* The Opinion of the Assessment Panel

- On December 24, 2011 the panel met to deliberate on conditions surrounding the fire, the cause of the fire, the cause of the explosion in the upper part of the coal silo, measures to prevent similar accidents in the future, the installation of a temporary coal-receiving conveyor and other matters regarding the restoration of operations.
- As a result of its deliberation, the panel formed the following opinion:
  - (1) To establish with greater certainty conditions surrounding the fire, further verification of assumptions as to where the fire broke out and investigation of the cause of the fire are vital.
  - (2) In light of the assumed cause of the outbreak, the panel believes that the preventive measures it has proposed in preparation of the restoration of operations incorporate measures that are capable of reasonably minimizing the risk of fire. These measures include the elimination of possible causes of fire, early detection and upgraded fire extinguishing facilities.