

A

Affiliates

These encompass both subsidiaries and affiliated companies. A subsidiary is a company at which the parent controls decision making for finance, sales and business through majority ownership of the voting stock. Affiliated companies are entities in which the parent holds more than 20% of the voting stock and significantly influences financial, sales and business policies. At the end of May 2007, Kyushu Electric Power's 74 affiliates included Kyudenko Corporation, Tobata Co-operative Thermal Power Co., Inc., and Kyushu Telecommunication Network Co., Inc.

Asbestos

This natural, very fine fibrous mineral is used in more than 3,000 products, including building materials and automotive brake pads, because of its resistance to heat, abrasion and chemicals, and its excellent insulation properties. Inhaling large quantities of asbestos can cause serious illnesses, notably lung cancer and mesothelioma.

B

Binary Power Generation

This generation system comprises a thermal cycle from a heat source that combines with a low-boiling-point liquid medium to produce steam and drive a turbine to produce electricity, including for geothermal generation.

Biomass

The term refers to the number of organisms inhabiting a particular area or volume. Biomass can include livestock and household waste, thinned wood, lumber and wood from demolished houses.

C

Carbon Credit

These credits are part of a project to suppress greenhouse gases, covering both a United Nations-approved framework on emission reductions, or allowances, and a United Nations emissions allowance setup for advanced nations. Trading in such credits can transfer them to countries with insufficient allowances.

Chemical Oxygen Demand

This is the amount of oxygen consumed to oxidize organic matter in water, and is a common pollution indicator in lakes, marshes and oceans, since water with

more organic matter requires more oxygen. Chemical oxygen demand is measured in milligrams per liter. The toughest limit for lakes and marshes is less than one milligram per liter.

Compliance

This complements corporate social responsibility, and goes beyond adhering to laws and regulations to encompass complying with social norms and operating ethically.

Consolidated Subsidiaries

These are companies whose parents control management decision making and consolidate those subsidiaries in their financial statements.

Corporate Governance

This covers corporate decision making, execution and oversight. It specifically relates to important management decisions by a shareholder-elected board of directors and auditor assessments of whether directors fulfill their duties.

Corporate Social Responsibility

Also known by the CSR acronym, this is a framework for companies to contribute to sustainable development by comprehensively pursuing economic/financial, environmental and social initiatives.

D

Data Center

This is a service or facility that provides Internet connections and maintains, manages and hosts customer servers. Such a center streamlines server operations and employs measures to safeguard against disasters and ensure security.

Desulfurization (Denitration) Facilities

These facilities remove and prevent atmospheric releases of sulfur and nitrogen oxides from the flue gas of thermal power station boilers that burn fossil fuels.

Domestic Market for Carbon Emissions Trading

On March 28, 2008, the Japanese government approved of a Kyoto Protocol Target Achievement Plan, in keeping with voluntary action plan targets, which credits large companies with CO₂ emission reductions that come from supplying small and medium-sized enterprises with technologies or funds to achieve such decreases.

E

E-Learning

These are personal computer-based courses, which Kyushu Electric Power uses to educate all employees on such essentials as information security and compliance.

Elimination Order

Japan Fair Trade Commission can issue such an order to a company violating the Act against Unjustifiable Premiums and Misleading Representations. Most violations concern quality and price claims that mislead consumers.

Emission Intensity

This is a measure of CO₂, nitrogen and sulfur oxide emissions produced per kilowatt-hour of electricity.

Energy Security

This aims to ensure stable living for a nation's citizens.

Environmental Accounting

This is a mechanism for measuring and analyzing conservation costs and environmental impact in monetary or other units, for environmental disclosure and management. Entities use such accounting to efficiently pursue sustainable development and maintain a good relationship with society.

Environmental Assessments

These are preparations for projects that may significantly affect the environment. The process involves investigating, forecasting and evaluating the environmental implications of projects, and modifying them accordingly. In Japan, these procedures are in line with the Environmental Impact Assessment Law, and involve communities, experts and environmental authorities for corporate projects to construct roads, dams, railroads or power stations. The assessments are vital to preventing pollution.

Environmental Management System

This mechanism enables companies and other entities to voluntarily and consistently reduce environmental impact through Plan-Do-Check-Act cycles (see the entry in this glossary).

Environmental Research

This effort at Sendai Nuclear Power Station encompassed environmental assessments, geological surveys and meteorological investigations. The environmental assessment evaluated the potential impact of construction plans and explored conservation initiatives based on

the Environmental Impact Assessment Law and the Electricity Utilities Industry Law. The geological survey confirmed the seismic stability of bedrock that would form the foundation of a nuclear reactor, and was in line with the government's new earthquake resistance guidelines and other regulations. The meteorological investigation evaluated changes in radiation doses at and around the facility and radiation safety in emergencies, and was in keeping with the Nuclear Reactor Regulation Law.

F

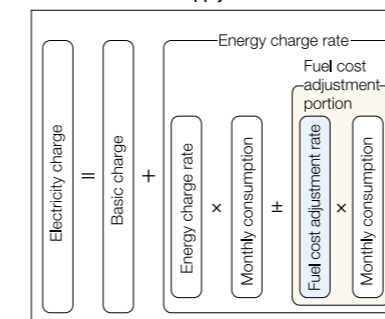
Flextime Work

This system enables employees to attend and leave work when they want as long as they serve the required number of hours. Some setups have core work times. The Japanese government enacted flextime regulations when it revised the Labour Standards Law in 1987.

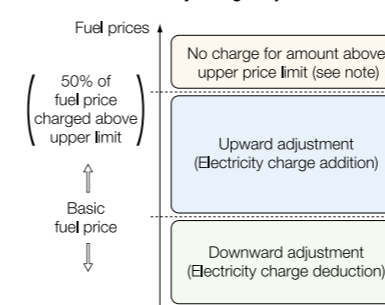
Fuel Costs Adjustment System

This adjusts monthly electricity charges in accordance with fluctuations in baseline prices of crude oil, liquefied natural gas and coal. Electricity charges are the total of demand and energy charges. The energy charge rate is based on energy consumption, adding or subtracting the fuel cost adjustment. The fuel cost adjustment portion is calculated by multiplying the fuel cost adjustment rate and monthly energy consumption.

For Metered Power Supply



Overview of Electricity Charge Adjustments



Note: Portion above upper price limit fully charged for customers whose plants, buildings or other facilities have high voltage or extra-high voltage contracts.

Furnace Desulfurization

This technique uses desulfurizers within combustion systems to directly absorb sulfur dioxide when burning and remove it from flue gas. The desulfurizer is usually low-cost limestone.

G

Global Environmental Issues

Environmental issues need to be addressed from a global perspective as global warming, ozone layer destruction and acid rain know no borders. Developing nations need international support for environmental solutions, including for the disappearance of tropical forests and declines in wildlife.

Green Procurement

This is the purchasing or procuring of products and services that have low environmental impact.

Greenhouse Gases

CO₂, methane and other atmospheric gases absorb solar heat and warm the surface of the earth. They are called greenhouse gases because they maintain the earth's average temperature of 15°C. Without them, the temperature would be around -18°C. The atmospheric density of greenhouse gases has increased because of human activity since the Industrial Revolution, and the effect is accelerating. The Kyoto Protocol defined the following as greenhouse gases and targets reductions in their emissions: CO₂, methane, nitrogen dioxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride.

H

Heat Pump

This technology uses a pump to heat air or water to increase and lower thermal energy. It is based on the same principle that air-conditioners and refrigerators employ of compressing air to raise temperatures or suddenly expanding air to lower them.

Hydrofluorocarbons

The Kyoto Protocol targeted reductions of these greenhouse gases, whose applications include spray propellants, refrigerants and cushion materials.

I

IC Card

This is around the size of a business card and contains an integrated circuit. We distribute these cards to employees, one application being to identify users of shared personal computers.

Independent Power Producer

This term covers power wholesalers who own generating facilities but not transmission systems, unlike electric power companies. Japanese electric power companies are pursuing independent power producer operations in developing nations, including through alliances with foreign firms.

Internal Controls

These are mechanisms inside companies and other organizations to promote wholesome and efficient corporate activities through compliance and risk management systems that prevent losses from fraud and other illegal acts or errors.

Intranet

These internal networks use Internet technology, integrating and sharing information through e-mail or browsers.

Investor Relations

This entails the timely, fair and ongoing disclosure of diverse financial and operational information to investors to increase their understanding of a company and ensure a proper share price and streamline funding.

ISO 9001

Under this international standard for quality control, a third-party authority evaluates whether a company systematically controls the quality of its products and services, and certifies those organizations that meet the prescribed standards.

ISO 14001

Under this international standard for environmental management, a third-party authority evaluates whether a company systematically identifies, assesses and reduces the environmental impacts of production, sales, recycling and other operations, and certifies those business sites that satisfy the prescribed standards.

K

Kyoto Mechanisms

These mechanisms under the Kyoto Protocol aim to attain greenhouse gas reduction targets through international cooperation, and are as follows:

1. Clean Development Mechanism, in which industrialized nations help developing countries in emissions-reduction projects and are recognized for those reductions.
2. Joint implementation for emissions-reduction projects between developed nations, sharing the reductions according to their contribution to those initiatives.
3. Trading in emissions allowances between industrialized nations.

Kyoto Protocol

This protocol established numerical targets for reducing greenhouse gas emissions in developed nations to prevent global warming. It was adapted at the third session of the Conference of Parties to the United Nations Framework Convention on Climate Change in Kyoto, Japan, in December 1997. The agreement came into force in February 2005. The protocol regulates CO₂, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride. The agreement aims to cut overall emissions of these greenhouse gases by an average of more than 5% from a 1990 baseline in 2008 through 2012. The 1995 baseline can be used for hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride. Japan needs to cut its emissions by 7%. The U.S. and European Union reduction targets are 8% (although the United States later announced its withdrawal from the protocol). Some countries must reduce their emissions by up to 8% or can increase them by as much as 10%.

L**Liquefied Natural Gas**

This is produced by cooling methane- and ethane-based natural gas to about -160°C. It is transported on special tankers and is regasified to fuel generating facilities.

Lithium-Ion Batteries

These batteries charge quickly and are durable. They do not incorporate cadmium or other noxious substances and offer far greater energy density than nickel cadmium versions.

M**Maintenance Program**

This program determines the inspection and repair techniques, frequency and timing for crucial facilities and equipment at plants.

Millisievert

This is one-thousandth of a sievert, a unit that measures the biological effect of radiation on the human body either directly or indirectly, such as that in food.

Mixed-Oxide Fuel

This plutonium fuel comprises uranium and plutonium oxides recovered from reprocessed spent fuel.

Monitoring

This generally refers to measuring, monitoring and assessing monitoring exposure for managing radiation and radioactive substances. We also monitor the environment and people and conduct daily job monitoring.

N**New Energy**

Renewable energy requires promotion, and includes solar and wind power, biomass and geothermal and hydroelectric power. Increasing the use of such energy sources would help combat global warming and improved energy self-sufficiency. Energy sources covered by the Act on Special Measures for the Promotion of New Energy Use include solar and wind power, solar thermal energy and biomass, geothermal and micro-hydropower generation. This law does not cover regular hydroelectric power, recyclability notwithstanding, as such usage is already well established and there is little room for expansion.

Nitrogen Oxides

One of the greenhouse gas reduction target under the Kyoto Protocol. The strength of the greenhouse effect is 310 times more carbon dioxide. Is a source of nitrogenous fertilizer and the burning of materials such.

Nitrous Oxide

The Kyoto Protocol targeted reductions of this gas, which has 310 times the greenhouse effect of CO₂ and results from combustion or nitrogen fertilizer usage.

Non-Fossil Fuel Energy

This includes nuclear power, hydropower, geothermal power and renewable energy. Prime fossil fuel energy sources are from primeval animal and plant matter, notably coal, oil, natural gas and liquefied petroleum gas.

Nuclear Backend Fund Law

In October 2005, the Japanese government enacted the Law on the Creation and Management of Reserve Funds for the Reprocessing of Spent Fuel at Nuclear Power Stations. The law developed a system of reserves to cover back-end costs, including fabrication processes at the Rokkasho MOX Fuel Fabrication Plant and for eventually demolishing and scrapping related facilities.

Nuclear Fuel Cycle

Also known as the fission cycle, this covers everything from mining uranium ore, milling, conversion, enrichment, reversion and processing as nuclear fuel to treating and reprocessing spent fuel, reusing that fuel and disposing of the waste. Because it lacks natural resources, Japan needs to establish a nuclear fuel cycle in which it recovers plutonium and uranium by reprocessing spent fuel, stabilizing the nation's energy supplies. Kyushu Electric Power promotes the use of plutonium for this cycle, and accords

top priority to ensuring the safety of its nuclear power stations.

Nuclear Power Usage Rates

This indicates the operational efficiency of a nuclear power plant, comparing the electricity generated during a certain period with the maximum rated capacity.

O**Ozone Layer**

More than 90% of the earth's atmospheric ozone is in the stratosphere, 10-50 kilometers above the earth, which absorbs most of the sun's ultraviolet light.

P**Plan-Do-Check-Act (PDCA) Cycle**

This management technique covers planning (preparing policies and schemes), doing (implementing and operating), checking (inspecting and correcting), and acting (reviewing plans). The cycle repeats in the pursuit of higher goals.

Plug-In Hybrid Cars

These vehicles plug into regular power outlets, and have a longer battery-only driving range than conventional hybrid models. Owners can recharge their cars using nighttime power, when rates are lower, to reduce their running costs. These cars help reduce environmental impact.

Plutermal

This is the use of mixed-oxide fuel made of reprocessed spent plutonium and uranium fuel from nuclear power plants and used in these facilities.

Plutonium

Trace amounts of this radioactive element exist in nature. Uranium 238 absorbs a neutron to turn into uranium 239, which becomes neptunium 239 after beta decay. Further beta decay transforms neptunium 239 into fissionable plutonium 239, which is used as mixed-oxide fuel.

Polychlorinated Biphenyls

These oils are organic compounds comprising carbon, hydrogen and chlorine, with chlorine replacing hydrogen in two bonded hexagonal benzene rings. Their chemical stability and superior heat resistance and insulation led to various applications, including in electrical insulation, heat-transfer media and pressure-sensitive copy paper. In Japan, the former Ministry of International Trade and Industry banned the domestic production of polychlorinated biphenyls in 1972 in response to such incidents as a 1968 poisoning from contaminated rice bran cooking oil. A 1974 law prohibited the manufacture, import and new usage of

polychlorinated biphenyls.

Q**Quality Management System**

This setup oversees an organization's quality endeavors. At Kyushu Electric Power, the president is managing the creation of such a system based on laws and ordinances and the Japan Electric Association's Quality Assurance Code for Safety in Nuclear Power Plants, known as JEAC 4111.

R**Radioactive Wastes**

These come from nuclear reactors, nuclear fuel cycle facilities and facilities that use radioisotopes.

Recycling-Oriented Society

This is a society that minimizes its environmental impact to perpetually secure finite resources, notably by moving away from the model of mass production, consumption and disposal to recycle or repeatedly use resources, thus reducing its waste.

Regulated Freon

These fluorocarbons are subject to full production phase-outs or regulated use as ozone-depleting substances. In 1987, the Montreal Protocol on Substances that Deplete the Ozone Layer was adopted. Japan established its Law Concerning the Protection of the Ozone Layer through the Regulation of Specified Substances and Other Measures in 1998.

Renewable Energy

This includes solar light, hydroelectric power, wind power, biomass, geothermal heat, wave power and ocean thermal energy, in contrast to such finite fossil energy sources as oil, coal and natural gas.

Renewables Portfolio Standard

This legal standard requires power companies to generate or buy a certain percentage of their electricity from renewable sources.

S**Shin Ene Top 100 Best Applications of New Energy**

The Ministry of Economy, Trade and Industry and the New Energy and Industrial Development Organization launched this program in FY2008 to select outstanding new energy projects from around Japan that complement regional requirements.

Solid Wastes

These are radioactive byproducts from operating, inspecting and maintaining nuclear reactors. Low-level radioactive wastes are from operating nuclear power plants. High-level radioactive wastes are vitrified substances from reprocessing plants.

Special-Purpose Subsidiary

The Minister of Health, Labour and Welfare approves the creation of such entities if they provide workplaces that are suitable for physically-challenged people and fulfill other conditions, the goal being to promote employment opportunities for such people.

Spent Fuel Storage Facilities

These offsite facilities temporarily store and manage spent fuels from nuclear power stations until reprocessing. The facilities store the fuels in dry casks and/or in pools.

Stakeholders

These are all individuals and entities related to or involved in the operations of a company, notably customers, shareholders, investors, communities, business partners (both as customers or affiliates) and employees.

Sulfur Hexafluoride

The Kyoto Protocol targets reduced emissions of this gas, which has 23,900 times the greenhouse effect of CO₂. This industrial product is a compound of fluorine and sulfur. It is chemically stable and offers excellent insulation, with electric power business applications including insulating gas for circuit breakers.

Sulfur Oxides

These compounds include sulfur dioxide and sulfur trioxide, and result from burning oil, coal and other fossil fuels. They are hazardous to humans and are subject to the Air Pollution Control Law.

Sustainable Society

In such a society, the present generation collaborates to use natural resources without harming demand requirements or other interests of future generations.

T**Thermal Efficiency**

This is a ratio of power output to the original input from the combustion of fuel at thermal power plants. Generating-end thermal efficiency is a ratio of the gross output of electricity generated to the thermal energy supplied. Transmission-end thermal efficiency is a ratio of the net output of electricity, less the power consumed at a facility, including pumps, fans and lighting, to the thermal

energy input.

Time Switch

This device turns electricity on or off during certain times of day.

Transmission Losses

These are partial energy losses, such as of heat, that occur during the process of delivering power, and stem from transmission and distribution line resistance. The transmission and distribution loss rate refers to the electric power lost through transmission and distribution lines after generation at a power station.

V**Video Display Terminal Safeguards**

These measures aim to alleviate mental and physical fatigue from using these terminals in the workplace.

W**Wheeling**

This is a series of operations that include consulting on wheeling supplies, inquiry responses, technical investigation, engineering work, contract conclusion, and operations and management for designated electric power companies and electric power companies other than Kyushu Electric Power for the delivery of electricity to customers subject to liberalization through our transmission and distribution networks.

Work-Life Balance

This encompasses various activities to enlighten employees about balancing their professional and personal lives.

Worker Health and Safety Management System

This is a voluntary, ongoing framework for improving workplace safety and health.

Z**Zero Emissions**

This is a concept for targeting zero CO₂ and waste emissions from corporate (industrial) activities.