

March 18, 2015

Kyushu Electric Power Company Inc.

## Decommissioning of the Genkai Nuclear Power Unit No. 1

We hereby announce that as of today, Kyushu Electric Power Co., Ltd. has decided to decommission the Genkai Nuclear Power Unit No. 1 (“Genkai No. 1”) at the Board of Directors meeting and to submit an application for rebuilding power supply facilities to the Minister of Economy, Trade and Industry in accordance with the stipulations of Article 9, Item 1 of the Electricity Business Act (scheduled date of decommissioning: April 27, 2015).

Genkai No. 1 will reach the end of its operation period <sup>(\*1)</sup> in July 2016. In order to extend its operation period <sup>(\*2)</sup>, it is necessary to file an application by no later than July 8, 2015 based on the operation period extension approval system. In order to make effective use of existing facilities, we have reviewed the possibility of filing an application to extend the operation period.

(\*1): The reactor will have been in operation for 40 years in October 2015. However, a three-year moratorium was enacted for nuclear power plants that had been in operation for 37 years or longer at the time of the enforcement of the new regulatory standards (July 2013).

(\*2): A maximum of 60 years from the start of operation

It is technologically possible to meet the new regulatory standards enforced in July 2013. To that end, however, large-scale supplementary construction will be required. In view of the prospects for recovering additional investments during the remaining operation period calculated by taking into account the amount of time required for construction, as well as the prospects for providing supplies to meet future needs for electricity, we have decided to abandon the idea of applying for an extension of the operation period for Genkai No. 1.

When making our decision, we also took into account the fact that “the accounting-related systems for facilitating reactor decommissioning” <sup>(\*3)</sup> were introduced on March 13, 2015.

Over the long period of 39 years since the power plant started its operation in October 1975 as Kyushu’s first nuclear power plant, Genkai No. 1 has played an important role in providing a stable power supply as well as in maintaining the electricity rate at a low level, thereby greatly contributing to the development of Kyushu’s economy.

(The total amount of power generated by Genkai No. 1 is approximately 130 billion kWh, approximately 1.5 times the amount of electricity sold annually by Kyushu Electric Power Company.)

This would not have been possible without the understanding and cooperation of the residents of Genkai-cho and Saga Prefecture as well as interested parties in neighboring areas. We would like to thank them once again for their support.

During the decommissioning (including demolition) of Genkai No. 1, we will place the highest priority on safety and work in close communication with the residents of local communities as we have done in the past. We would like to request your continued understanding and support.

Although we have made a decision to terminate the operation of Genkai No. 1, nuclear power generation is regarded as a major base load power source in Japan's basic energy plan. In view of its overall advantages in terms of energy security and global warming prevention, we aim to continue to use nuclear power generation while placing the highest priority on ensuring safety and security.

(\*3): Overview of "the accounting-related system for facilitating reactor decommissioning" (METI's official website): [http://www.meti.go.jp/english/press/2015/0313\\_01.html](http://www.meti.go.jp/english/press/2015/0313_01.html)

#### (Appendix): Overview of Genkai Nuclear Power Unit No. 1

(1) Place of installation	Genkai-cho, Higashimatsuura-gun, Saga Prefecture
(2) Reactor type	Pressurized light-water reactor
(3) Power generation capacity	559,000 kW
(4) Summarized history	
Application for the installation of the nuclear reactor	May 30, 1970
Permission for the installation of the nuclear reactor	December 10, 1970
Construction started	March 12, 1971
Commercial operation started	October 15, 1975
(5) Total amount of power generated	132.72 billion kWh*
(6) Facility utilization rate	74.3%*

\* Total accumulated by the end of fiscal 2011