

4 Ensuring Transparency and Reliability

The J-POWER Group is working to improve environmental management and ensure legal compliance in all its business activities. By disclosing a wide range of environmental information, we are striving to earn society's trust.

Continual Improvement in Environmental Management

In 2002, the J-POWER Group completed the process of putting in place environmental management systems (EMSs) at all of our business sites to guide the implementation of environmental initiatives based on our corporate philosophy. By the end of 2005, all of J-POWER's power generation, transmission, substation, and communication facilities had obtained ISO 14001^{*1} certification, and by end of fiscal 2007, every one of our consolidated subsidiaries had an EMS in place. Henceforth we will strive for continual improvement in our environmental management.

Administration of Environmental Management

The Environmental Management Promotion Board was established to discuss, coordinate, and report on overall environmental management in the J-POWER Group. It is led by a J-POWER executive director in charge of environment and made up of relevant executives and division heads. The J-POWER Group Environmental Management Promotion Council was established as a subgroup of the Board to encourage cooperation and coordination throughout the group.

On the basis of the J-POWER Group Environmental Action Guidelines (see p. 74), reviewed annually by management, each J-POWER Group company or busi-

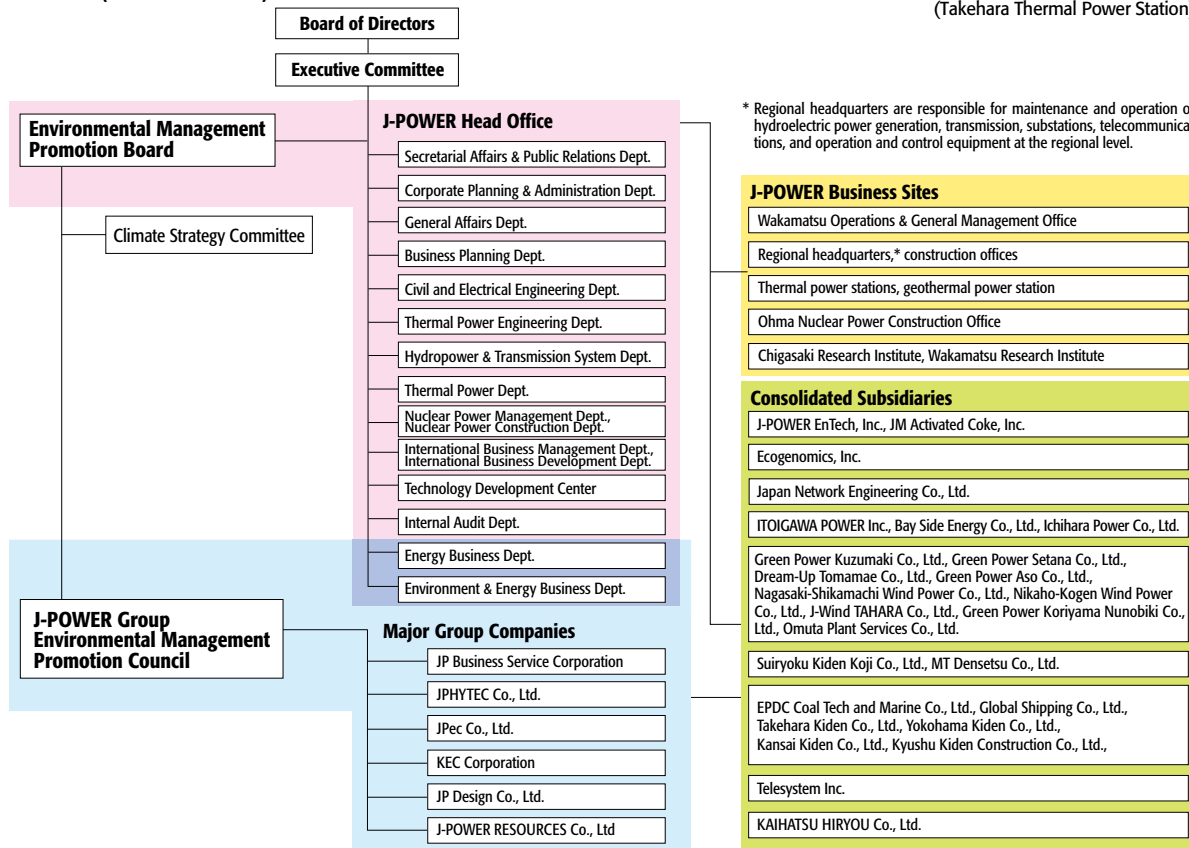
ness site draws up its own Environmental Action Plan. They periodically review and evaluate their initiatives and revise the measures to be taken, following the PDCA cycle.^{**2}

J-POWER Group companies that maintain electric power facilities have received ISO 14001 certification for all business sites involved in their operation or maintenance (thermal power stations, geothermal power stations, regional headquarters, etc.; see p. 78). All other J-POWER Group companies follow EMSs tailored to their own business activities, which they are working continuously to improve.



Water is sprayed during an ammonia-leak drill prescribed by the site's EMS (Takehara Thermal Power Station)

J-POWER Group Environmental Management Organization Chart (as of March 2009)



key word

^{*1} ISO 14001

Part of the ISO 14000 series of international standards for environmental management adopted by the International Standards Organization (ISO), ISO 14001 specifies the requirements for an environmental management system.

^{**2} PDCA cycle

Management cycle, consisting of plan, do, check, and act, whose repetition provides the basis for continual improvement in environmental management systems.

Education and Training

The J-POWER Group carries out various in-house and external environmental training programs to raise employee awareness and cultivate a sense of personal responsibility regarding environmental issues. In fiscal 2008 we implemented a variety of training programs aimed at promoting a better understanding of environmental statutes to ensure full compliance.

>>> In-House Environmental Training, Fiscal 2008

Level	Category	Course/activity	Participation	Coverage of environmental statutes, compliance, etc.
General	Environmental management (general)	Environmental briefings, various lecture presentations on the environment	1,750 participants	J-POWER Group's efforts
	E-learning*	The J-POWER Group Sustainability Report (Environment)	75%	Overview of Sustainability Report
		Environmental law training	74%	Introduction to the Waste Management Law
		Ensuring full compliance with environmental statutes	82%	Overview of environmental statutes, etc.
	EMS course (overview)	86%	Overview of ISO 14001	
Technical	EMS implementation	Internal environmental auditor training	126 trainees	Requirements of ISO 14001, internal environmental audit methods
		Follow-up training for internal environmental auditors	68 trainees	Practice in identifying non-compliance, etc.
	Environmental laws and regulations	Waste management skills upgrade	358 trainees	Understanding of the Waste Management Law, application of guidelines for selecting contractors, etc.
		Waste management risk assessment	6 sites	Verification of legal requirements for contracts, manifests, etc.
		Environmental law courses by level	281 trainees	Explanation of environmental statutes, etc.
	E-learning*	EMS course (advanced)	75%	Requirements of ISO 14001, audit methods, etc.

* Participation rate for e-learning courses is cumulative.

PERSON

Inspired by Environmental Law Training

Inspired by the environmental law training course I took, I had the idea of compiling a textbook for my company. After consulting with my supervisor, I began by studying the content of environmental laws relevant to the company's operations, using the same approach as the course materials I had at home.

Then I edited the material, focusing on the essential points for people engaged in our business. The result is now being used as a textbook for in-house environmental law training.

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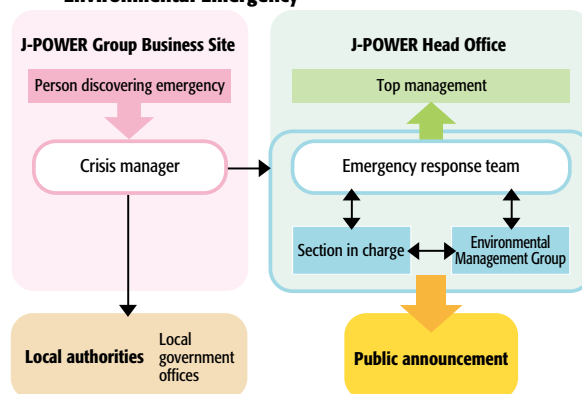


Response in the Event of an Environmental Emergency

In the event of an environmental emergency within the J-POWER Group, the following procedures are to be followed:

1. The official in charge of crisis management at each business site will take the necessary steps to prevent damage from spreading and will contact the relevant local organizations, the Head Office Emergency Response Team, and the head office section in charge of the business site.
2. The Head Office Emergency Response Team will promptly report to top management and provide information on the emergency to the media and other interested parties.

>>> Response and Information Disclosure in the Event of an Environmental Emergency



Environmental Incidents

Environmental incidents within the J-POWER Group in fiscal 2008 included one violation of environmental law and one incident of which the public was informed via the mass media. We are working to prevent recurrences through more rigorous management procedures and other steps.

Location	Situation/response
Matsushima Thermal Power Station (Saikai-shi, Nagasaki Prefecture)	On October 9, 2008, in Yoshihara Harbor, which serves as a dock for ships connected with Matsushima Thermal Power Station, a crack developed in the fuel line of a ship, and some of the light oil that fuels the ship leaked and collected in the bilge tank at the bottom of the ship. The ship's captain (employed by a J-POWER affiliate), mistaking the oil for seawater, turned on the bilge pump, discharging the oil into the harbor in violation of the Marine Pollution Control Law. We are working to prevent a recurrence through such steps as equipping machinery with warning displays to prevent operating error and providing more rigorous training to ship operators.
Isogo Thermal Power Station (Yokohama-shi, Kanagawa Prefecture)	On December 18, 2008, at Isogo Thermal Power Station, light oil that was being pumped from a ship into the power station facilities spilled from the air separator drain valve, a component of the intake system, and several liters of oil leaked into the water inside the oil fence that had been set up during the pumping process. We are taking steps to prevent a recurrence of the incident, which resulted from an incorrect showing on the open-close indicator, as by tightening system checking procedures, ensuring that personnel study the operating manual carefully, and keeping the drain valve locked when not in use.