



**Investors Meeting for
FY2016 Financial Results**

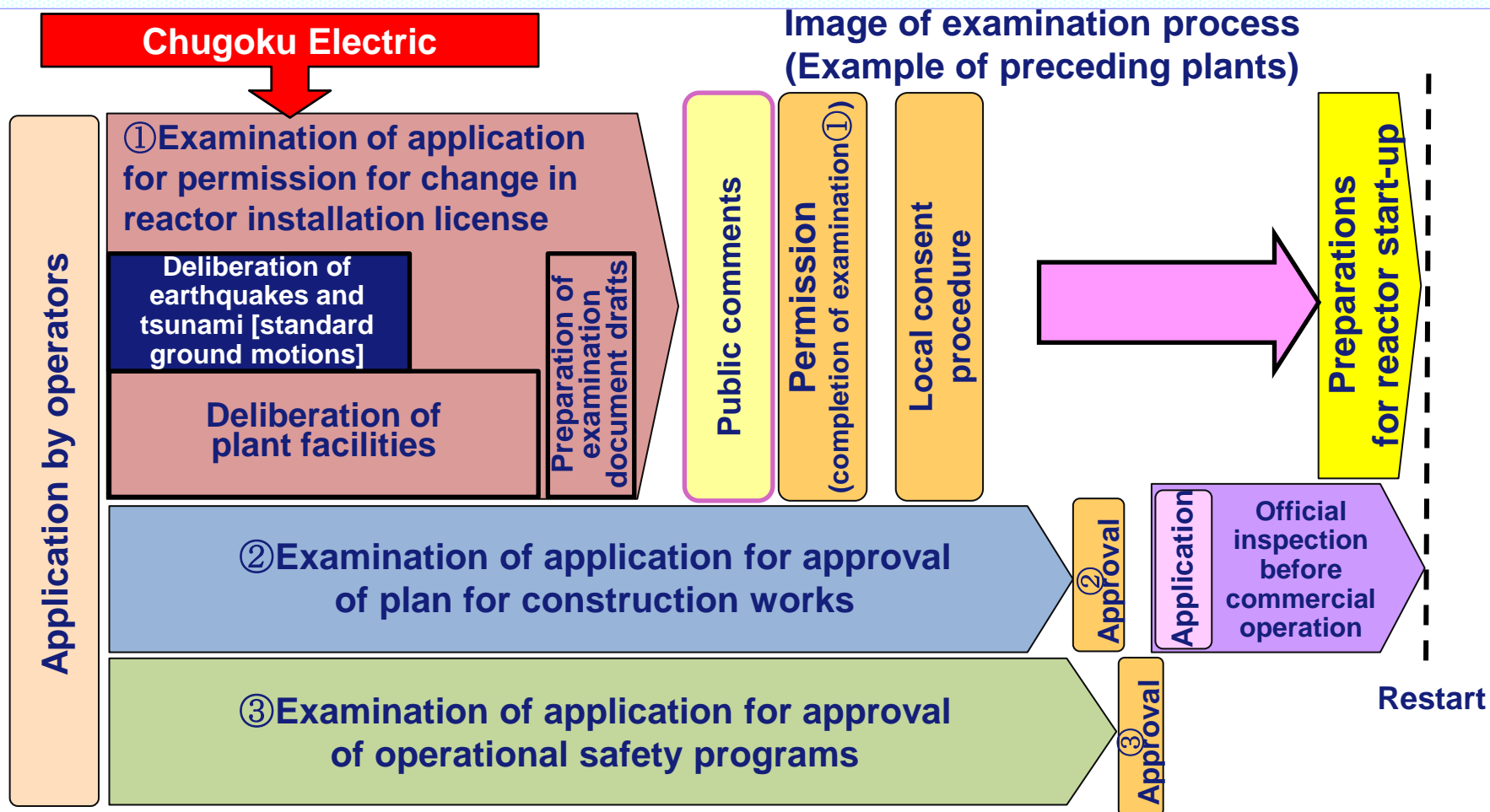
State of Shimane Nuclear Power Station

May 11, 2016

The Chugoku Electric Power Co., Inc.

1. Process of Compliance Examinations

- In December 2013, we submitted application documents for compliance verification of Shimane Unit 2 to the Nuclear Regulation Authority (NRA).
- The examinations to verify compliance began in January 2014. As of the end of April this year, a total of 74 examinations have been conducted.



2. State of Progress of Compliance Examinations [Shimane Unit 2: Plant-related]

- BWR plant-related examinations had been conducted intensively on Kashiwazaki-Kariwa Units 6&7 of Tokyo Electric Power Company since last August, however, in the meeting held in March this year, NRA mentioned to revise this examination system focusing on Kashiwazaki-Kariwa.

	Main examination items	Examination status	Outline of examination	◆ Examination status ★ Chugoku Electric's assessment
Countermeasures for severe accidents	Probabilistic risk assessment (PRA)	Being implemented	Quantitative assessment of the probability of the reactor core being damaged and leading to a severe accident, and assessment of efficacy of countermeasures for a severe accident, etc.	◆ Explaining the probabilities of damage to the reactor core and rupture of the containment vessel due to internal/external events
	Selection of accident sequences	Being implemented		◆ Explaining the accident scenarios selected on the basis of the PRA results
	Efficacy assessment	Being implemented		◆ Explaining that the severe accident countermeasures are effective for the accident scenarios selected.
	Analytical codes	Being implemented		◆ Explaining the adequacy of the analytical programs used in the PRA and efficacy assessment
	Control room	Being implemented		◆ Assess as 44 mSv in 7 days
	Contingency measure center	Being implemented		◆ Explaining about power supply equipment, radiation exposure assessment, operation methods, etc.
	Filtered vent equipment	Being implemented		Matters relating to the equipment's design, specifications, performance and operation methods
Countermeasures for design basis accidents	Interior inundation	Being implemented	Assessment and countermeasures, etc., regarding newly-added natural disasters	◆ Explaining the impact assessment and countermeasures for interior inundation
	Fire	Being implemented		◆ Explaining about the impact assessment of exterior and interior fires.
	Tornados (impact assessment and countermeasures)	Being implemented		◆ Explaining that we are assessing for maximum wind speed 92 m/s (original application: 69 m/s)
	Volcanoes (impact assessment and countermeasures)	Being implemented		◆ Explaining that we have reassessed for Mt. Sanbesan and Mt. Daisen [approx. 30 cm of volcanic ash ← (original application: approx. 2cm)]
	Single failure of passive system	Being implemented		◆ Explaining that passive systems have been identified and will be able to maintain their safety functions
	Protective power supply equipment	Unimplemented		★ Assess reliability of external power supplies

2. State of Progress of Compliance Examinations [Shimane Unit 2: Earthquake and Tsunami]

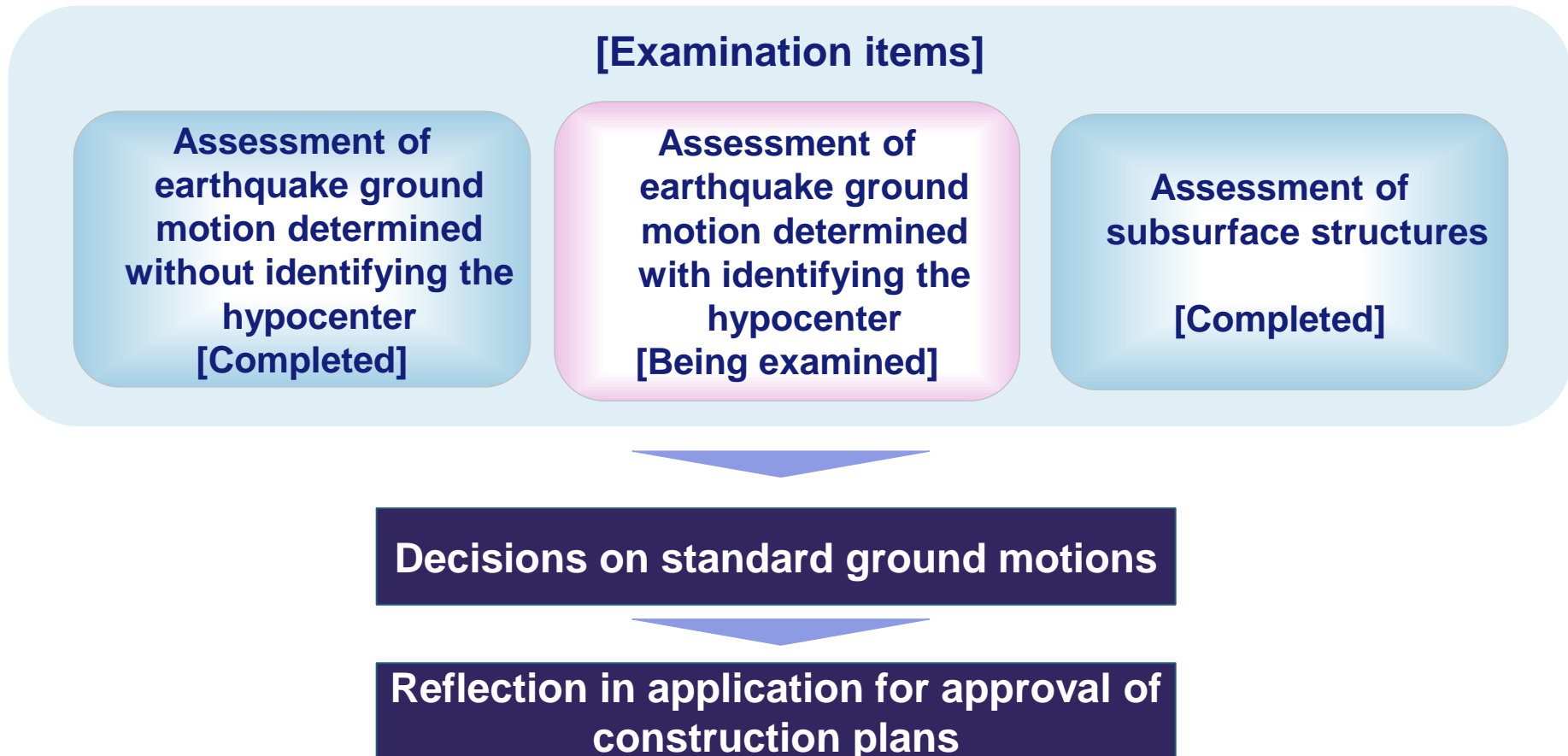
- Examinations regarding earthquakes and tsunami have been conducted continuously.
- “Earthquake ground motion determined with identifying the hypocenter” which is a prerequisite for the standard ground motion assessment, is currently under examination.

Earthquake and Tsunami

	Main examination items	Examination status	Outline of examination	◆ Examination status ★ Chugoku Electric's assessment	
Earthquake	Earthquake ground motion determined without identifying the hypocenter	Completed	Matters relating to standard ground motions regarded as needing to be considered for the power station	◆ Explained that Rumoi and Western Tottori Prefecture Earthquakes will be taken into account	
	Earthquake ground motion determined with identifying the hypocenter	Being implemented		◆ According to the result of our additional drilling surveys concerning Shinji Fault, we are explaining that there are no fault recognized at Shimoubeohigashi and Meshima Island	
	Subsurface structures of the site and surroundings	Completed		◆ Explained adequacy of subsurface structure models	
	Standard ground motions	Unimplemented		★ Will set Ss-D (800 gal), etc	
	Seismic design policy	Unimplemented		★ Assess the equipment as being able to maintain safety with regard to the standard ground motions	
	Geology and geological structure of the site	Completed		Matters relating to the ground inside the power station site	◆ Explaining that there are no fracture zones, active faults or the like
	Stability of ground and inclines	Unimplemented			★ Assess that they are safe
Tsunami	Standard tsunami	Unimplemented	Matters relating to tsunamis regarded as needing to be considered for the power station	★ Set at 9.5 m	
	Anti-tsunami design policy	Unimplemented		★ Assess that safety can be maintained (15 m breakwater and watertight doors installed)	

3. Flow of Examinations Pertaining to Standard Ground Motions

- Establishing the standard ground motions involves assessing the subsurface structures, "earthquake ground motion determined with identifying the hypocenter", and "earthquake ground motion determined without identifying the hypocenter", in the site, then selecting the ground motions that are to be envisioned as occurring at the power station.

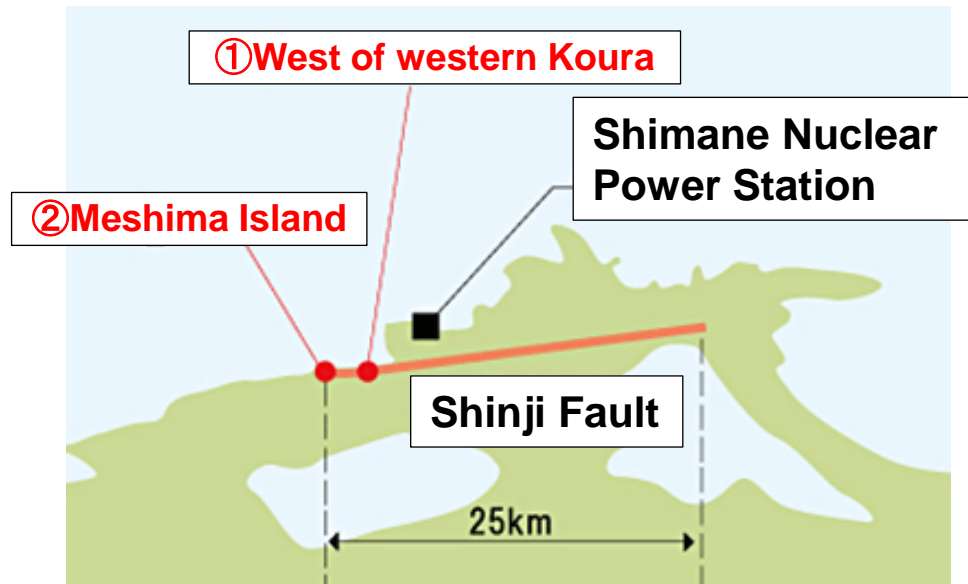


4. Examination Status of Assessment of Earthquake Ground Motion Determined with Identifying the Hypocenter

- We had assessed and explained that the length of Shinji Fault was approx. 22km and the standard ground motions was 600 gal at the examination gatherings before.

- At the examination gathering in January 2016, we explained to revise the length of Shinji Fault from approx. 22km to approx. 25km, from the viewpoint of safety of the power station.

- At the hearing held by the Secretariat of the Nuclear Regulation Authority in February 2016, we explained to revise the standard ground motions from 600 gal to 800 gal.



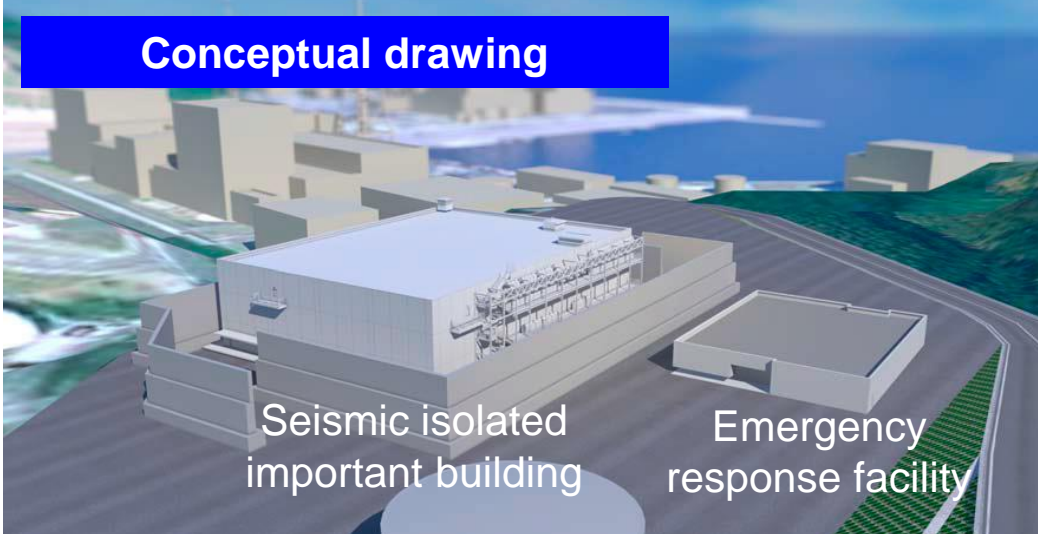
6. State of Safety Measure Works

- We revised the scheduled completion date for safety measure works from “the end of FY2016 (ended in March 2016)” to “as early as possible in FY2017”, in consideration of the new installation of the aseismic emergency response facility and others.

<New installation of the aseismic emergency response facility >

- The emergency response headquarters requires enough airtightness to prevent inflow of radioactive substances.
- It was found that at the emergency response headquarters in the seismic isolated important building, enough airtightness might not be secured because of the floor crack.
- We decided to newly install the aseismic emergency response facility and relocate the emergency response headquarters from the seismic isolated important building.

Conceptual drawing



Seismic isolated important building

Emergency response facility

(Application of seismic isolated important building)

- We continue to utilize the seismic isolated important building together with the new emergency response facility for emergency response activities, aiming to enhance the response capabilities in case of emergency.

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