

Promotion of Environmental Management

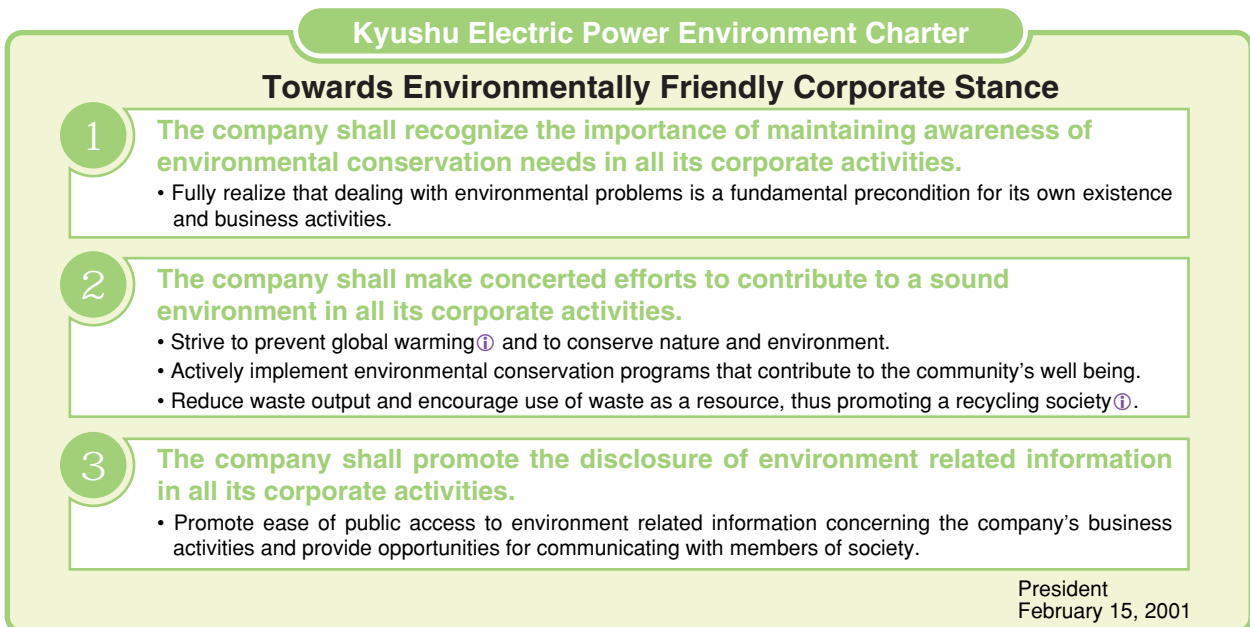
1 Promotion of Environmental Management

Kyushu Electric Power Group prioritizes environmental conservation in its management activities. We make concerted efforts to put into practice environmental management①, which contributes to a productive environment through raising environmental consciousness in conducting all our corporate activities. Aiming to make our contribution to building a sustainable society①, we strive to fulfill our social responsibility of promoting both environmental conservation and business activities based on the Kyushu Electric Power Environment Charter with the theme, “Towards an Environmentally Friendly Corporate Stance”. Due to such efforts, Kyushu Electric Power Co., Inc. was for the second consecutive year ranked first in the Electricity and Gas segment of the 8th Corporate Environmental Management Level Survey conducted by Nihon Keizai Shimbun, Inc. in 2004. *For survey result details, see page 69.*

1 Environmental Policy

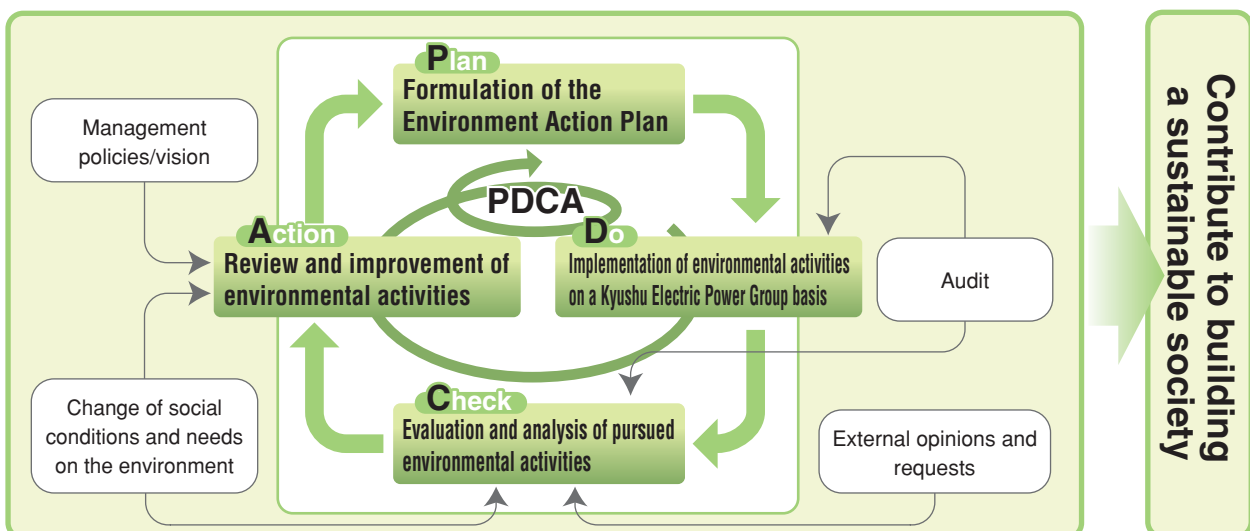
The Kyushu Electric Power Environment Charter was established to define the stance and direction of environmental activities to be pursued. The Kyushu Electric Power Group Environment Philosophy was developed for group companies to set forth the principles of their commitment to environmental activities. The Kyushu Electric Power Group Environment Policies were developed to specify guidelines for implementing the environmental activities. Based on these principles and policies, environmental activities are enthusiastically pursued in the Kyushu Electric Power Group.

For Kyushu Electric Power Group Environment Philosophy and Policies, see page 55.



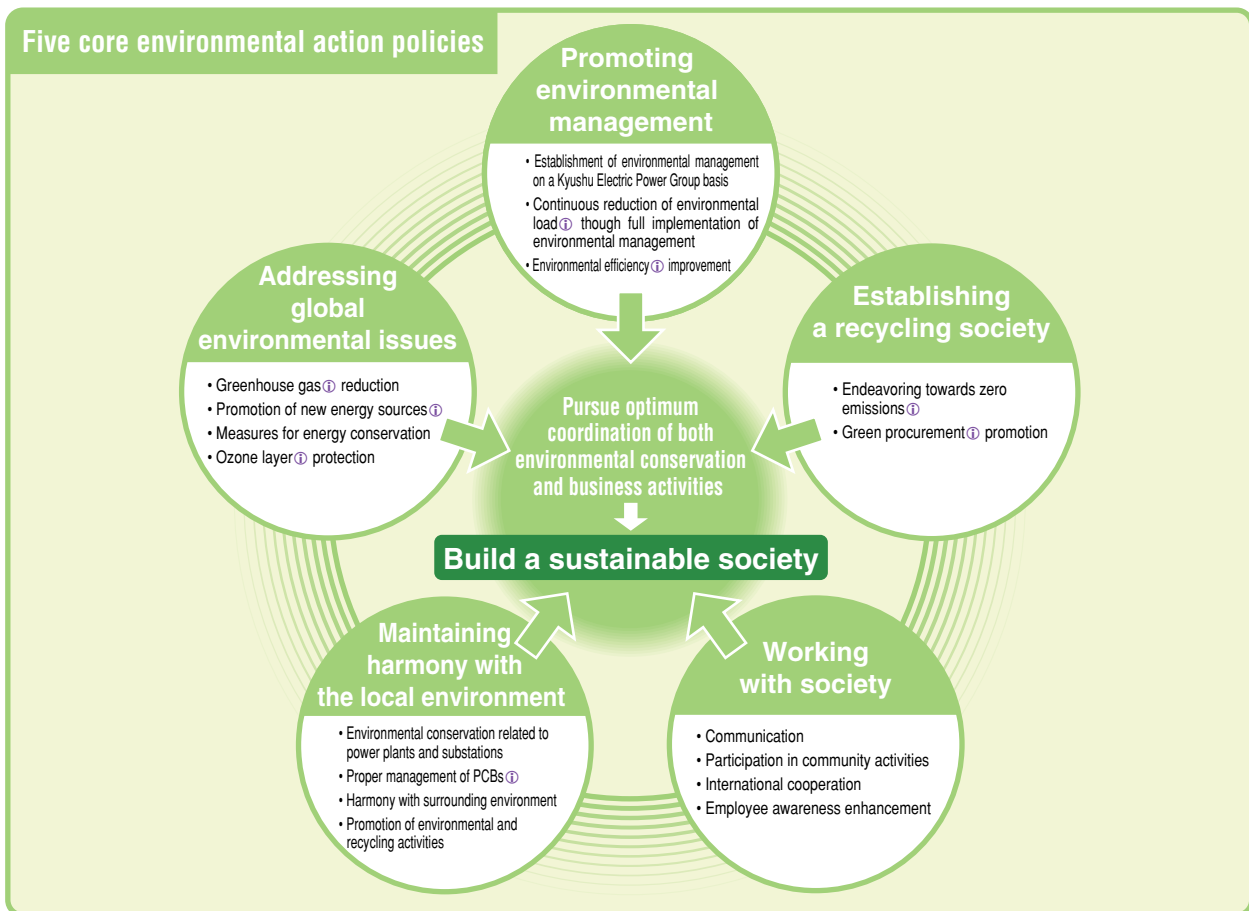
2 Environment Action Plan

Kyushu Electric Power Group formulated the Environment Action Plan① as a guideline for all employees to participate in the implementation of environmental management. To continue the secure implementation of environmental activities, the Action Plan is revised and improved every year based on several factors, including the evaluation of current social conditions and needs, the company's mid-term management policies and internal and external evaluations related to the company's environmental activities during the previous year. The summary of environmental activities implemented and their results are publicized as the Kyushu Electric Power Environment Action Report.



FY2005 Environment Action Plan

The FY2005 Environment Action Plan consists of five core environmental action policies: promoting environmental management, addressing global environmental issues, establishing a recycling society, maintaining harmony with the local environment, and working with society. Targets and detailed plans follow under those policies.



FY2005 Environment Action Plan Focal Points

1. Promotion of environmental management on the Kyushu Electric Power Group basis

- To pursue environmental activities and reinforce compliance and other environmental management at all offices of Kyushu Electric Power Group and its group companies as well as improve environmental efficiency.

2. Steady efforts to reduce greenhouse gas emissions

- By effectively responding to international and domestic trends on global warming issues to achieve its own targets, to promote comprehensive measures on both aspects of supply and demand such as CO₂ reduction by safe and stable operation of nuclear power stations and development of heat storage systems^① and other energy-saving equipment, in addition to total management and reduction of six types* of greenhouse gases^①.

*Greenhouse gases regulated by the Kyoto Protocol: Carbon dioxide (CO₂)^①, Methane (CH₄)^①, Dinitrogen monoxide (N₂O)^①, Hydrofluorocarbon (HFC)^①, Perfluorocarbon (PFC)^①, Sulfur hexafluoride (SF₆)^①

3. Effective and efficient promotion of zero emissions activities

- To utilize cooperative collection systems for industrial waste^① to achieve the targets on recycling rate and the volume of industrial waste to be placed in landfills outside the company, newly set in 2005.

4. Safe and proper control of PCB

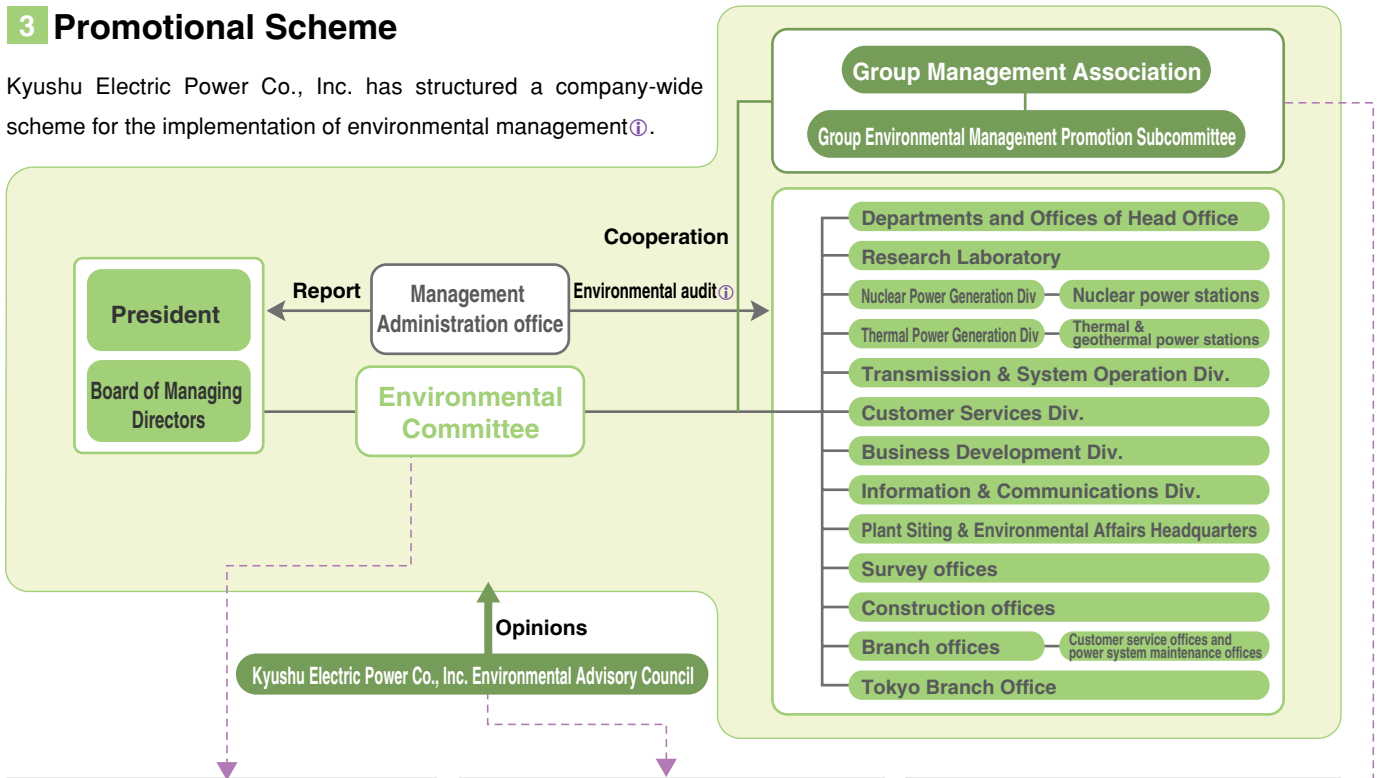
- To react to the detoxification of equipment containing high concentrations of PCBs^① and ensure the proper storage of such equipment in accordance with applicable laws.

5. Active communications of environmental issues with parties concerned

- To expedite mutual communications with our customers through the publication of the Environment Action Report, Eco Mothers^① Projects and other activities to satisfy stakeholder^① needs related to the company's environmental management.

3 Promotional Scheme

Kyushu Electric Power Co., Inc. has structured a company-wide scheme for the implementation of environmental management ①.



Environmental Committee	
Objectives	To hold comprehensive discussions regarding the company's overall environmental activity strategies
Structure	Chairperson: Executive Vice President Members: Officers-in-charge, general managers
Tasks	To discuss and draft environmental activity strategies and the Environment Action Plan①, including the scope of managerial resources to be distributed to environmental management. • Matters are submitted from the committee to the Board of Managing Directors before being determined as the company-wide environmental management policy and plans. Such policy and plans are reflected in the business plans of each department, division and branch office, and implemented company-wide in the form of specific environmental activities.

Kyushu Electric Power Co., Inc. Environmental Advisory Council	
Objectives	To review independently environmental management efforts made by Kyushu Electric Power and its group companies
Structure	11 experts in various fields from each prefecture in Kyushu
Tasks	To evaluate overall environmental activities • The feedback is reflected in future environmental activities, see page 67 for the feedback of the 5th Advisory Council.

Group Environmental Management Promotion Subcommittee	
Objectives	To discuss Kyushu Electric Power's and our group companies' measures designed to advance environmental management
Structure	Chairperson: Manager of Kyushu Electric Power Environmental Affairs Dept. Members: 44 group companies
Tasks	To discuss and draft a common environmental activity plan to be shared by Kyushu Electric Power Co., Inc. and its group companies • Matters delivered by the committee are submitted to the Group Management Association before being determined as the Kyushu Electric Power Group Environmental Activity Plan. The plan is reflected in the business plan of each group company, and implemented in the form of specific environmental activities.

4 Environmental Management System

All 142 operational sites have introduced efficient and effective environmental management systems (EMS) ① (as of the end of March fiscal 2004).

For the status of EMS implementation at group companies, see page 53.

- Each operational site makes steady efforts to achieve energy saving and other own targets. We try to manage environmental risks by using a checklist for conformity to environmental regulations to expedite compliance ① management and conducting drills to better cope with environmental accidents or disasters.
- Associate Professor Mami Oku of Nagasaki University's Faculty of Environmental Studies (and Kyushu Electric Power Environmental Advisory Council member), participated in an internal environmental audit as an outside observer to confirm the adequate implementation of the EMS at Ainoura Thermal Power Station in December 2004.

- The company's Environmental Affairs Department supports each operational site and office in raising the operating levels of the EMS. In fiscal 2004, assistance was extended for the improvement of the internal environmental Audit system (60 sites), environmental activities (99 sites) and further enhancement of employees' environmental awareness (31 sites).
- EMS related questions collected through on-site assistance programs are compiled in a Q&A list. The questions are made available to all employees via the Environmental Affairs Department's intranet together with the successful operations of EMS in order to encourage the complete implementation of EMS and increase its operating levels.



Guidance for better EMS operation (at an internal-combustion power station)

5 Conformity to Environmental Regulations

- We have received no recommendations, orders or penalties in connection with breaches of environmental laws and ordinances in the last five years. No legal actions regarding environmental issues have been filed against the company during this period.
- We continue to pursue compliance management to engage in fair business activities in accordance with our corporate ethics. We strictly abide by agreements on environmental conservation concluded with local governments as well as laws and ordinances.
- Following the fuel oil leakage at our internal-combustion power station in fiscal 2004, thorough and effective countermeasures were taken to minimize the impact on the surrounding environment. Stations concerned introduced effective measures to prevent similar incidents from recurring.

◇ Fuel oil leakage at an internal-combustion power station

In November 2004, heavy oil leakage occurred from a flange coupling on a fuel oil transfer pipe installed at Oronoshima Power Station (290kW) located in Oronoshima, Nishi-ku, Fukuoka. About 32kℓ of heavy oil leaked and infiltrated into the ground. The oil-polluted ground in and surrounding the power station was immediately removed, and the leaked oil was recovered using newly installed oil-water separating equipment. (As of the end of March 2004, about 50% (16kℓ) of the leaked oil was recovered.) A thin film of oil was seen within the area barred by the oil fence which was installed to prevent possible leakage into the sea. This oil was promptly removed and a new underground wall was installed to further prevent future leakage. Constant monitoring is being carried out to prevent further damage on the surrounding environment. All related operational systems have been reinforced following this incident to prevent the recurrence of the same or similar accidents.

6 Handling Inquiries and Complaints

Kyushu Electric Power Co., Inc. responds promptly to inquiries and complaints from outside the company.

- In fiscal 2004, a total of 63 environment-related inquiries were received at the Customers' Q&A on the company website, including those concerning the content of the Environment Action Report.

- The inquiries include opinions on the company's environmental management attitude, as well as complaints on unsatisfactory management of forestation activities the company joined.
- We contacted those who forwarded inquiries or questions to deal with individual cases.
- These opinions are fully reflected in the process of planning and improving future environmental activity.

7 Emergency Measures

Damage to Kyushu Electric Power Co., Inc.'s facilities resulting from accidents and natural disasters can affect the surrounding environment. In preparation for such emergencies, the company installed and upgraded facilities for disaster prevention, implemented adequate education and training for our employees, and prepared manuals that help employees to better deal with such emergencies.

Emergency measures at nuclear power stations

- Both Genkai and Sendai Nuclear Power Stations have a nuclear power training center on their premises. At both training centers, simulating equipment enables trainees to learn from a wide variety of potential dangers by replicating crises that have actually occurred even outside Japan.
- Each year, the company participates in nuclear power disaster drills held by the local governments of Saga and Kagoshima Prefectures based on the Local Disaster Preparedness Plan.



Nuclear power disaster drill

- To ensure communications between nuclear power stations and national and related local governments during large-scale disasters, prioritized emergency phones (both fixed-line and mobile) have been set up. Public, private, mobile and house phones have also been improved. Further diversification of communications is underway following the troubles which occurred at the base station for prioritized emergency phones in the Fukuoka Earthquake.

VOICE No. 1 EMS Efforts



Planning Group,
Kajiki Customer Service Office,
Kagoshima Branch Office
Junko Matsuzaki

I have been in charge of EMS implementation at Kajiki Customer Service Office, Kagoshima Branch Office since December 2003. I am delighted to be involved in this task because I have long been interested in environmental issues and my previous job (at the ISO authorization office) was also related to EMS. Following the introduction of separate collection of general waste in Kajiki Town in April 2004, our office now focuses on resource recycling by strictly conducting separate collections as a part of our EMS activity program. Our staff members' awareness has been enhanced since the introduction of EMS three years ago. Each group cooperates together on the implementation of EMS and if waste is left unseparated in a collection box, we can hear somebody calling, "Who's done this? Separate your waste, please!" To survive in an era of tightening competition, our business operation has become even harder. Under such circumstances, I believe that our efforts on EMS operation and other environmental activities are something we can be proud of in and out of our company. We will continue our efforts into the future.