

July 29, 2010

Decision of the Energy and Environment Council

The Council chaired by Mr. Koichiro Gemba, Minister for National Policy, decided to "Reduce dependence on nuclear power generation".

The Council released two reports, "*Measures to stabilize energy supply and demand*" and "*Interim compilation of discussion points towards the creation of innovative energy and environmental strategies.*"

1. Measures to stabilize energy demand and supply

(1) Power shortage at the peak hour and rising electric power cost

- ① Possibility of about 10% power shortage at the peak hour in summer next year
- ② Risk of about 20% increase of electric power cost

(2) Measures

① Peak cut measures

- Expanding introduction of energy saving products such as LED lights
- Promotion of energy saving investment
- Hourly fee menu using smart meter
- Expanding introduction of solar cells and batteries and etc.

② Cost decreasing measures

- Expansion of renewable energy through the introduction of feed-in tariff
- Improvement of environment to facilitate various actors to enter
- Improvement of electric wholesale market
- Cost reduction through procurement reform of electric power companies

③ Nuclear safety measures including re-operating nuclear power plants

- Verification of the accident
- Ensuring high standard safety
- Re-operating nuclear power plants on the above mentioned conditions

(3) Review

Materialization of work schedule and list of regulatory reform by autumn

July 29, 2010

2. Interim compilation of discussion points towards the creation of innovative energy and environmental strategies

(1) Four energy challenges after the Great East Japan Earthquake

- ① Construction of strategies from zero base
- ② Verification without exception
- ③ Construction of energy market where invention and competition of various actors are encouraged
- ④ Construction of strategies from various points of view

(2) Strategies' basic philosophy

- ① The realization of new best-mix of energy resources
 - Drawing up scenario for "Reducing dependence on nuclear power generation"
 - Drafting clear and strategic work schedule
 - Thorough verification of nuclear policy
- ② The creation of new energy system
 - Realization of dispersed energy system
 - International contribution as a problem-solving advanced country
 - Short-, mid- and long-term approach from various points of view
- ③ The formation of national consensus
 - Overcoming the confrontation between the opposition to nuclear power generation and its promotion
 - Verification of objective data
 - Dialogue with wide range of national people

(3) Discussion points of six important issues (short-, mid-, and long-term)

- ① Energy saving: energy management focusing on demanders
- ② Renewable energy: technological innovation and market expansion
- ③ Resources and fuel: efficient uses
- ④ Nuclear energy: reducing dependence, verification without exception
- ⑤ Electric power system: new dispersed electric power system
- ⑥ Energy and environment industry

(4) Schedule

The end of 2011 : Basic principles of innovative energy and environmental strategies

Next year : innovative energy and environmental strategies

Expert Panel on Future Energy Policy

"Eminent Persons Conference on Energy Policy"

[Objective]

> The Great East Japan Earthquake and the accident at the Fukushima Dai-ichi Nuclear Power Station have had a severe impact on people's lives and industrial activities in Japan. The government should place top priority on settling the situation at the nuclear power station at an early date, identifying the cause of the accident and reviewing the safety measures. However, at the same time the government should facilitate Japan's post-disaster restoration and reconstruction, moreover achievement of sustainable growth.

> Japan should seriously accept the fact that the basis of its energy policy—stable energy supply and ensuring nuclear safety—has been undermined. The government should go back to the basic concept of "energy as the foundation for people's lives and economic activities" and comprehensively review its energy policy, including nuclear policy, by using the experience of this unprecedented disaster to drive Japan's strong revival.

> Toward this goal, the government will bring together the wisdom of Japan's most eminent persons in various fields to discuss the fundamental direction of Japan's future energy policy.

[Agenda (examples)]

- Energy policy conducive to the revival of the Japanese economy
- Directions of future nuclear policy in light of the accident
- Reform of Japan's energy supply system (electricity, oil, gas, and renewable energy) - the energy industry, energy market and energy regulations -
- Medium- to long-term energy supply structure
- Energy conservation and electricity saving suited to new lifestyles

[Schedule]

The first meeting will be held in early to mid May, followed by subsequent meetings approximately at a frequency of twice a month.

The points of discussion will be summarized by around July.

* The secretariat of expert panel will be formed in the Minister's Secretariat.

Advisory Committee for Natural Resources and Energy

Future Schedule on the Advisory Committee for Natural Resources and Energy (October 3, 2011)

- 1) Before the end of 2011: Several meetings will be held from the middle to the end of October for discussion on specific details. Opinions will be heard from a wide range of people concerned.
- 2) Around the end of 2011: Discussion on the basic principle such as the best mix of energy sources
- 3) Around next spring: Discussion on planned alternatives for the best mix of energy sources
- 4) Around next summer: Discussion on a draft of New Basic Energy Plan

* We will have discussion in sufficient collaboration with the Energy and Environment Council. On the basis of the opinion of this Advisory Committee for Natural Resources and Energy, the Ministry of Economy, Trade and Industry (METI) will properly submit reports to the Energy and Environment Council.

The first meeting of the Advisory Committee for Natural Resources and Energy (in Japanese)

(Reference: Schedule of the Energy and Environment Council)


Yearend: Formulation of "Basic Policy for "Innovative Strategy for Energy and the Environment"

Around next spring: Presentation of "Alternatives for "Innovative Strategy for Energy and the Environment"

Around next summer: Formulation of "Innovative Strategy for Energy and the Environment"


Energy and Environment Council (in Japanese)  : National Policy Unit Website

Decision of the Energy and Environment Council(PDF:71KB) 

Innovative Strategy for Energy and the Environment  : National Policy Unit Website

Expert Panel on Future Energy Policy

The fundamental direction of Japan's future energy policy has been discussed at the "Expert Panel on Future Energy Policy - Eminent Persons Conference on Energy Policy"

Expert Panel on Future Energy Policy (since May 12, 2011) (PDF:58KB) 

[Agenda (examples)]

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[Schedule]

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Establishment of the Strategic Energy Plan of Japan

The Strategic Energy Plan of Japan has been established by the government pursuant to the Basic Act on Energy Policy.

Considering significant changes in the situation associated with natural resources and energy over the past few years, the government fully revised the Basic Energy Plan, and the Strategic Energy Plan of Japan was approved by the Cabinet today.

1. Background

The Basic Energy Plan is established by the government pursuant to the Basic Act on Energy Policy. It sets the basic direction of the national energy policy of Japan in line with the three fundamental principles of energy policy: "securing of a stable supply," "environmental suitability," and "utilization of market mechanisms."

After the establishment of the Basic Energy Plan in October 2003, the first revision was made in March 2007. The present second revision was made in consideration of changes in the situation associated with energy thereafter, and established as the Strategic Energy Plan of Japan.

2. Key points of the Strategic Energy Plan of Japan

(1) Basic perspectives

In addition to the three fundamental principles of national energy policy (energy security, energy conservation, and efficient supply), the Strategic Energy Plan of Japan focuses on new perspectives: economic growth based on energy and structural reform of the energy industry.

(2) Targets for 2030

- (a) Double the energy self-sufficiency ratio in energy supply and the self-developed fossil fuel supply ratio, and as a result raise the energy independence ratio from current 38% to about 70%
- (b) Raise the zero-emission power source ratio from current 34% to about 70%
- (c) Half CO2 emissions from the residential sector
- (d) Maintain and enhance energy efficiency in the industrial sector at the highest level in the world.
- (e) Maintain or obtain top-class shares of global markets for energy-related products and systems

(3) Specific measures to achieve the targets

- Comprehensive efforts to secure resources and enhance supply stability
- Establishment of an independent and environmental-friendly energy supply structure
- Establishment of a low carbon energy demand structure
- Building next-generation energy and social systems
- Development and diffusion of innovative energy technologies
- Enhancement of international cooperation on energy
- Pursuit of structural reform of the energy industry
- Facilitation of mutual understanding with the public and development of human resources
- Division of roles among local governments, businesses and non-profit organizations and citizens' commitment