Lessons Learned from the TEPCO Nuclear Power Scandal

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Summary of a Series of Cases of Misconduct

■ July 2000: MITI asked TEPCO to inquire inappropriate
 handling of maintenance records and reports

Z June 2002: TEPCO set Internal Investigative Committee
and checked 29 cases by GE btw 1986 and 2001

Z June 2002: TEPCO set Internal Investigative Committee

ZETEPCO found 16 cases of misconduct and reported to NISA

PCV Leakage Tests

Sep. 2002: A newspaper reported inappropriate conduct of leak test in PCV in Unit 1 in Fukushima Daiichi NPS.

Background to Cases of Misconduct (1)

Deficiencies in fitness for service

Deficiencies in fitness for service

- standards on reporting problems were unclear
- technical standards were established on an 'as-constructed' basis
- The engineers' conservative mentality to avoid reporting problems to the national government as long as they believed that safety was secured

Background to Cases of Misconduct (2)

Deficiencies in fitness for service

Nuclear engineers' over-confidence of their nuclear knowledge

Internal Factors Resulting in Misconduct

- Problems in Observance of the Code of Ethics and Corporate Culture
- Inadequacy of Safety Culture

Consequences of Misconduct

- Forced to shut down 17 nuclear reactors for safety inspection

To Prevent Similar Incidents (1)

"Create a mechanism that does not permit people to perform any dishonest act, and create a culture that encourages people to refrain from performing any dishonest act."

To Prevent Similar Incidents (2)

Improvement in the Quality Assurance System

To Prevent Similar Incidents (3)

TEPCO set up internal audit function

- the Nuclear Quality Management Department
- the Nuclear Safety and Quality Assurance
 Conference

To Prevent Similar Incidents (4)

- Strict Observance of the Code of Ethics and Reforms in Corporate Culture
 - rewritten the Corporate Code of Conduct
 - formed Business Ethics Task Force for compliance

To Regain Public Trust (1)

Set up local liaison meetings around NPS

Kashiwazaki-Kariwa NPS



Meetings:

held once a month since May 2003

Members:

opinion leaders, anti-nuclear activist, etc.

Secretariat:

Kashiwazaki City

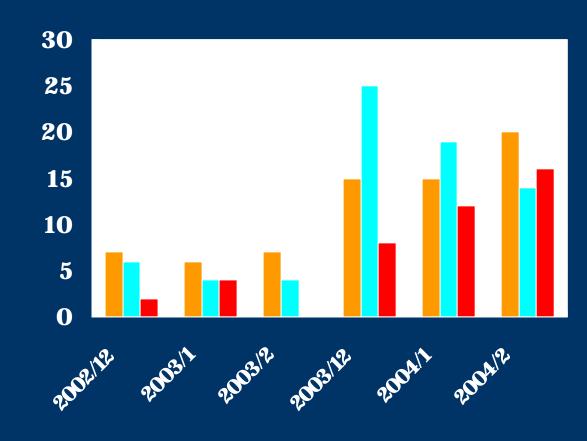
Official website:

http://www.tiikinokai.jp/ (only in Japanese)

To Regain Public Trust (2)

Improved the disclosure standard of nuclear incidents in TEPCO (November 2003)

Increase in the numbers of press releases



- Kashiwazaki-Kariwa
- Fukushima Daiichi
- Fukushima Daini

Disclosure on the website (1)

On the TEPCO Website:

www.tepco.co.jp (in Japanese)

- topics, nuclear data, press releases, etc
- New content
 On demand video titled "I am working at NPS" introduces how he or she works at NPS by interview

English version: www.tepco.co.jp/en/will be renewed on March 27, 2004. It will have topics, nuclear update and press releases

Disclosure on the website (2)

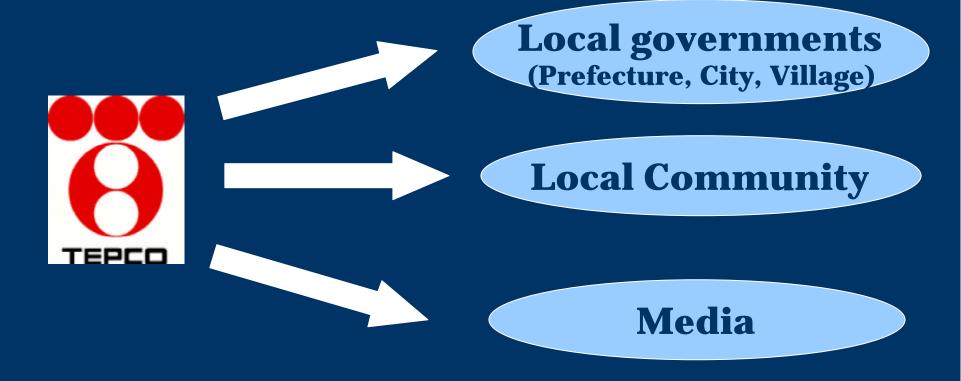
On the website of nuclear power stations:
www.tepco.co.jp/fukushima1-np/
www.tepco.co.jp/fukushima2-np/
www.tepco.co.jp/kk-np (all only in Japanese)

- operation status
- radiation data on real time base
- activities with local community
- press release
- minor troubles

Lessons Learned from the Scandal

Share nuclear information (even minor information) with stakeholders

Share nuclear information with stakeholders



Lessons Learned from the Scandal (2)

- More communication with local community
 - listen to the voice of local residents
 - participate in local activities

More communication with local community

