



## CSR in the Chubu Electric Power Group

As an enterprise engaged in business with a large public interest component, Chubu Electric Power Group considers the trust of the public to be our very foundation.

We are therefore committed to fulfilling our corporate social responsibility (CSR) by good faith efforts to meet the expectations of all stakeholders in our business activities and by disclosure of information about those efforts to meet our obligation of accountability.

These ideas are a promise we make as embodied in our "Chubu Electric Power CSR Declaration."

### Chubu Electric Power Group CSR Declaration

## Fulfilling our responsibilities and meeting society's expectations

Chubu Electric Power Group, as a Multi-Energy Services Group, is committed to:

Contributing to the development of a sustainable society by giving top priority to safety and striving to both provide a stable supply of energy and protect the global environment. We aim to accomplish these goals through business activities that allow the individuality of group companies to be fully expressed while achieving group synergy in enterprises within our core competence in energy;

Managing our businesses in a fair and sincere manner by observing national and international laws, regulations, and social rules, and by respecting corporate ethics; and

Giving priority to dialogue with all our stakeholders and maintaining high levels of transparency and openness in our business activities.

<b>Customers</b>	We are committed to providing our customers with safe, reliable, convenient, and affordable energy services, as well as other services of value that meet their needs.
<b>Shareholders and Investors</b>	We are striving to maintain and increase profits for our shareholders and investors through efficient management and effective investment.
<b>Local Communities</b>	We are determined to contribute to sustainable local development in partnership with local communities.
<b>Business Partners</b>	We promise to deal fairly with our suppliers as equal business partners.
<b>Employees</b>	We respect our employees as individuals and are endeavoring to create a cheerful and motivating workplace.

## Editorial Policy

This CSR report provides an account of the Chubu Electric Power Group's corporate social responsibilities toward achieving a sustainable society. Through this report, we aim to communicate our efforts to our stakeholders, and at the same time heighten motivation within the Group to strengthen our CSR initiatives.

The full-length "CSR Report 2010," posted on our website, covers CSR activities during mainly fiscal year 2009 and the results of those activities. In compiling this information, we have considered questionnaire responses from stakeholders and the opinions of employees. We have also issued the "CSR Report 2010 Digest" in booklet form with content of particularly high interest to stakeholders or special importance to the Chubu Electric Power Group.

Our website also contains up-to-date and detailed information on topics such as CSR and environmental initiatives.



**Website**  
Offers CSR Report and Digest as well as up-to-date and detailed information on CSR and the environment

**CSR Report (PDF)**  
Comprehensive coverage of fiscal year 2009 CSR initiatives and results

**CSR Report Digest (booklet)**  
\*Japanese only

### Scope of this report

#### Organizations

Chubu Electric Power Co., Inc., and Group Companies

#### Period

Fiscal year 2009 (April 2009 through March 2010)  
(This report also includes information regarding some important events and activities that occurred outside the above period.)

#### Guidelines Used as References

GRI, Sustainability Reporting Guidelines 2006  
Ministry of the Environment, Environmental Reporting Guidelines (FY2007 Version)

#### Date of Previous Report/Date of Next Report

September 2009 / September 2011

#### Legend

**Look! P00**

Related articles and information can be found on the specified page or pages within this report.

**HP**

Up to date and detailed information is available on the Chubu Electric Power website.  
<http://www.chuden.co.jp/>

**Web**

Related websites are listed.

# CONTENTS

## Chubu Electric Power Group CSR Report 2010

### CSR in the Chubu Electric Power Group

#### Editorial Policy, Contents

Message from the President & Director 1

#### Highlights

Hamaoka Nuclear Power Station Initiatives 3

Typhoon No. 18 Damage and Recovery 5

Preserving Biodiversity 7

"Kizuna Net" School Contact Network 9

#### Safe and Stable Supply of Energy

Delivering Safe and Reliable Electricity 11

As a Multi-Energy Services Group 16

#### Management and Economic Performance

Management Goals 17

CSR Promotion 18

Corporate Governance 21

Compliance 24

#### Environmental Performance

Environmental Policies and Promotional Framework 25

Business Activities and Environmental Impact 26

Action Plan 27

Environmental Accounting 29

Global Warming Prevention 30

Environmental Conservation 39

Environmental Management 43

Partnerships in Environmental Communication 46

#### Social Performance

Customers 51

Shareholders, Investors, and Business Partners 53

Local Communities 54

Employees 59

Stakeholder Dialogues / Third-Party Evaluation 63

Corporate Profile 65

Third-Party Views  
(Remarks on Chubu Electric Power Group CSR Report 2010)

Earning trust, we will provide support for living, and fulfilling expectations, we will undergo change. The Chubu Electric Power Group will endeavor to provide a stable supply of energy and to protect the global environment. This is how we intend to make our contribution to realizing a sustainable society.

### Unswerving commitment to our mission is our fundamental corporate social responsibility

Affected by the slowdown in the global economy, the Japanese economy has experienced a significant slump. The domestic economy is being supported by strong demand from China and other emerging countries. Although the signs of recovery are visible all around us, the fiscal crisis in Europe has cast a shadow, and we are still not fully free of lingering financial instability.

Under these economic conditions, the electric utility business also faces an environment of diversifying customer values, as typified by growing environmental and low-carbon needs. There is technical innovation, typified by the widespread use of fuel cells and next-generation automobiles. There is social change, as represented by the declining birthrate and aging population. These and other such changes indicate that we are facing major changes in the structure of supply and demand as well as the structure of our business.

The fact that energy is the foundation for people's lives and for industry, however, will not change in the future. The most important mission of the Chubu Electric Power Group is to provide a stable supply of energy, primarily electric power, at affordable cost, and we consider this to be our fundamental corporate social responsibility.

### The most important issue is promoting nuclear power

Japan depends on imports for 96% of the energy resources it consumes, including oil, coal, and LNG. However, a large part of those imports comes from the Middle East, where the political situation is unstable.

Electric power companies consume huge amounts of these limited resources to make electricity, and as a result, we account for about 30% of CO<sub>2</sub> emissions in Japan.

We have endeavored to increase the generating efficiency of the Chubu Electric Power thermal power plants, and their

efficiency is at the top level among Japanese utilities. On the other hand, nuclear power generation, which does not emit any CO<sub>2</sub> in the process of generating power, occupies only a small part of the power mix, so that our CO<sub>2</sub> emissions intensity (CO<sub>2</sub> emissions per kWh of electricity) has fallen behind the figures for other power companies.

Chubu Electric Power is currently proceeding with the replacement plan for Hamaoka Nuclear Power Station, which involves decommissioning Units No. 1 and No. 2 and building a new unit, Unit No. 6. In order to achieve a balance between the stable supply of energy and protection of the global environment, however, it will be necessary to further increase the nuclear power share of power generation. To that end, our objective will be to build new nuclear power plants to follow Hamaoka Unit No. 6. This will be a matter of the greatest importance for Chubu Electric Power in order for us to fulfill our duty to provide a stable supply of power, and it will also be the most effective means for realizing a low-carbon society in Japan. We hope that this will become better and more widely understood.

### Actively adopting renewable energies

In addition to the further promotion of nuclear power and the introduction of high-efficiency thermal power, the Chubu Electric Power Group plans to pursue active development of renewable energies. Our work in wind power generation includes units that have already entered operation in the Aoyama Kogen highlands in Mie Prefecture, and three units (a total of 6,000 kW) at a wind power generation station in Omaezaki City, Shizuoka Prefecture, that entered operation in February 2010. Second-phase construction of an additional eight units (a total of 16,000 kW) is underway. We also have projects underway in mega solar generation (large-scale solar power generation). In addition to the facility being built inside the Taketoyo Thermal Power Station (Chita County, Aichi Prefecture), we are pursuing a joint project with the local government in Iida City, Nagano Prefecture. We are also promoting

biomass power generation at our coal-fired thermal power plants. These are among the measures for the continuing development of renewable energies that the entire Chubu Electric Power Group has united as one in actively pursuing.

## Strengthening interactive relationships with stakeholders

As we see it, the people who are living in these local communities are valued customers of the Chubu Electric Power Group and, at the same time, important partners in the common work of building a sustainable society. We have defined the four priority areas of ensuring local welfare and peace of mind, environmental conservation, education of the next generation, and cultural and sports activities, and we are vigorously engaged in corresponding social service activities. We intend to continue activities like these, which serve also to deepen our communication with local residents, and, as a member of the community, to continue contributing to the sustainable development of the Chubu region.

Our many years of service have also earned a trust that we intend to protect and nurture through the work of all our individual employees, performed with good faith and integrity. Through our concerted action, we will act to fulfill our corporate social responsibility as the Chubu Electric Power Group.

This report presents detailed information on our recent initiatives, future plans, and other Chubu Electric Power Group CSR activities that we wish to communicate to our stakeholders.

We welcome your input, and will take your comments to heart to further improve the quality of our CSR efforts.

We hope you will read through this material and share with us your candid views and comments.



Akihisa Mizuno  
President & Director  
Chubu Electric Power Co., Inc.





# Highlights-1

## Ensuring a Stable Supply of Electric Power and Prevention of Global Warming

### Hamaoka Nuclear Power Station Initiatives



Chubu Electric Power consumes large amounts of fossil fuels to produce electric power. As a result, we emit a large amount of CO<sub>2</sub>. Nuclear power generation does not emit any CO<sub>2</sub> in the course of producing electricity, and this form of power is enormously effective both in providing a stable supply of electricity and in preventing global warming. Chubu Electric Power considers the promotion of nuclear power generation to be our most important issue.

In fiscal year 2009, however, nuclear power generation as a percentage of gross electric energy output remained at the low level of 14%, partly due to the impact of the Suruga Bay Earthquake in August. This resulted in a deterioration of Chubu Electric Power's CO<sub>2</sub> actual emissions intensity (CO<sub>2</sub> emissions per kWh of electric power) compared to the previous fiscal year.

This section will describe the latest conditions at the Hamaoka Nuclear Power Station, with a focus on our responses to the Suruga Bay Earthquake.

### Responses to the Suruga Bay Earthquake

An earthquake with a magnitude of 6.5 occurred in Suruga Bay on August 11, 2009. A seismic intensity of just under 6 on the Japanese scale was measured in Omaezaki City, Shizuoka Prefecture, where the Hamaoka Nuclear Power Station is located, and Units No. 4 and 5 automatically stopped operating. (Units No. 1 and 2, which were being prepared for decommissioning, and Unit No. 3, which was undergoing a periodic inspection, were shut down at the time.)



Unit No. 5 low-pressure turbine being replaced

After the earthquake, Chubu Electric Power established a Special Maintenance Plan for Units No. 3, 4, and 5 to verify the soundness of facilities required for safe and stable operation of the power plant. In addition to performing inspections, we evaluated the soundness of the facilities and equipment, making use of seismographic records. Units No. 3 and 4 were subjected to these measures and went back into operation in October 2009. Unit No. 5 was undergoing repair of faults found in the inspection as well as replacement of a low-pressure turbine that had been damaged during an incident in 2006.

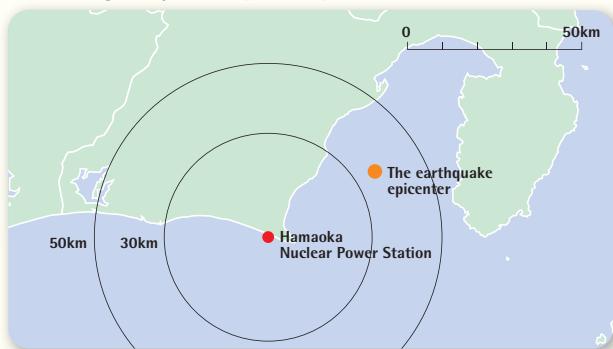
Unit No. 5 experienced larger tremors than the other units. We intend to bring it back into operation once we have given local residents an adequate explanation of why this was the case.

### Analysis of Reasons Why Unit No. 5 Experienced Larger Tremors

During the Suruga Bay Earthquake, Unit No. 5 was observed to experience tremors two times larger (figures

at bedrock) than Units No. 3 and 4. A subsurface investigation of this phenomenon discovered that there was a kind of bedrock (a low-velocity layer) underground below Unit No. 5 that slowed the speed of the seismic wave about 30% relative to the surrounding bedrock. It is our view that this low-velocity layer was the main factor causing Unit No. 5 to experience greater tremors than the other units. We are continuing to analyze seismographic records and subsurface investigation data.

#### The Suruga Bay Earthquake epicenter



#### Briefings organized for residents of local community

We are organizing separate briefings for local cities and districts to help residents understand the status of our analysis regarding how Unit No. 5 experienced greater tremors than the other units, and the earthquake-proof safety of the facility. (As of the end of June 2010, a total of eight briefings had been held in local cities and approximately 80 had been held separately in districts.)



District briefing being held

#### Implementing the MOX Fuel (Pluthermal\*) Program

The nuclear fuel cycle policy is an effective means for Japan, a country poor in energy resources, to secure a long-term, stable supply of energy and to economize on uranium resources. Chubu Electric Power is pursuing the "pluthermal" or MOX fuel\* Program at Unit No. 4 of the Hamaoka Nuclear Power Station. In May 2009, 28 MOX fuel assemblies manufactured in

France were delivered to the Hamaoka Nuclear Power Station and subjected to acceptance inspection, which confirmed that no deformation or other such phenomenon had occurred in connection with transport. There were also inspections of imported fuel assemblies conducted by the government. In May 2010, these assemblies underwent visual external examination. This is the final stage of those inspections, and it is done to confirm that the MOX fuel is in conformity with technical standards. The fuel received its certificate of compliance in June. Plans call for the MOX fuel to be loaded during a periodic inspection in fiscal year 2010, when use of the "pluthermal" fuel is slated to begin.



Acceptance inspection of MOX fuel

- \* **Pluthermal:** "Pluthermal" is a Japanese word that combines two English words, "plutonium" and "thermal," and refers to the utilization of plutonium fuel in commercial (thermal) nuclear power plants. In English, the fuel is commonly referred to as plutonium-uranium mixed oxide fuel, or MOX fuel. Reprocessed spent plutonium fuel generated by a nuclear power plant is recovered and then mixed with uranium to create MOX fuel that can be used in a thermal reactor (light water reactor used in current nuclear power plants).
- \* **MOX fuel:** An abbreviation for "Mixed Oxide Fuel" created by mixing uranium and plutonium in oxide state.

#### Voice on Site



**Makoto Okada**  
Nuclear Fuel Section,  
Engineering Department,  
Hamaoka Nuclear Power Station,  
Chubu Electric Power Co., Inc.

#### We Inspected Each Part with Great Care

When the MOX fuel was being manufactured in France, those of us at Chubu Electric Power who had in-house certification took turns traveling there and verifying on-site that manufacturing, inspections, and so on were being performed according to procedure. After the MOX fuel arrived at the power plant, we inspected each fuel assembly with great care, one by one. We used a specialized camera and checked to make sure there was no damage or other faults. As one of the people in charge of fuel inspection in preparation for implementation of the MOX fuel plan, I sense how weighty that responsibility is, and how worthwhile.



# Highlights-2

## We Endeavor to Restore Power More Quickly

### Typhoon No.18 Damage and Recovery



Utility poles damaged by typhoon (Gamagori City, Aichi Prefecture)



Typhoon No. 18 landed in the vicinity of the Chita Peninsula in Aichi Prefecture early on the morning of October 8, 2009. The storm then traveled lengthwise across the island of Honshu, leaving damage everywhere it touched. The destruction in the Tokai region was severe, and some areas experienced prolonged power outages. We apologize for the great inconvenience to people in the areas where power outages occurred.

The following section will describe the status of Typhoon No. 18 damage and describe the on-site work done to restore power.

#### Damage Caused by Typhoon No.18

Typhoon No. 18 followed generally the same course as the Ise Bay Typhoon, which caused severe damage to the Tokai region in 1959. When the recent typhoon landed in the Chita Peninsula area after five o'clock on the morning of October 8, its central pressure measured 955 hectopascals, it had peak winds of 40 m/s, and it was moving at a speed of 45 km/h. In the Chubu Electric Power service area, broken utility poles caused by fallen trees and wind-blown objects occurred starting in the Ise-Shima area of Mie Prefecture and with a particular focus in the Mikawa district of Aichi Prefecture. Power lines were broken and other damage occurred over a wide area.

#### Status of Damage to Equipment and Facilities

Thermal Power Generation Facilities	Owase-Mita Thermal Power Station Unit No. 3 and Chita Thermal Power Station Unit No. 4 were shut down (due to maintenance considerations)
Transmission Facilities	44 lines shut down
Transformation Facilities	2 substations shut down
Distribution Facilities	110 utility poles damaged, etc., 2,169 lines broken, etc., 60 transformers malfunctioned, etc.

#### Number of Households with Power Outages

Area	Cumulative Number of Households with Power Outages (1,000 households)
Aichi Prefecture	302.0
Gifu Prefecture (excluding some portions)	1.7
Mie Prefecture (excluding some portions)	139.5
Shizuoka Prefecture (West of Fujikawa River)	93.6
Nagano Prefecture	15.4
Total	552.2

#### Work to Restore Power Continued Night and Day

##### Emergency Task Force Headquarters Established

Since damage had been foreseen, an Emergency Task Force Headquarters was established at every Chubu Electric Power business location on the evening of October 7. The headquarters collected accurate and timely information including the scope of power outages and the status of damage. They implemented measures to restore power, coordinate with government agencies, and so on.





Employees examine response actions  
(Toyohashi Customer Service Office, Okazaki Regional Office)

### Recovery Work Done On-Site

The extent of damage cannot actually be grasped until teams arrive on-site. At locations where fallen trees blocked the roads, vehicles could not get through so employees checked the damage on foot. There were some places where work could not proceed until fallen trees and broken branches were cleared away. Including reinforcements provided by TOENEC CORPORATION, a Group company, and other sources, a force of up to approximately 8,300 people were engaged in recovery work.

All the people involved worked in unison, regardless of the hour of day or night. As a result, service was completely restored on October 11.



Recovery work performed by TOENEC employee (Tsu City, Mie Prefecture)

### Providing Information to Our Customers

Large numbers of calls were received from customers asking when their electricity would be restored. Inquiries were fielded at customer service office reception counters, while loudspeaker cars made the rounds through areas affected by outages, providing information to local residents.

The news media were also kept informed, and a total of 49 press releases regarding typhoon damage were issued up to the time recovery work was completed.

### The Commitment to Deliver Power

It is our responsibility to exert all our resources on the work of restoring service. We engage regularly in disaster management exercises and power restoration training.

When disaster occurs, we feel a sense of our mission to restore power to our customers as quickly as we possibly can. It is our job to provide a stable supply of electric power.

### Voice on Site



Makoto Yamaguchi (on left)  
Takeshi Narukawa (on right)

Customer Service and Sales Section,  
Ise Customer Service Office,  
Mie Regional Office,  
Chubu Electric Power Co., Inc.

### We All Join in Addressing Customer Needs

The telephones kept ringing in the customer service office, and many customers also showed up at the reception counter. Everyone joined in the reception work and making announcements from the loudspeaker car. The power outages caused much feeling of uncertainty as well as inconvenience, but our customers were understanding and supportive, and this experience made me see very vividly how important it is to have a relationship of trust with our customers.

Typhoons like this one, and major earthquakes like the one forecast for our region, are likely to involve unavoidable power outages. I would like to continue with this steady, thorough public information work, informing our customers about how to deal with power outages.

### Voice on Site



Shinji Kageyu (on left)  
Hirokazu Shiraki (on right)

Distribution Operation and Maintenance Section,  
Toyohashi  
Customer Service Office,  
Okazaki Regional Office,  
Chubu Electric Power Co., Inc.

### The Workplace Unites as One on Recovery Activities

The distribution control center was noisy with the sound of power outage alarms going off one after another, and in all the confusion, it was the sense of wanting to restore power to our customers as quickly as possible that brought the entire workplace together on the task of restoring service.

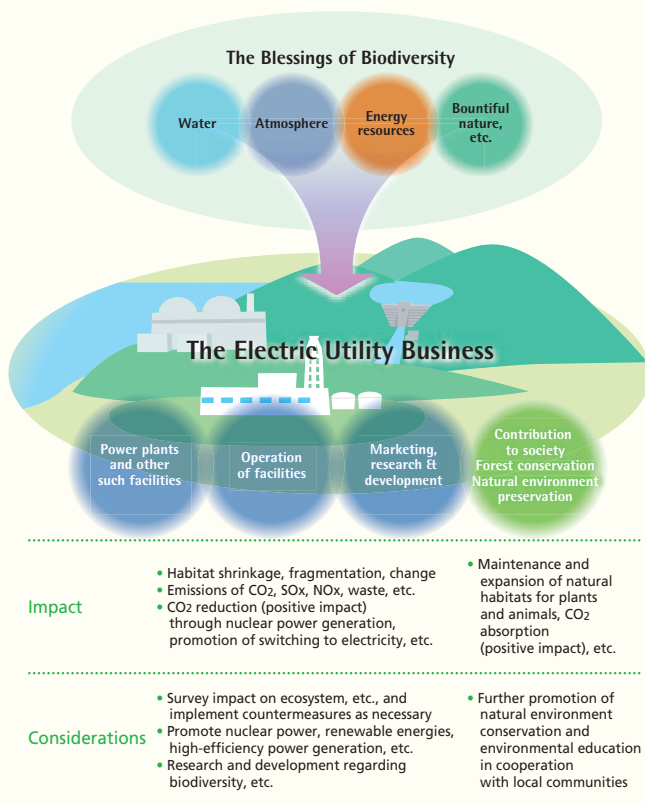
Without a thought for sleep or food, we threw ourselves into recovery work on utility poles that had been broken by falling trees, and on power lines that had been severed by wind-blown objects. When a customer said to us, "This power outage showed me how precious electricity is. Thank you," I felt that my mission had been reaffirmed. I intend to go on working, with the whole workplace united as one, to provide a stable supply of electric power.

## In Order to Join Life to Life, from Past to Future

### Preserving Biodiversity

The Tenth Meeting of the Conference of the Parties to the Convention on Biological Diversity (COP10) will be held in Nagoya City, Aichi Prefecture, in October 2010.

To date, Chubu Electric Power has acted on its commitment to the protection of biodiversity with environmental impact assessments, forest conservation programs, and other activities. The following provides an overview of these activities.



### The Relationship Between the Electric Utility Business and Biodiversity

The electric utility business enjoys many different blessings that arise from biodiversity in aspects ranging from the establishment of power generation facilities to their operation and processing of waste. On the other hand, the impact on global warming due to CO<sub>2</sub> generated from business activities, and changes made to the land in siting facilities, result in a considerable impact on biodiversity at the global and local community levels.

This is why electric power companies are promoting measures to build a low-carbon society, and giving

consideration to the protection of biodiversity on a global scale. At the same time, we are also actively engaged in environmental impact assessments, environmental conservation measures geared to local regional characteristics, and other activities to protect biodiversity at the local community level. Together with local residents, we also carry on social service activities such as forest conservation that contribute to biodiversity.

In order to clearly articulate the orientation of these initiatives, the Federation of Electric Power Companies of Japan formulated the Electricity Utility Industry's Action Guidelines for Biodiversity in April 2010.

Federation of Electric Power Companies of Japan  
[Web http://www.fepc.or.jp](http://www.fepc.or.jp)

### Consideration for Biodiversity on a Global Scale

Biodiversity is being exposed to danger on a global scale. On the one hand, this is occurring due to development and overexploitation, lack of care for traditional village-managed natural environments, introduction of foreign species, and other crises on the local community level. At the same time, it is happening due to the extinction of many species and the destruction of ecosystems by global warming.

Chubu Electric Power is promoting measures to realize a low-carbon society through the development of nuclear power generation and renewable energies, and by the promotion of energy conservation. In doing so, we are contributing to the protection of biodiversity.

### Consideration for Biodiversity at the Local Community Level

When we expand or build new power plants, transmission lines, or other facilities, we take steps in advance to understand and analyze their impact on the environment (the atmosphere, water quality, sea water temperature, plants and animals, etc.). We then develop environmental protection measures geared to local and regional characteristics in order to avoid or mitigate that impact. We also monitor the surrounding environment after a power plant begins operation. We conduct a comprehensive assessment of its environmental impact, and confirm that there are no problems.

## Measures Involved in Construction of the Joetsu Thermal Power Line

Joetsu Thermal Power Line is a transmission line originating at Chubu Electric Power's Joetsu Thermal Power Station (Group No. 1 and No. 2, each 1,190 MW, Joetsu City, Niigata Prefecture). Kamiyoshino Pond, located along its route, is a stopover place for swans. During construction, therefore, we carefully surveyed the routes and altitudes flown by the swans. Consultations with experts then confirmed that a power transmission line stretched over the pond would not affect the swans.

As a result, a survey conducted after construction of the power transmission line did not find any conspicuous changes in the routes flown by the swans.



Swans and power transmission lines at Kamiyoshino Pond

## Development of Technology for Behavioral Surveys of River Fish

Chubu Electric Power has developed biotelemetry technology for surveys to determine whether dams, sluices, and other such structures would have any impact on river fish. Miniature transmitters are attached to river fish so that their behavior can be tracked in a continuous, sustained manner. This clarifies their ecology and can be used to help protect the river fish.

At the request of government research institutions, we used this technology in fiscal year 2005 to survey the habitat of *Carassius buergeri grandoculis*, which lives in the waterways around Lake Biwa. In fiscal years 2007 and 2008, we conducted a behavioral study of migratory fish in the rivers of Wakayama Prefecture.

This technology can be expected to see expanding use over a wider range of fields, including uses here at Chubu Electric Power.

## Social Service Activities Showing Consideration for Biodiversity

### Support for Raptor Protection Activities

The Japan Falconiformes Center was founded in 1982 for the purpose of preserving falconry techniques and applying those techniques to protect the raptor species. Specific activities include providing treatment for sick and injured raptors and training them for a natural recovery,

conducting ecological surveys, protecting natural habitats, and so on. Chubu Electric Power receives advice from the Japan Falconiformes Center regarding measures to protect raptors during building and other construction work, and we support the Center's activities.



A falcon receiving treatment for a bone fracture



A goshawk that received treatment is released back into the wild

## Greening Activities

Chubu Electric Power engages in forest conservation activities in the company-owned forest in Gujo City, Gifu Prefecture. We also conduct a forest conservation program there with public participation under the name "Invitation to the Forest," and we train the "Chuden Foresters," volunteers who understand planted forests and know how to thin them.

Look! P47

Another program we have engaged in with employee participation since fiscal year 1985 has been to plant trees and distribute seedlings. Oriented mainly to public facilities like schools and parks, the program is intended to support green community development. As of the end of fiscal year 2009, these efforts had produced a cumulative total of 420,000 trees.

## Participation in Special Event One Year Before COP10

"Biodiversity Forum: a commemorative event in the year preceding COP10" (organized by the COP10 Promotion Committee) was held in October 2009. Then-President Mita of Chubu Electric Power took part and spoke on "Chubu Electric Power's Biodiversity Initiatives."

We will continue providing support for COP10 as a member of the local economic community.





## Making Use of IT to Assure "Safety and Security for Our Children"

### "Kizuna Net" School Contact Network

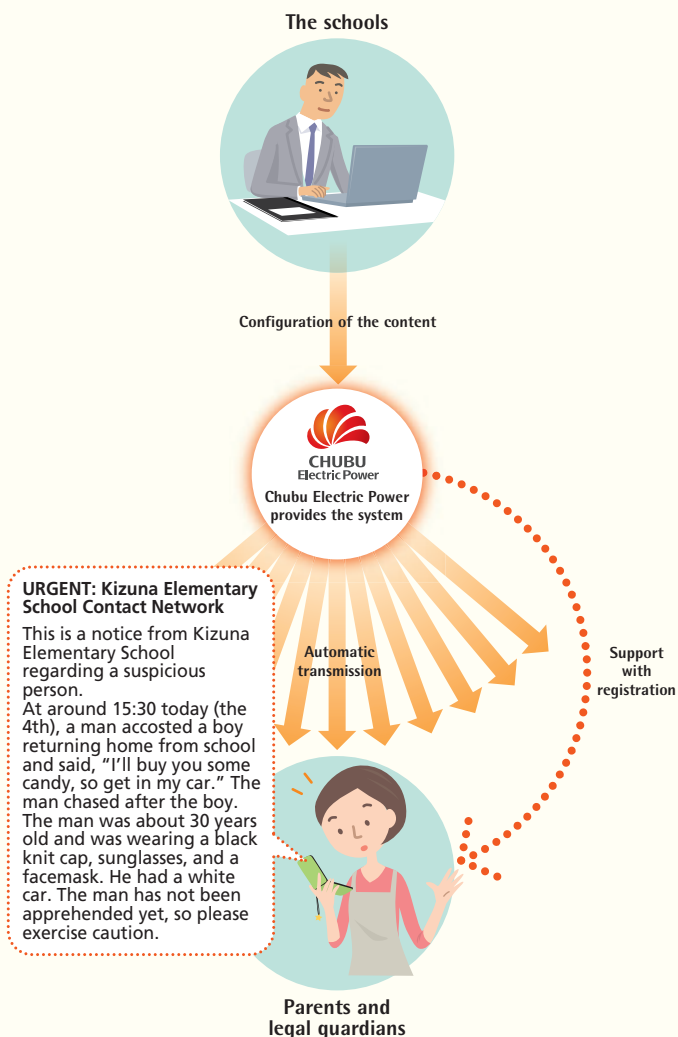
Incidents involving children have been occurring more frequently in recent years, and local communities are being called on to take safety measures. For this purpose, information-sharing on suspicious persons and crime prevention is essential. Information on typhoons and other natural disasters and information regarding influenza and other such diseases is also of great importance in people's lives.

Chubu Electric Power contributes to "Ensuring local welfare and peace of mind" with the "Kizuna Net" school contact network. Oriented mainly to kindergartens, elementary schools, and junior and senior high schools, this service can disseminate information by e-mail to the mobile phones of the parents and legal guardians of schoolchildren.

### Use Information Technology to Resolve School Issues

The "Kizuna Net" school contact network is currently being used at 650 schools as a means of supporting children's safety. It is providing timely information on suspicious persons, on the issuance of emergency alerts that cause schools to send children home early, and so on. Conventional telephone networks that schools used to use involved various difficulties. For example, they took a long time to complete notification, notification content was not conveyed accurately, and some people refused to allow their telephone numbers to be listed due to concerns about safeguarding personal information.

We therefore took steps to resolve these issues by making use of the Chubu Electric Power system facilities, experience, and personnel to provide timely, accurate, and certain delivery of notices from schools to all parents and guardians. We also developed a mobile phone contact network service that included privacy protection, and the system started operation in December 2005.

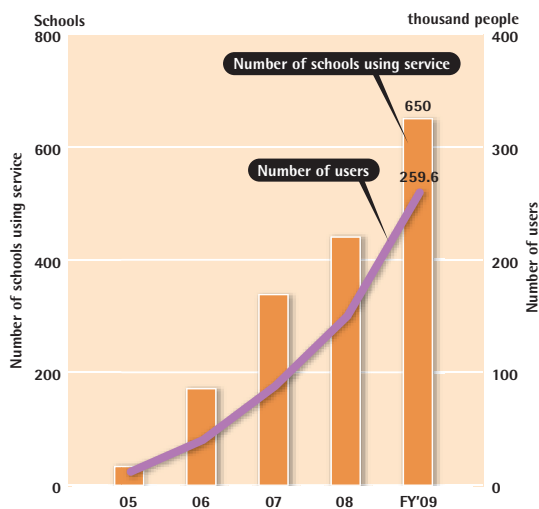


## Service in Use by About 260,000 People

It has been about four and a half years since we started this service. It has been very well received because, for instance, it is so easy to join by just following instructions sent by e-mail, and there is a sense of security because personal information is protected on the system side. The network has grown, and we now have approximately 260,000 people using it.

There are some places, such as Nishio City in Aichi Prefecture, Ise City in Mie Prefecture, and Kakegawa City in Shizuoka Prefecture, where local governments are using the service to cover their entire region. The outbreak of new strains of influenza in 2009 brought a rise in the number of individual schools adopting the service because they needed a means for issuing prompt notices. The number of people using the service grew rapidly.

Change in Numbers of Schools and Numbers of People Using the "Kizuna Net"



## Voice on Site



Rika Ito (left), Takeshi Inugai (center), Chiaki Hara (right)

Kizuna Project Team,  
Information Systems Department,  
Chubu Electric Power Co., Inc.

### Seeking to be of Service to the Local Community

Many schoolteachers have remarked that they can feel comfortable asking parents and guardians to register with the system because it is operated by Chubu Electric Power. We are very happy to know that users of this service place such trust in the company. We will go on working as hard as we can to be of service to everyone in the local community.

### Aiming to Become a Service that Delivers Peace of Mind to the Community

Chubu Electric Power is responsible for upholding the community lifeline, so "ensuring local welfare and peace of mind" is a crucial theme for us. We will continue conducting further studies and making new improvements in the future so that we can grasp the needs of our changing local communities and provide information services that bring residents a wide-ranging sense of safety and security.

Look! P54

## from Customers



Mr. Kouji Amano  
PTA Chairman,  
Kinjo Gakuin Junior High School  
(Nagoya City)

### Satisfaction with "Kizuna Net" Reliability and Ease of Use

We have long felt the need at this school for a contact network that could convey information quickly. When new strains of influenza caused suspension of classes last fiscal year, and we were hit by a typhoon, the school and the PTA discussed the matter in earnest.

This is a girls' school, and that is one reason why we gave first priority to studying systems that would let parents and guardians feel secure about registering their own contact

information. In doing so, we heard about the reputation of Chubu Electric Power's "Kizuna Net." When we asked for further details, we found that we were satisfied not only with the system's personal information protection but also with its reliability and ease of use, and we decided to adopt the system.

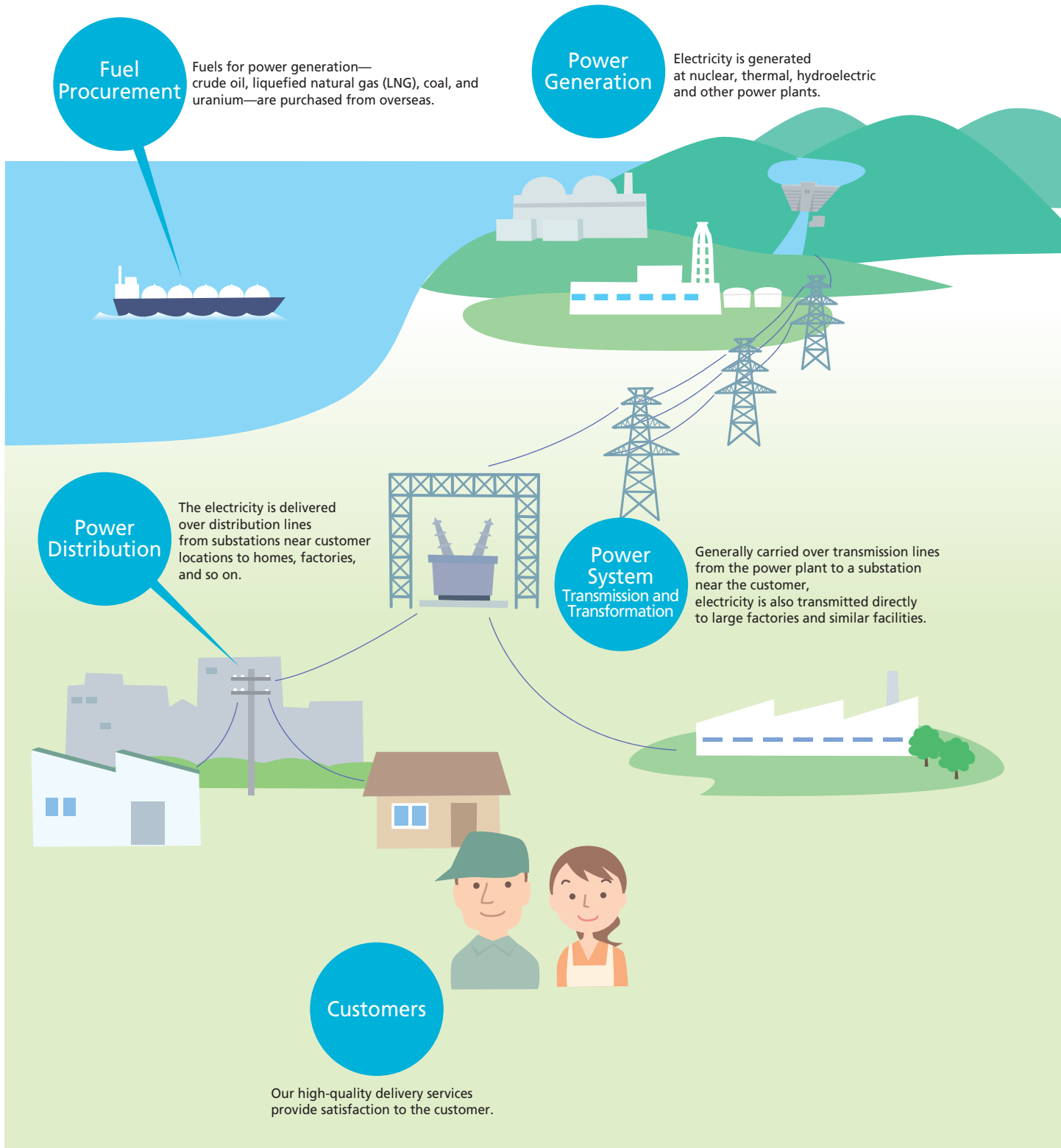
We hope that Chubu Electric Power will continue providing various services relating to education and our local communities in the future.

# Delivering Safe and Reliable Electricity

At Chubu Electric Power, we consider it our primary mission to provide customers with a reliable, safe and affordable supply of energy.

All employees of the Chubu Electric Power Group are fully engaged in this effort to deliver a stable supply of electric power, and utilize their capabilities to the fullest extent.

## How Electricity Gets to the Customer





## Aiming for a Reliable Supply of Power

### Optimum Power Source Composition

The generation methods of nuclear, thermal, hydro, and other forms of power all have their own characteristics in terms of energy security, impact on the environment, economic efficiency, and so on. Chubu Electric Power takes these characteristics into consideration in determining the most balanced combination of power sources, known as the optimum power source composition.

The power source composition at Chubu Electric Power is characterized by a large thermal power component and a small nuclear power component. It will be necessary in the future to further increase the share of nuclear power, which is superior in terms of energy security and reduced impact on the environment. We are therefore engaged in a concerted effort to develop new nuclear power capacity through utilization of our own resources.

In addition to our in-house power development effort, we are also giving full consideration to purchasing power from sources developed by other companies and procuring power on the wholesale electric power market. We intend to pursue a comprehensive power development effort.

### Stable, Flexible and Economical Fuel Procurement

The fuel supply and demand situation is expected to become more challenging over the medium to long term, in part because of growing energy demand in newly emerging economies. To meet this challenge, Chubu Electric Power is working to ensure stability and increase economy in our procurement of the fuel necessary to supply electric power and attain the flexibility to respond rapidly and appropriately to fluctuations in supply and demand. We are doing this by acquiring upstream rights\* and engaging in fuel trading\* in order to strengthen our fuel supply chain connecting production, purchasing and power generation.

A variety of initiatives and arrangements are being pursued that relate to LNG, the primary fuel we use for generating thermal power. These include acquiring upstream rights, further decentralizing our supply sources, combining different types of contracts and ensuring flexibility in volume, delivery site, etc., in our contracts.

In November 2009, we made a determination to purchase LNG from the Gorgon Project of Western Australia and to acquire rights in the same project.

Our fuel trading firm, Chubu Energy Trading, Inc., has centrally managed all coal procurement for Chubu Electric Power since April 2010, which allows us to respond rapidly and accurately to fluctuations in the coal market.

- \* **Upstream rights:** Ownership of assets such as a mining area or production equipment, acquired by investment in a project, or rights to receive commodities produced or a distribution in accordance with ownership stake.
- \* **Fuel trading:** Refers to two-way trade in fuel (i.e., both buying and selling), rather than one-way purchasing of fuel from sellers as in the past.

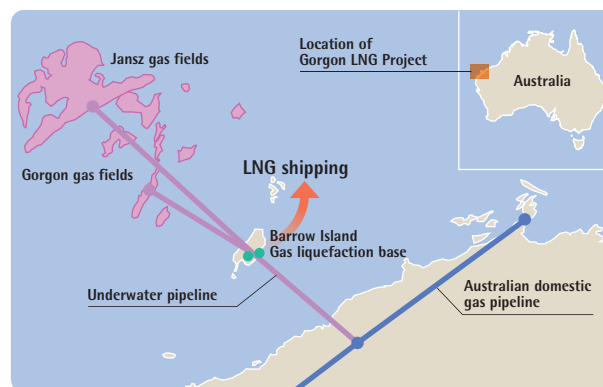
### Overview of Gorgon LNG Project trade contract and rights acquisition

#### LNG purchasing and acquisition of rights

Volume purchased: 1.44 million tons/year

Period: 25 years, beginning in 2014

Percentage of rights acquired: 0.417% (assures rights to approx. 60,000 tons annually)



### Voice on Site



#### I Value Communication

Akiko Tanba  
Chubu Energy Trading, Inc.

Chubu Energy Trading, Inc. was established as a partnership between UK-based fuel trader EDF Trading Limited (EDFT) and Chubu Electric Power to use trading to increase coal procurement flexibility for Chubu Electric Power and thus ensure stability of supply.

My job is to compare coal trading conditions with world market conditions and control day-to-day profit and loss. At first I was at a loss trying to work with the members sent from EDFT, but I realized I could learn a lot from them with their stronger sense of rationality and promptness than Japanese typically have. By working on communicating with them, I hope to learn from their strong points.

## Delivering Safe and Reliable Electricity

### Efforts in the Power Generation Divisions

#### ■ Working for Reliable Operation

Our power generation divisions must respond appropriately to electric power demand, which changes from minute to minute, and generate electricity continuously and stably to deliver it to our customers without interruption.

For that reason, every effort is made to monitor and control power plants and dams 24 hours a day and perform everyday maintenance, inspections and repairs faithfully to keep power generation facilities in top shape and prevent trouble.

Our thermal power plants in particular, which account for 70% of the power generated by Chubu Electric Power, are essential for responding flexibly to changing demand because they provide a stable supply of electric power. Initiatives to ensure stable operation at thermal power plants include numerous daily equipment patrol inspections and the monitoring of operations from a central control room. Through these steps we endeavor to detect equipment abnormalities immediately and prevent accidents.



A worker checks the sound of the drive motor in a thermal power plant water supply pump

#### ■ Maintaining and Improving Technical Skills

The technical skills and experience of each employee are absolutely critical to maintaining and managing facilities. It is important to build up the technical skills of site workers and have veteran workers pass on their skills to younger ones.

For example, using simulators that function similarly to actual equipment, the thermal power division builds operating skills through a proactive program of on-the-job training and practical training in which workers repeatedly respond to emergency situations. Chubu Electric Power has prepared "Original Technical Documentation," compilations of know-how (knowledge, skills, discoveries and assessment standards) we have accumulated over the years relating to thermal power equipment design, operation and maintenance. These materials are used in on-the-job training.

### Voice on Site



Takashi Tanaka  
Operation and Maintenance Section,  
Chita Thermal Power Station,  
Thermal Power Administration Center,  
Chubu Electric Power Co., Inc.

#### Dedicated to Building My Knowledge and Skill

I work in power generation operations at Chita Thermal Power Station No. 3 and 4. Equipment operation, maintenance and management require a high degree of specialized knowledge and technical skill. Day to day, I work on building these abilities so our supply of electric power to customers is stable.

### Efforts in the Power System Divisions

#### ■ Building and Servicing Facilities for Flawless Power Transmission

The electricity created in a power plant is delivered to the customer by means of transmission facilities known as power transmission lines and substations. Construction of these power transmission facilities is carried out in a planned manner, matched to the construction of power plants, growth in demand and other such factors. Also, though the amount of construction work is increasing due to improvements of older facilities, we are working to smooth out workloads throughout the year and are conducting these improvements systematically. In the summer particularly, when electric power demand increases, we avoid working those hours of the day when lightning is likely to occur and use the early morning hours when demand is low to ensure that supply remains reliable as we work.

#### ■ Flawless Operation and Maintenance

In order to deliver an appropriate supply of electricity matched to fluctuating demand, the central load dispatching center and the load dispatching control center maintain control of electric power production on a 24-hour basis. They also monitor and control the flow of electricity in order to deliver high-quality power in a stable manner with minimal fluctuation in voltage and frequency. Distribution facilities are also subject to regular observation and inspection so that faults in the facilities can be detected early. We also take continuous improvement initiatives with our quality management system to increase the precision of maintenance.

### ■ Rapid Response to Faults

Power transmission lines are set up in a grid pattern, basically with two lines in any area, and there are multiple transformers at substations. In the unlikely event that a fault, disaster, or other problem renders some part of the distribution facilities out of service, we will endeavor to supply electricity promptly, using the undamaged portions of the network.

In order to enable a rapid response when faults do occur, we also conduct repeated training sessions on a regular, ongoing basis.

effort involves building facilities that make it less likely that birds and snakes will come in contact with electrified components. We also make efforts to remove crows' nests and other objects capable of causing faults.



Crow's nest removal work

## Topics

### Update of Online TSC System

Chubu Electric Power's Online TSC System, the first system of its type to be developed and put into use, prevents widespread power outages when lightning strikes, etc., cause network failures. This is an advanced and economical way to maintain the stability of our power system. Because the system had been in place for a decade, the computer that determines the power system's stability level was updated in May 2009, which raised calculating precision and made maintenance more efficient.



### ■ Prompt Recovery from Power Outages

To address the unlikely event of a power outage occurring as the result of a fault, Chubu Electric Power and Group companies have systems in place to restore service, and engineers are ready for dispatch on a 24-hour basis. Even in the event of a power outage, remote operation over our power distribution line automation system lets us minimize the impacted area by quickly shifting the flow of electricity to unaffected sections of line.

### ■ Customer Service Operations

Power distribution engineering service representatives in the sales offices make changes to contract capacity, conduct various kinds of surveys, provide consulting services, and conduct other appropriate activities according to requests received from customers.

## Efforts in the Power Distribution Divisions

### ■ Preventing Power Outages

The electricity that is sent through power transmission lines and substations is delivered to the customer over distribution lines. Power distribution lines are strung in large numbers in locations close to our customers. Since a fault in just one location can lead to power outages across a wide area, we employ every means possible to maintain and control these facilities.

Specifically, we carry out regular observation and inspections in order to detect fault locations early.

When fault locations are detected, we promptly do the required repair work. The Chubu Electric Power service area experiences frequent thunderstorms, so we actively promote measures against lightning. Another ongoing



A power distribution engineering service member explains contract details to a customer



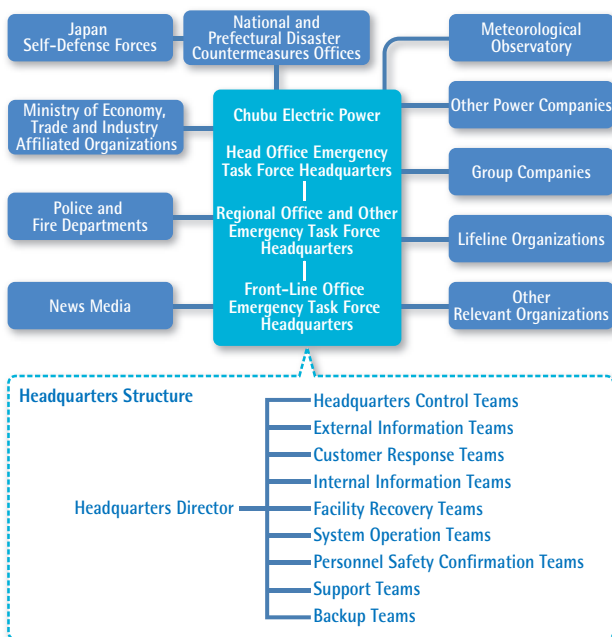
## Delivering Safe and Reliable Electricity

### Measures for Disaster Management

#### ■ Disaster Management System Established

Chubu Electric Power makes every effort to configure facilities to be highly disaster-resistant at every phase of delivery, to enable our customers to freely use electricity with full peace of mind. We have also developed disaster management measures geared to prompt restoration of service in the unlikely event that a natural disaster occurs. If a disaster strikes or is anticipated to strike shortly, an emergency will be declared immediately and an emergency taskforce will be set up at each business location.

#### Disaster Management System



If an emergency is declared, predetermined response personnel immediately report to the Company offices. Under the supervision of the Headquarters Director, they work on duties assigned in advance, including determination of damage and recovery status, recovery response, coordination with government agencies, etc. We also seek close collaboration with national and regional public service groups, police and fire departments, and other agencies on a regular basis to be prepared for any disaster. Chubu Electric Power has also established mutual cooperative systems with other power companies and Group companies for emergency allocation of power, dispatch of support personnel, and related matters.

#### ■ Readiness for Major Earthquakes

Several major earthquakes, termed the Tokai, Tonankai, and Nankai earthquakes, have the potential to occur within the Chubu Electric Power service area. We are working to strengthen disaster management measures against large-scale earthquakes of this kind, with a focus on earthquake-proofing measures.

In the event that a Tokai earthquake alert or prediction bulletin is issued, or an earthquake warning is declared, Chubu Electric Power will announce a company-wide earthquake warning condition, establish an Earthquake Disaster Management Headquarters, and take all necessary measures.

#### ■ Measures for Early Recovery

Our group owns a helicopter that can be used to gather information, as well as to transport materials, equipment and personnel. The means of communication among Emergency Task Force Headquarters personnel has been secured. A network will be set up encompassing radio and fiber optic communications equipment, as well as satellite communications.

To aid in the supply of emergency power to hospitals, shelters and other vital facilities, we also maintain special power-generation and mobile-transformer vehicles at main business locations.

#### ■ Conducting Simulated Disaster Drills

Every office will conduct regular disaster-management and facility-restoration drills to train employees to respond correctly and quickly. Repeated practical training of this kind is carried on in cooperation with other organizations. Once every year, all offices of Chubu Electric Power participate in a company-wide disaster-management drill with a scenario envisioning a major earthquake. The drill confirms our readiness to implement measures quickly and correctly, including first response when disaster occurs, dissemination of information inside and outside the Company, public announcements to customers, and so on.

### Topics

#### Publicizing Disaster Countermeasures at Messe Nagoya 2009

Chubu Electric Power hosted a booth at Messe Nagoya 2009 (November 11-14), publicizing our initiatives against disasters.

Exploring the theme "Protecting Electricity: Past, Present and Future," the booth showed a compilation of training images from different workplaces, including company-wide disaster training, and offered a display explaining anti-disaster measures, among other topics. In addition, a member from the Distribution Operation and Maintenance Section of a customer service office appeared on a talk show to discuss his experiences doing disaster recovery work.



# As a Multi-Energy Services Group

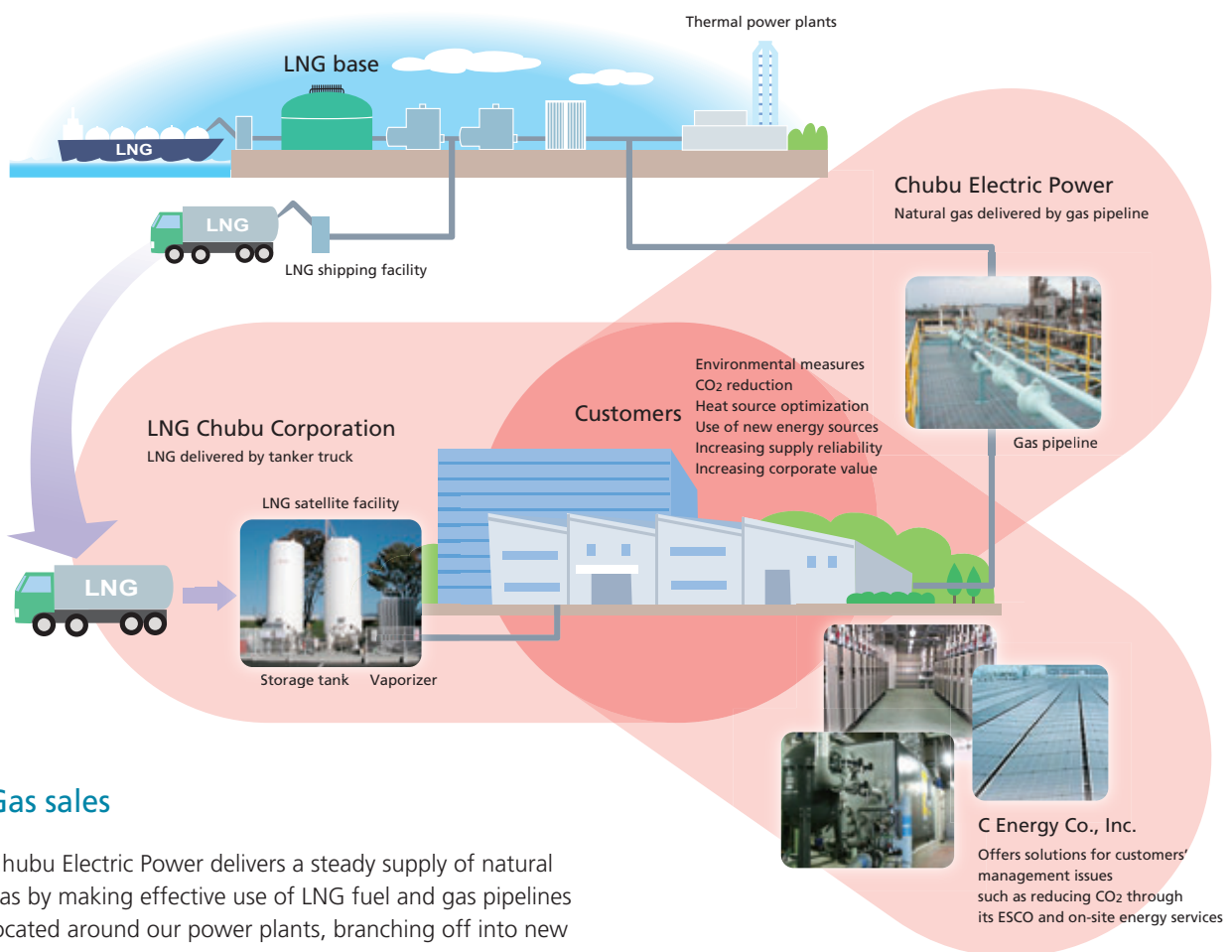
Working together, the Chubu Electric Power Group provides general energy services to meet customers' diverse needs with a combination of electricity, gas, on-site energy and more.

## Partnering with Group Companies to Provide Energy Services

Factors such as a growing environmental awareness are driving a change of fuel from heavy oil to natural gas in the energy market. An energy market is forming that reaches across traditional sectors and business patterns. To meet diverse needs, Chubu Electric Power is working with its Group companies to provide one-stop energy

services including electricity and a wide range of other energy forms.

Specifically, Chubu Electric Power provides general management of gas sales through our own pipelines, LNG sales by tanker trucks, and onsite energy services.



### Gas sales

Chubu Electric Power delivers a steady supply of natural gas by making effective use of LNG fuel and gas pipelines located around our power plants, branching off into new pipelines to our customers. (FY2009 sales: 340,000 tons)

### LNG sales by tanker truck

LNG Chubu Corporation offers a full range of LNG services from sale and transport of LNG by tanker truck to design and maintenance of satellite facilities. Hokuriku Erunesu Co., Ltd., a firm established in cooperation with three other companies including Hokuriku Electric Power Company, sells LNG in the Hokuriku region. (FY2009 sales: 190,000 tons (combined sales for both companies))

### On-site energy service

C Energy Co., Inc. provides on-site energy service, installing and operating energy equipment at customers' facilities to supply the energy they need, and is also actively engaged in ESCO projects\*. (Cumulative contracts at end of FY2009: 104)

\* ESCO project: A project that offers comprehensive energy-saving services for factories, office buildings, etc. Part of the cost-savings achieved from these solutions goes to pay the service fee, while the remaining savings are taken by the customer as profit.

## Management Goals

Each year, the Chubu Electric Power Group announces management plans in its "Management Goals," which includes "The Mission of Chubu Electric Power Group" and "Management Targets" as well as "Specific Initiatives" for achieving these things.

### Four Pillars of Management

#### The Mission of Chubu Electric Power Group

As a "multi-energy services group" based in the Chubu region, we achieve sustained growth in the Group as a whole as we deliver new value with energy at its core to our customers, and as we strive to protect the global environment in our business domains.

To achieve the corporate group mission, we will undertake actions supporting the following four pillars.

#### 1. Sales Efforts Geared Toward Customer Satisfaction

Chubu Electric Power is a corporate group that develops and provides multi-energy services that combine electric power with gas, LNG, and on-site energy for solutions tailored accurately to diverse customer needs. We are therefore committed to further upgrading the substance of our services and actively proposing solutions to our customers.

We propose new lifestyles made possible by switching to electricity, solve our customers' energy and environment-related issues, provide information and develop technologies as part of offering new value.

#### 2. Stable Generation and Reliable Supply of Affordable, High-quality Energy

By considering such issues as stable energy supply, protection of the global environment and efficient use of energy, we will work to build and operate efficient facilities in a systematic manner with a medium- to long-term perspective, e.g., building power-generation facilities to achieve an optimal balance of power sources, with the ultimate goal of producing a reliable supply of affordable energy. We are steadily pursuing nuclear power in particular, with safety as the highest priority, since this energy source has supply stability and global environmental advantages.

#### 3. Fulfilling our Corporate Social Responsibility (CSR), Including Protection of the Global Environment

Pursuing our intention of coexistence with the community, Chubu Electric Power actively fulfills its corporate social responsibility (CSR) as a good corporate citizen by practicing thoroughgoing compliance management, protecting the global environment and increasing the trust between us and members of the community. Particularly in our initiatives to protect the global environment, we are working to increase the percentage of our energy from non-fossil sources, respond to customers' and the community's environment-related needs, and help spread renewable energy and energy-saving technologies.

#### 4. Strengthening our Business Foundation to Enhance Corporate Value

Through the strategic use of management resources, the securing and developing of human resources for our business, and the research and development of technology for our future, we give our business a stronger foundation, enhance corporate value as a competitive multi-energy services group and meet our stakeholders' expectations.

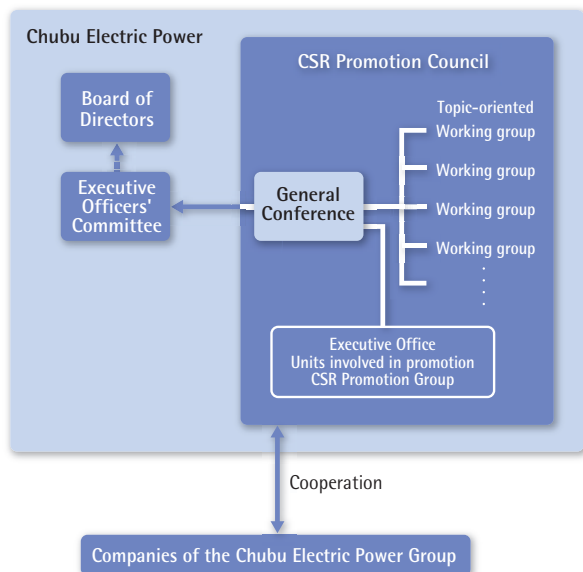


## CSR Promotion Framework and Activities

### The Framework for Promotion of CSR

In July 2005, Chubu Electric Power established the CSR Group in the Corporate Planning and Strategy Division to handle the CSR program. In September of the same year, we also formed the CSR Promotion Council. With a membership comprising the heads of all company divisions, this council works from stakeholder views and opinions, objective evaluations by third-party organizations, and other such sources to identify CSR issues, select and order priorities, and undertake improvement activities. Collaboration among Group companies is handled by the exchange of information on CSR promotion activities. We also engage in cooperative programs to increase awareness of CSR.

#### CSR Promotion System



### Programs to Increase CSR Awareness

Programs to increase awareness of CSR are being implemented at every level of the Chubu Electric Power Group.

#### Executive CSR Seminar

Executive CSR Seminars in topics of interest are held annually for Chubu Electric Power officers, top managers, and the top executives of Group companies. In fiscal year 2009, we invited Mr. Tetsuo Kuboyama, President of Windsor Hotels International, to give a lecture. Under the title, "From Services to Hospitality," Mr. Kuboyama discussed the importance of providing services that establish a relationship of trust with customers,

the significance of loyalty management with respect to employees, and other requirements for increasing customer satisfaction, through specific examples in hotel management.



Mr. Tetsuo Kuboyama giving a lecture on increasing customer satisfaction

#### e-Learning

Chubu Electric Power began offering e-learning programs to all its employees in fiscal year 2008, to promote greater understanding of the concept and importance of CSR, and has also extended the programs to Group companies in fiscal year 2009.

#### Exchanging Views with Front-line Offices

Chubu Electric Power holds annual sessions to exchange views with the employees of front-line offices as well as with executives of Group companies. This is designed to raise awareness of CSR concerns and to acquire feedback that can be incorporated in CSR reports and in specific measures.

Look! P63

### Publication of the CSR Report

The status of Chubu Electric Power's CSR activities is announced in an annual CSR Report. The 2010 edition of the report is accompanied by a digest edition containing a summary of important information provided in the report.

### Checks and Evaluations of CSR

Chubu Electric Power holds stakeholder dialogues and exchanges of views with Mie University in order to acquire external evaluations regarding our CSR initiatives and reports. We also apply to the Sustainable Management Rating Program, which is run by the Sustainable Management Forum of Japan, a non-profit organization that provides assessments of CSR management.

Look! P63-64

CSR Promotion

Major Activities in Fiscal Year 2009 and Plans for Fiscal Year 2010

Area of Activity		Plans for FY2009
Management and Economy	CSR Awareness	<ul style="list-style-type: none"> <li>Expand awareness-raising activities through e-learning to Group companies.</li> <li>Conduct Executive CSR Seminars and hold meetings to exchange views.</li> </ul>
	Internal Controls	<ul style="list-style-type: none"> <li>Establish and enforce appropriate internal control systems based on the Corporate Law.</li> <li>Enforce appropriate internal controls and assess the validity of financial reporting based on the Financial Instruments and Exchange Act.</li> </ul>
	Compliance	<ul style="list-style-type: none"> <li>Promote initiatives for overcoming personal and organizational issues related to compliance promotion. (Announce compliance promotion policies through Compliance Chief Managers (CCM), and follow up on the results of employee questionnaire surveys.)</li> </ul>
Environment		See Action Plan (P. 27–28)
Society	Customers	<ul style="list-style-type: none"> <li>Improve business operations and launch new services in response to customer feedback obtained from the Customer Response System, lifestyle websites, the e-Lifestyle Information Center, and other points of contact with customers.</li> </ul>
	Shareholders and Investors	<ul style="list-style-type: none"> <li>Disclose information in an appropriate and timely manner, and improve interactive communications.</li> </ul>
	Business Partners	<ul style="list-style-type: none"> <li>Implement measures aimed at promoting fair and just procurement activities and strengthening mutual understanding, including explanatory meetings with business partners.</li> </ul>
	Local Communities	<p><b>Assuring safety and security in local communities</b></p> <ul style="list-style-type: none"> <li>Disseminate and promote information services that contribute to ensuring safety and security.</li> </ul>
		<p><b>Education for the next generation</b></p> <ul style="list-style-type: none"> <li>Review the implementation of new education guidelines and improve education support programs.</li> </ul>
	Employees	<p><b>Promotion of human rights awareness activities and harassment prevention activities</b></p> <ul style="list-style-type: none"> <li>Implement education programs and awareness-raising activities based on the Individual Rights Awareness Promotion Plan.</li> <li>Provide information to raise human rights awareness in the entire Group.</li> </ul>
		<p><b>Utilization of diverse human resources</b></p> <ul style="list-style-type: none"> <li>Provide company-wide training to promote the active participation of female employees.</li> <li>Conduct diversity forums, exchange meetings with employees from different industries, and joint training programs.</li> <li>Continue employing part-time workers as regular employees.</li> </ul>
<p><b>Assuring labor safety and well-being</b></p> <ul style="list-style-type: none"> <li>Implement joint labor-management safety programs that include Group companies.</li> <li>Implement activities for better mental and physical health.</li> </ul>		

Major Activities in FY2009	Plans for FY2010	See page
<ul style="list-style-type: none"> <li>• Extended e-learning programs to Group companies.</li> <li>• Conducted Executive CSR Seminars.</li> <li>• Held exchanges of views with front-line offices (12 offices).</li> </ul>	<ul style="list-style-type: none"> <li>• Continue conducting Executive CSR Seminars and holding meetings to exchange views.</li> <li>• Conduct awareness-raising activities using the Intranet.</li> </ul>	P18
<ul style="list-style-type: none"> <li>• Developed and enforced proper internal control systems based on a framework for ensuring appropriateness of corporate operations.</li> <li>• Enforced appropriate internal controls related to financial reporting and assessed the validity of financial reports based on the results of independent inspections conducted by the operations departments and the results of audits conducted by the internal audit department.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue developing and enforcing appropriate internal control systems based on Corporate Law.</li> <li>• Continue enforcing appropriate internal controls and assessing the validity of financial reporting.</li> </ul>	P22
<ul style="list-style-type: none"> <li>• Presented compliance promotion policies to each organization through CCMs.</li> <li>• Conducted a follow-up of the results of employee questionnaire surveys (extraction of characteristics and issues by organization and application of the findings to actual initiatives).</li> <li>• Conducted a questionnaire survey of Group company employees.</li> </ul>	<ul style="list-style-type: none"> <li>• Transform corporate conduct and behavior of the entire Group through the following activities. <ul style="list-style-type: none"> <li>• Establish sound partnerships with business partners.</li> <li>• Clarify compliance promotion policies in each organization.</li> <li>• Follow up on the results of Group-wide employee questionnaire surveys.</li> </ul> </li> </ul>	P24
<ul style="list-style-type: none"> <li>• Improved business operations and launched new services in response to customer feedback (number of feedback responses received: approx. 2,500).</li> </ul>	<ul style="list-style-type: none"> <li>• Continue improving business operations and launching new services in response to customer feedback.</li> <li>• Review the customer feedback examination system.</li> </ul>	P51 P52
<ul style="list-style-type: none"> <li>• Held settlement briefings (2 times), briefings for personal investors (2 times), and facility tours for shareholders (9 times).</li> <li>• Disclosed information in an appropriate and timely manner, based on relevant laws and regulations.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue disclosing information in an appropriate and timely manner and improving interactive communications.</li> </ul>	P53
<ul style="list-style-type: none"> <li>• Conducted presentation sessions for business partners (229 companies participating).</li> <li>• Actively utilized the consultation contact point established within the Purchasing and Contracting Division (number of consultation requests received: 143).</li> </ul>	<ul style="list-style-type: none"> <li>• Continue implementing presentations to business partners and related activities to realize fair and impartial procurement and to improve mutual understanding.</li> </ul>	P53
<ul style="list-style-type: none"> <li>• Provided information services such as "Kizuna Net" network to communicate with parents and guardians of schoolchildren (subscribers: approx. 260,000 users in 650 schools).</li> <li>• Operated "Pat-net Aichi," a service for the distribution of information on suspicious individuals, in cooperation with Aichi Police Headquarters (subscribers: approx. 80,000 users).</li> </ul>	<ul style="list-style-type: none"> <li>• Continue disseminating and promoting information services that contribute to ensuring safety and security.</li> </ul>	P09 P10 P54
<ul style="list-style-type: none"> <li>• Reviewed educational materials in accordance with new education guidelines.</li> <li>• Implemented 435 traveling classes at elementary and junior high schools.</li> </ul>	<ul style="list-style-type: none"> <li>• Use the new educational materials that were reviewed in fiscal year 2009 and implement education support programs in accordance with education guidelines.</li> </ul>	P56
<ul style="list-style-type: none"> <li>• Provided human rights awareness education in level-specific training programs such as for new employees and newly appointed managers.</li> <li>• Held seminars on human rights and harassment.</li> </ul>	<ul style="list-style-type: none"> <li>• Systematically implement education on human rights awareness and harassment prevention based on plans approved by the Individual Rights Awareness Promotion Committee.</li> <li>• Provide effective consultation services through harassment contact points.</li> </ul>	P59
<ul style="list-style-type: none"> <li>• Provided training programs designed to promote women's active participation to female employees and management-level employees (participation of 350 people).</li> <li>• Conducted joint training with employees from different industries.</li> <li>• Employed 15 part-time workers as regular employees.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement basic measures for changing employee awareness and improving support frameworks, and focus on creating an environment for individual growth and success and on introducing new working styles.</li> <li>• Continue collaborations with people outside of the Company.</li> </ul>	P60 P61
<ul style="list-style-type: none"> <li>• There were 58 incidents of work-related accidents (including subcontracted and commissioned work).</li> <li>• Provided guidance and advice through industrial physicians, after temporary health checkups (123 cases).</li> </ul>	<ul style="list-style-type: none"> <li>• Provide education on workplace safety through chief safety operation trainers.</li> <li>• Enforce preventive measures and basic rules.</li> <li>• Continue implementing countermeasures to health disorders and mental healthcare measures.</li> </ul>	P62



## Corporate Governance

We are committed to keeping Chubu Electric Power a corporation that our stakeholders trust and choose above others. To that end, we are making every effort to raise corporate governance\* to a higher level of enhancement with fairness and transparency as central priorities.

### Governance Structure

#### Ensuring Appropriate Execution of Duties

In addition to the various organs prescribed by Japan's Corporation Law, i.e., Board of Directors, Board of Auditors, Corporate Auditors, and so on, we have in place a Corporate Planning and Strategy Council and an Executive Officers' Committee.

The Board of Directors meets once every month, as a rule, and conducts deliberations and decision-making regarding important management matters and items prescribed by law and the articles of incorporation. The board also supervises the directors in the execution of their duties, for example by hearing reports from directors regarding the status of the execution of their duties. We have additionally appointed two outside directors to reinforce the supervisory function.

The Executive Officers' Committee meets once a week, as a rule. This body conducts preliminary deliberations on items submitted for the agenda of the Board of Directors, and also deliberates on other matters of importance for business operations. The Corporate Planning and Strategy Council, consisting of representative directors and others, discusses directions for medium- to long-term management and refers to the Executive Officers' Committee and Board of Directors any matter requiring their attention.

We have adopted an executive officer system to ensure that management's decision-making and supervision duties are separate from the execution side and to help accelerate execution. Presidential authority is given largely to the executive officers with other responsibilities who serve as General Managers, and the execution of duties in specified areas is accomplished by persons below the rank of General Manager. As a rule, in a situation where an executive officer with other responsibilities serves in another position of particularly heavy responsibility such as General Manager, a director will serve in such dual positions, to prevent discrepancies between management decisions and actual business operations.

Furthermore, management responsibilities and executive responsibilities are clarified, and appointments of directors, executive officers with other responsibilities and executive officers are made for one year to ensure that our management system is capable of responding quickly to changes in the business environment.

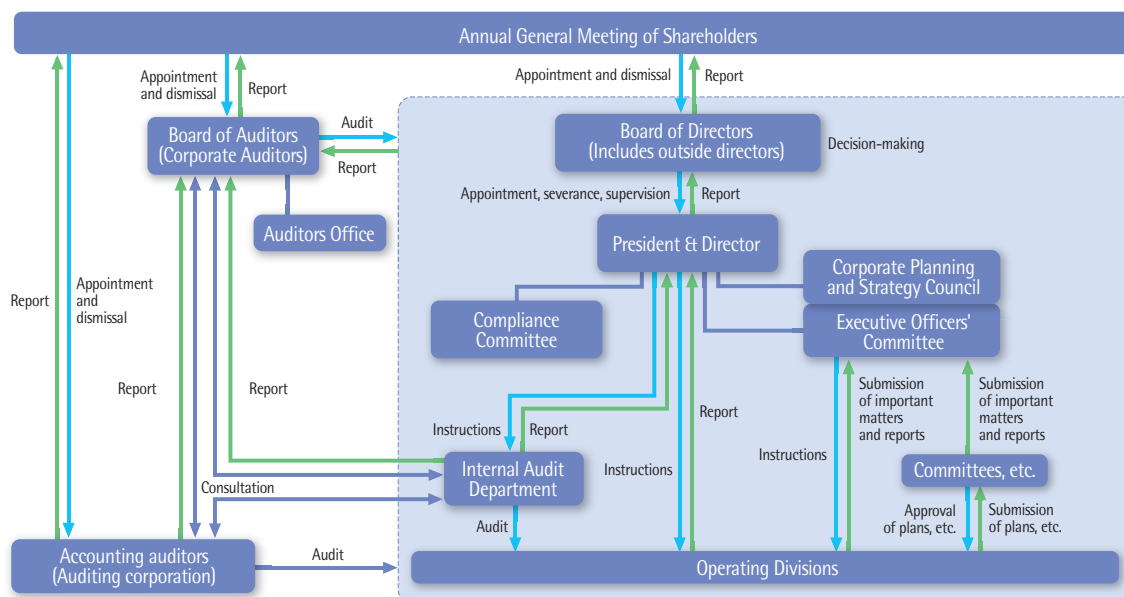
The Board of Auditors, consisting of seven Corporate Auditors (four of them outside auditors), allocates the roles of the Corporate Auditors and shares information in order to conduct audits more systematically and efficiently. It also issues decisions and approvals regarding matters of law and the items prescribed by the articles of incorporation. Working to ensure mutual understanding among directors, the internal auditing department and other employees, Corporate Auditors audit every aspect of the performance of duties by the directors, for which purpose they attend meetings of the Board of Directors and other important meetings, interview directors regarding the performance of their duties, and examine the state of company business processes and finances. They also monitor and verify the content of resolutions by the Board of Directors that relate to establishing a system for ensuring the appropriateness of company business processes, and the status of the system established based on those resolutions (i.e., the internal control system).

The Internal Audit Department, which is under the direct control of the President and independent of the operating divisions, is responsible for internal audits of the activities of the operating divisions, such as quality assurance initiatives for nuclear power safety, and performs its monitoring duties from the perspective of internal control system (including internal control on financial reporting\*) effectiveness and CSR. The department reports the results of its audits to the President and gives advice to departments concerned as it promotes continuous improvement.

\* **Corporate governance:** The monitoring and regulation of enterprise management, and the systems for performing these tasks.

\* **Internal control on financial reporting:** Starting with business years beginning April 1, 2008 or thereafter, companies listed on stock exchanges are required to write internal control reports evaluating their internal control on financial reporting, as well as to receive a certificate of audit of their internal control reports by a certified public accountant or auditing firm and to submit it to the Prime Minister together with their securities reports.

Chubu Electric Power's Corporate Governance Framework (Schematic diagram)



## Internal Controls\*

### Preparation and Operation of Internal Control System

To set forth our basic stance on the establishment of internal controls, a resolution was passed at the Board of Directors meeting in April 2006, establishing a framework to ensure fair corporate governance, consisting of systems relating to business management, risk management, and compliance and auditing, among others. A revision was made at a March 2008 Board of Directors meeting that reflected internal control on financial reporting, among other matters, followed by a revision reflecting items relating to business management of Group companies, decided at an April 2009 meeting of the Board of Directors. Chubu Electric Power prepares and operates its internal control system carried on this "system to ensure the proper conduct of business operations."

#### ■ Group Initiatives

As part of initiatives to ensure the proper conduct of business operations, Chubu Electric Power has defined internal Group controls. We have set up a department to oversee relevant issues pertaining to Group companies in order to adequately develop management strategies and policies applicable to the whole Group, and to effectively manage the Group companies. In fiscal year 2008, a number of official regulations concerning Group management were put into place to ensure that internal controls are maintained and applied in an appropriate fashion.

Starting from fiscal year 2006, we have been conducting internal audits of consolidated subsidiaries, while extending support to Group companies in their efforts to establish and operate internal controls.

### Internal Controls on Financial Reporting

Concerning internal control on financial reporting as based on the Financial Instruments and Exchange Law, Chubu Electric Power has prepared a system to visualize, confirm and evaluate important business processes relating to financial reporting. This system has been in operation since April 2008.

We will continue to work to ensure appropriate financial reporting.

\* **Internal control:** A process that is built within an organization and implemented as part of its business operations, in order to achieve one of four purposes: effective and efficient business operations; reliable financial reporting; compliance of business activities; and maintenance of assets.

## Corporate Governance

### Risk Management

We have put in place organizations, authorities and internal regulations on risk management for the Company as a whole and for the individual divisions to prevent the occurrence of risks, as well as to transfer and minimize risks if they occur.

Specifically, risks that can have a serious impact on management are subject to risk management and other internal regulations. According to these regulations, the Corporate Planning and Strategy Division and the various individual divisions are to ascertain and evaluate such risks and report them to Management Meetings. They are also to act on the instructions of top management to formulate and implement management plans and business operation plans incorporating risk countermeasures.

When an emergency or other such event that would have a serious impact on the Company's assets or credibility in society occurs, then actions are to be taken in accordance with emergency countermeasure regulations, emergency

management regulations, and other such regulations. A report is to be made to the person responsible for emergency management, emergency measures are to be taken to prevent the spread of damage, and measures to restore service are to be carried out.

#### Topics

##### Response to New Strains of Influenza

In April 2007, Chubu Electric Power wrote a detailed action plan on responding to new strains of influenza and published it on our website. (Revised November 2009)  
We are making every effort to ensure that, in the event of an outbreak of a new strain of influenza in Japan, we will be able to continue supplying electric power without impediment.

### Personal Information Protection and Information Security

#### Protection of Personal Information

Chubu Electric Power handles large volumes of personal information, including customer information. We have, therefore, created a basic personal information privacy policy that is based on the Act on the Protection of Personal Information, and we are implementing a variety of measures accordingly.

#### Efforts to Ensure Information Security

Chubu Electric Power takes the following initiatives to prevent leaks of personal information or other information we collect for our operations.

##### Systematic Countermeasures

Chubu Electric Power has a company-wide information control framework with privacy promotion sections set up for that purpose in the various divisions, regional offices, and front-line offices. These sections operate under privacy promoters appointed by the President.

##### Human Countermeasures

We are making every effort to establish the proper control of personal information as a company-wide practice, and employees are required to carry an information management pocketbook that summarizes internal company rules and the training offered by e-Learning.

Efforts to implement proper control of information are being carried out in the Group companies as well, where in-house rules are being developed and information is being shared about incidents of information leaks inside and outside the Group.

##### Physical Countermeasures

Areas where official duties are carried out are kept locked and separate from areas accessible to non-company personnel, among other measures.

##### Technical Countermeasures

We have measures in place to deter computer viruses and unauthorized access, PC access is verified by IC card, and access records are compiled and analyzed.

#### Information Leaks and Preventing Recurrence

When cases of loss or theft of information occur, we immediately provide the customers and interested parties with an apology and explanation of the circumstances. Within the company, we make the specifics of what happened known to all, and take thorough measures to prevent the problem from recurring.



# Compliance

Chubu Electric Power recognizes that the establishment of compliance is essential for winning the trust of our customers and local communities. The entire company is therefore united in promoting compliance.

## Ensuring Compliance

**Chubu Electric Power Declaration of Compliance**  
 Without compliance, there can be no trust.  
 Without trust, there can be no growth.

### Compliance Promotion System

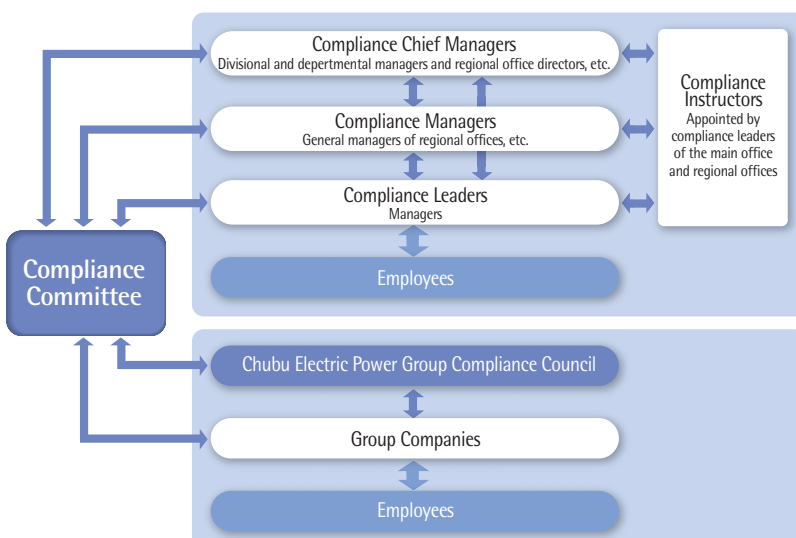
Under the leadership of Chubu Electric Power's Compliance Committee (established in December 2002 and chaired by the President), we are building systems for the promotion of compliance throughout the company. We have formulated the Chubu Electric Power Declaration of Compliance, the Eight Action Guidelines, and other guiding statements, and are developing autonomous programs in every division and office of the company. Specifically, we distribute a booklet documenting sample situations where compliance action is needed, and provide training for compliance leaders as well as training programs specific to each class of employees and each place of business. We have a grassroots initiative for front-line proposal of ideas and solutions that has been underway since fiscal year 2006. Measures are being implemented to hear the views of people in the workplace in order to find solutions to issues in our ongoing work. Since fiscal year 2007, moreover, we have appointed a Compliance Instructor to each division, regional office and so on to work under the Compliance Chief Manager and act as a new spur to autonomous activity, and in fiscal year 2009, based on the results of an employee questionnaire given in

fiscal year 2008, we implemented policies to improve each employee's actions and promote leadership by persons with official responsibilities. Taking consideration of problems in action and attitude toward business partners as revealed by a questionnaire survey of Group company employees, the Group will work in a unified manner to build appropriate partnerships with our vendors. Concerning power facility security, moreover, the Electric Power Facility Security Committee, established in June 2009 and subordinate to the Compliance Committee, shares information with departments concerned, further promoting compliance awareness.

### Ensuring Compliance in the Chubu Electric Power Group

The Chubu Electric Power Group has been working in a comprehensive manner to ensure compliance in all our companies, and we established the Chubu Electric Power Group Compliance Council for that purpose in April 2003. Under the guidance of this council, the Group companies have been building compliance systems and promoting programs for heightened awareness of compliance. Chubu Electric Power is also working to provide and upgrade our support for initiatives, for example dispatching trainers to Group companies and holding training sessions with Group company participation. In fiscal year 2009, we sent questionnaires to Group employees to identify issues at each company.

### Compliance Promotion System



### Hotlines in Operation

In December 2002, hotlines were set up as points of contact regarding compliance issues at Chubu Electric Power, and in April 2004, we set up joint hotlines as contact points for the Chubu Electric Power Group. With the enactment of the Whistleblower Protection Act in April 2006, we expanded the scope of the hotlines to allow use by temporary workers and business partners as well. Efforts are underway to upgrade this system as it continues in operation. The hotlines are an important mechanism by which the company can comprehend its own problems and work to make improvements itself. We will therefore make every effort to respond properly to matters that arise.

# Environmental Policies and Promotional Framework

## Chubu Electric Power Group Environmental Declaration and Regime for Protecting the Global Environment

We consider the fight against environmental degradation to be one of the Group's most critical issues, so in April 2004 we established the Chubu Electric Group Environmental Declaration, which has guided our initiatives in this area.

### Chubu Electric Power Group Environmental Declaration

#### Environmental Philosophy

We will conduct ourselves responsibly and in good faith as members of the energy industry, and strive to protect the global environment through local, regional, and international cooperation.

#### Environmental Vision

We will promote global environmental conservation and contribute to the development of local communities capable of sustainable growth.

Transforming ourselves into a corporate group that enables each member to share in the environmental culture

**Guideline 1: We will use resources effectively.**

- We will work toward the development and practical application of renewable energy.
- We will promote the efficient use of energy.

**Guideline 2: We will reduce our environmental impact.**

- We will proactively reduce emissions of CO<sub>2</sub> and other greenhouse gases.
- We will aim for zero emissions and realization of a society dedicated to recycling.

**Guideline 3: We will improve our level of environmental management.**

- We will clearly recognize the environmental impact of our operations and undertake thorough environmentally conscious administration.
- We will cultivate personnel capable of independently taking action on environmental concerns.

**Guideline 4: We will promote environment-related communication and improve cooperation with the community on a local and global level.**

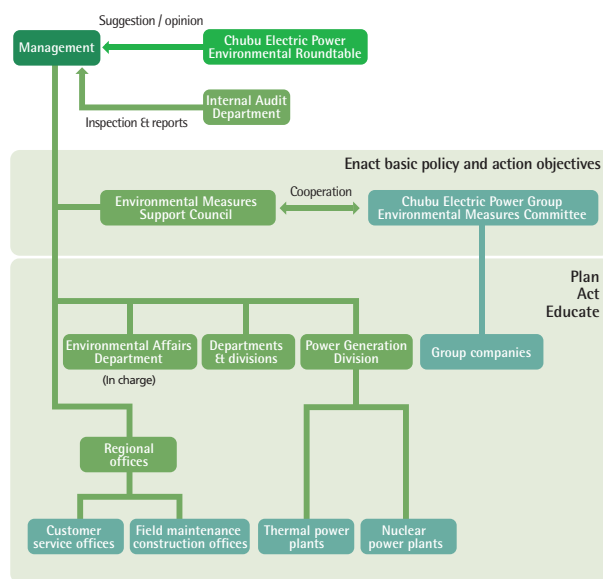
- We will improve interactive communication related to the environment and energy.
- We will cooperate with people in a wide range of fields outside the conventional framework.

Chubu Electric Power has established an action plan with specific targets based on the four guidelines above, and following this plan we will work for environmental conservation. Look! P27-28

### Regime for Protecting the Global Environment

We are working closely with Group companies and building a framework for promoting environmental management across departments and regional offices, headed up by the President.

#### Regime for Protecting the Global Environment



#### ■ Environmental Measures Support Council

The Council, chaired by the General Manager of the Environmental Affairs and Plant Siting Division, was instituted in April 1990. It engages in discussion and coordination of basic policies, action targets and specific measures related to preservation of the environment.

#### ■ Chubu Electric Power Environmental Roundtable

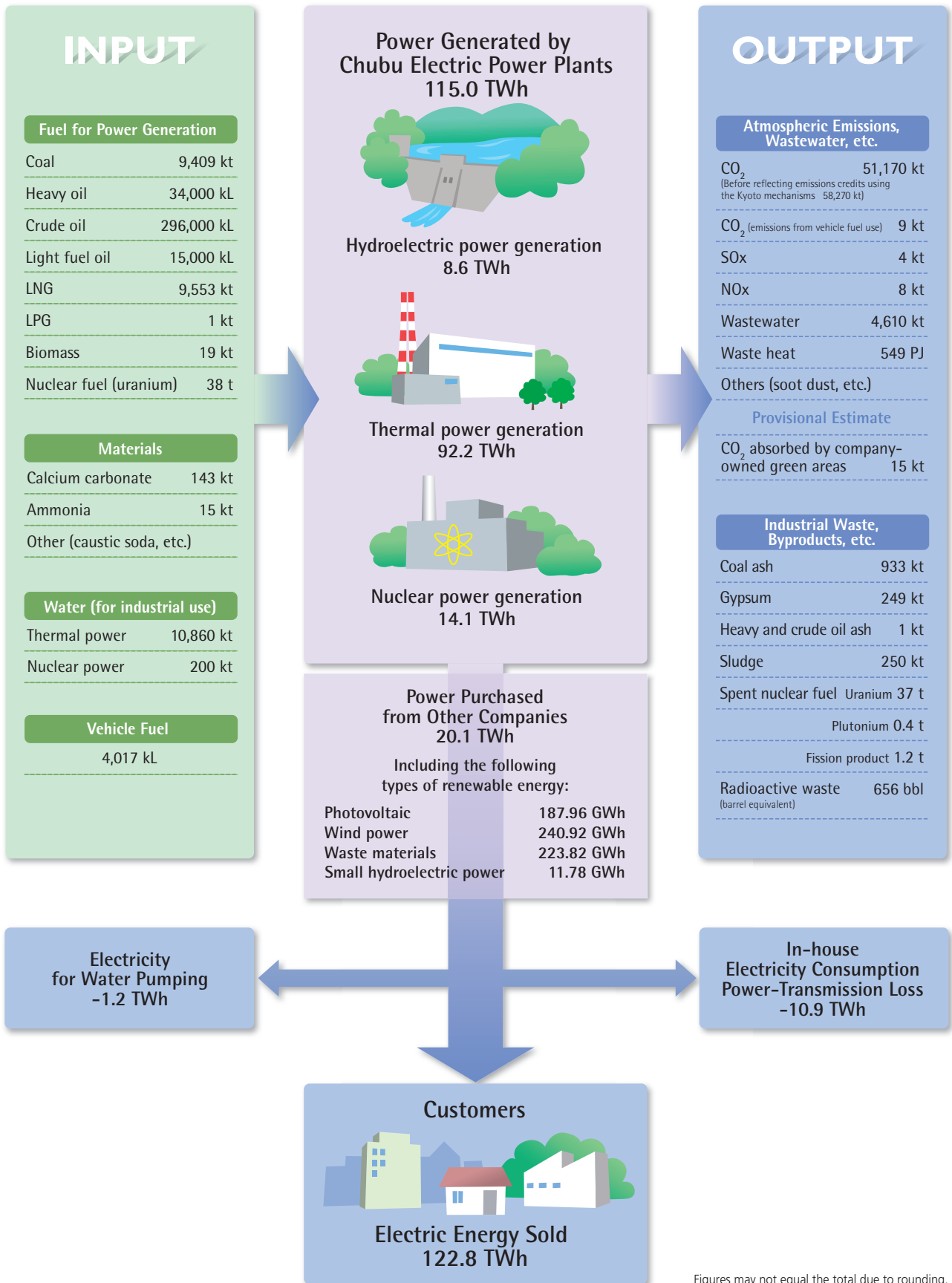
We have established a Chubu Electric Power Environmental Roundtable, through which the General Manager of the Environmental Affairs and Plant Siting Division can receive advice and suggestions on environmental measures in general from experts in environmental issues. Look! P50

#### ■ Chubu Electric Power Group Environmental Measures Committee

We instituted the Committee in April 2001, for the purpose of increasing group cohesion and reinforcing environmental measures among the members of the Group. Look! P45

# Business Activities and Environmental Impact

## Inputs and Outputs of Business Activities



Figures may not equal the total due to rounding.



# Action Plan

Item		Relevant Guidelines	Medium-term Goal (FY2020)	
Global Warming Prevention Reduction of CO <sub>2</sub> Emissions	Promoting Nuclear Power Generation	1,2	<ul style="list-style-type: none"> <li>Maximizing the usage of nuclear power generation facilities, while placing priority on ensuring safety (85% facility utilization rate*<sup>1</sup>)</li> <li>Promoting nuclear fuel recycling</li> <li>Promoting the replacement of nuclear power plants and making continuous efforts to cultivate new sites</li> </ul>	
	Promoting Development of Renewable Energy	1,2	<ul style="list-style-type: none"> <li>Steadily achieving the annual targets (standard usage volume) of the Renewable Portfolio Standards (RPS) Law (approx. 1.9 TWh to be achieved by Chubu Electric Power (13.4 TWh to be achieved throughout Japan by FY2014)*<sup>2</sup>)</li> <li>Steadily achieving the targets for after FY2015 under the RPS Law</li> </ul>	
	Promoting Energy Conservation	Improving Thermal Efficiency of Thermal Power Plants	1,2	<ul style="list-style-type: none"> <li>Achieving Japan's highest level of thermal efficiency through continuous efforts to maintain the present efficiency level of existing facilities, and through steady development and optimum operations at the Joetsu Thermal Power Station Overall thermal efficiency of 47% (lower heating value standard)</li> </ul>
		Promoting the Introduction of Next-generation Vehicles* <sup>3</sup>	1,2	<ul style="list-style-type: none"> <li>Promoting the introduction of next-generation vehicles Introducing 1,500 vehicles</li> </ul>
		Saving Energy in the Residential Sector	1,2,4	<ul style="list-style-type: none"> <li>Expanding the usage of heat pumps, including Eco Cute heat pumps, and other high-efficiency products</li> <li>Actively implementing ecological lifestyle promotion activities</li> </ul>
	Saving Energy in the Commercial and Industrial Sectors	1,2,4	<ul style="list-style-type: none"> <li>Proposing solutions that utilize the technologies and expertise of Chubu Electric Power and Group companies</li> </ul>	
	Researching CO <sub>2</sub> Reduction Measures	2	<ul style="list-style-type: none"> <li>Promoting research on CO<sub>2</sub> reduction measures</li> <li>Supporting the widespread usage of next-generation vehicles and the effective utilization of biomass fuels</li> <li>Technologies for the separation, capture, fixation, and biological utilization of CO<sub>2</sub></li> <li>System-compatible technologies capable of responding to large-scale expansion of distributed energy sources such as solar power generation</li> </ul>	
Complementary Initiatives	2,4	<ul style="list-style-type: none"> <li>Utilizing the Kyoto mechanisms (appropriate response toward the post-Kyoto framework)</li> </ul>		
<p>Reducing the average CO<sub>2</sub> emission*<sup>4</sup> by 20% for the period from FY2008 to FY2012 (below FY1990 level) Appropriate response toward the post-Kyoto framework for the period after FY2013</p>				
Protecting Biological Diversity	Biodiversity-friendly Business Activities	4	<ul style="list-style-type: none"> <li>Implementing biodiversity-friendly business activities</li> </ul>	
	Promoting Environmental Conservation Activities		<ul style="list-style-type: none"> <li>Achieving harmony with nature in our service territory and conserving the environment</li> <li>Promoting nature regeneration activities and the development of nature conservation technologies Donating 16,000 saplings per year and achieving a cumulative total of more than 500,000 trees</li> </ul>	
Creating a Recycling Society	Achieving Zero Emissions* <sup>5</sup>	2	<ul style="list-style-type: none"> <li>Reducing external landfill waste among Chubu Electric Power and Group companies Achieving an external landfill waste ratio of less than 1%</li> </ul>	
	Promoting Green Procurement	2,3	<ul style="list-style-type: none"> <li>Improving the green procurement rate for office supplies among Chubu Electric Power and Group companies Achieving a 100% green procurement rate for office supplies</li> </ul>	
Chemical Substances Management	Supporting PCB Treatment	2	<ul style="list-style-type: none"> <li>Promoting proper management and treatment of devices containing PCBs Completing the treatment of all devices by 2016</li> </ul>	
Thorough Environmental Management		3	<ul style="list-style-type: none"> <li>Promoting the utilization of the Environmental Management System (EMS) to improve operational effectiveness and efficiency among Chubu Electric Power and Group companies on a continuous basis</li> </ul>	
Training Personnel Capable of Taking Independent Action on Environmental Concerns		3	<ul style="list-style-type: none"> <li>Maintaining and improving environmental awareness among employees of Chubu Electric Power and Group companies Achieving full participation in the Chubu Electric Power Group Eco Points Program, and training a cumulative total of 300 Chuden Foresters (volunteer forest conservation instructors)</li> </ul>	
Communication with Local Communities		4	<ul style="list-style-type: none"> <li>Promoting education on energy and the environment in cooperation with local communities</li> <li>Actively implementing environmental activities with local communities and strengthening partnerships with local companies</li> </ul>	
Cooperation with the World		4	<ul style="list-style-type: none"> <li>Expanding overseas energy projects using the technologies and expertise of Chubu Electric Power and Group companies</li> </ul>	

\*1: Facility utilization rates vary every year depending on whether or not a periodical inspection is held. In order to eliminate this variance, the rate is calculated over an extended period of time (averaging over 5 years).  
 \*2: RPS targets have been revised in conjunction with the commencement of a new solar power purchasing system (November 2009).

\*3: Refers to such new types of vehicles as electric vehicles and plug-in hybrid vehicles  
 \*4: The CO<sub>2</sub> emissions intensity is calculated per the electricity amount consumed. Calculation of CO<sub>2</sub> emissions intensity is based on the System for Calculating, Reporting and Publishing Greenhouse Gas Emissions and Sinks according to the Act on Promotion of Global Warming Countermeasures (this system does not take into account the CO<sub>2</sub> reduction value of a

Results for FY2009	Self evaluation	Future Initiatives	See page
<ul style="list-style-type: none"> <li>Only achieved a facility utilization rate of 69.4%, due to the long-term shutdown of Units No. 4 and 5 at the Hamaoka Nuclear Power Station to investigate the cause of a rise in hydrogen concentration, and the automatic shutdown of those units caused by an earthquake (Units No. 3 to 5: 5-year average)</li> </ul>		<ul style="list-style-type: none"> <li>Further promoting nuclear power generation and nuclear fuel recycling, with top priority on safety</li> </ul>	P03 P04 P31
<ul style="list-style-type: none"> <li>Achieved the obligatory RPS amount of approx. 1.29 TWh</li> <li>Commenced operations at the Omaezaki Wind Power Station (first phase)</li> <li>Promoted the development of the Taketoyo and Iida Mega Solar Power Stations</li> </ul>		<ul style="list-style-type: none"> <li>Promoting the development and introduction of wind and solar power generation, biomass mixed combustion in coal-fired power plants, and small hydroelectric power plants</li> <li>Purchasing surplus electric power on a continuous basis</li> </ul>	P32 P33
<ul style="list-style-type: none"> <li>Achieved an overall thermal efficiency of 46.21% owing to preferential operations of highly efficient thermal power plants (FY2009 target: 46.08% or higher)</li> </ul>		<ul style="list-style-type: none"> <li>Steadily developing the Joetsu Thermal Power Station (slated to commence operations between FY2012 and FY2014)</li> <li>Preferentially operating high thermal-efficiency power plants</li> </ul>	P34
<ul style="list-style-type: none"> <li>Introduced 100 next-generation vehicles (electric vehicles and plug-in hybrid vehicles) (FY2009 target: 100 vehicles)</li> </ul>		<ul style="list-style-type: none"> <li>Promoting the introduction of next-generation vehicles to achieve the medium-term goal</li> </ul>	P37
<ul style="list-style-type: none"> <li>Strengthened various PR measures to promote widespread usage of Eco Cute (performance: contracts for approx. 69,000 units (0.3% reduction from the previous fiscal year); cumulative total of 350,000 units)</li> <li>Implemented awareness-raising activities to further promote the environmental household account book program</li> </ul>		<ul style="list-style-type: none"> <li>Promoting widespread usage of Eco Cute and other high-efficiency products</li> <li>Promoting "Ecoland," an environmental information site for children, and awareness-raising activities that promote ecological lifestyles through the environmental household account book program</li> </ul>	P36
<ul style="list-style-type: none"> <li>Strengthened activities to expand the use of high-efficiency products such as electric heat pumps (1,172 applications, approx. 138 MW (10% reduction from previous year))</li> </ul>		<ul style="list-style-type: none"> <li>Promoting widespread usage of high-efficiency products such as electric heat pumps</li> <li>Promoting energy conservation by proposing energy-saving diagnoses and other activities</li> </ul>	P36
<ul style="list-style-type: none"> <li>Conducted R&amp;D on charging systems to promote the use of next-generation vehicles</li> <li>Commenced test operations of Sterling engine power generation using woody biomass fuel</li> </ul>		<ul style="list-style-type: none"> <li>Promoting research on charging systems for next-generation vehicles, the effective utilization of biomass fuel, CO<sub>2</sub> fixation technology, and system-compatible technologies capable of responding to large-scale expansion of distributed energy sources such as solar power generation</li> </ul>	P30 P33 P36
<ul style="list-style-type: none"> <li>Steadily reduced CO<sub>2</sub> emission intensity by purchasing CO<sub>2</sub> emissions credits and transferring them to the government's amortization account</li> </ul>		<ul style="list-style-type: none"> <li>Further reducing CO<sub>2</sub> emission intensity by purchasing CO<sub>2</sub> emissions credits and transferring them to the government's amortization account</li> </ul>	P35
<ul style="list-style-type: none"> <li>Emission intensity after reflecting emissions credits using the Kyoto mechanisms 0.417kg-CO<sub>2</sub>/kWh (10.2% reduction from the FY1990 level)</li> <li>CO<sub>2</sub> emission intensity before reflecting emissions credits using the Kyoto mechanisms 0.474 kg-CO<sub>2</sub>/kWh (increase of 2.2% from FY1990)</li> </ul>			
<ul style="list-style-type: none"> <li>Conducted a survey of raptorial birds and implemented activities for the preservation of rare species, as part of environmental assessment</li> </ul>		<ul style="list-style-type: none"> <li>Promoting activities for the preservation of rare animals and plants in conjunction with the construction of power plants and power transmission lines</li> </ul>	P07 P08
<ul style="list-style-type: none"> <li>Conducted the construction of facilities that harmonize with nature and the scenery</li> <li>Held nature experiment events using symbiotic facilities in thermal power plants</li> <li>Donated 73,173 saplings (cumulative total of 420,000 saplings)</li> </ul>		<ul style="list-style-type: none"> <li>Promoting the construction of facilities that harmonize with nature and the scenery</li> <li>Implementing community contribution activities using symbiotic facilities in areas where thermal power plants are located</li> <li>Supporting the creation of verdant communities</li> </ul>	P07 P08
<ul style="list-style-type: none"> <li>Achieved an external landfill waste ratio of 0.9% (excluding, in part, construction sludge that is difficult to reuse)</li> <li>Cultivated an application of Circulash*6 as a substance for absorbing dioxins</li> </ul>		<ul style="list-style-type: none"> <li>Promoting the 3 Rs*7 to reduce external landfill waste in consideration of economic efficiency</li> <li>Promoting the effective utilization of coal ash, including the recyclable resource, Circulash</li> </ul>	P40 P41 P45 P49
<ul style="list-style-type: none"> <li>Green procurement rate: 92.9%</li> <li>Procured copy paper that conforms to the Green Procurement Law</li> </ul>		<ul style="list-style-type: none"> <li>Further increasing awareness of the importance of green purchasing for office supplies</li> </ul>	P41 P45
<ul style="list-style-type: none"> <li>The utilization rate of a treatment facility for insulating oil containing low levels of PCBs dropped due to a problem in the facility (utilization rate: 40%; FY2009 target: 70%)</li> <li>Thoroughly treated pole-mounted transformer containers and components (treated 105,000; FY2009 target: 100,000)</li> </ul>		<ul style="list-style-type: none"> <li>Thoroughly treated all insulating oils containing low levels of PCBs and devices containing high levels of PCBs</li> <li>Thoroughly treated pole-mounted transformer containers and components</li> </ul>	P42
<ul style="list-style-type: none"> <li>Made continuous efforts to achieve a 100% EMS implementation rate within the Chubu Electric Power Group, and promoted effective and efficient environmental management activities</li> </ul>		<ul style="list-style-type: none"> <li>Implementing effective and efficient environmental management activities on a continuous basis within the Chubu Electric Power Group</li> </ul>	P43
<ul style="list-style-type: none"> <li>Prepared the management and registration system of the ECO Points Program to promote further participation by employees</li> <li>Trained 20 Chuden Volunteer Foresters during the year (cumulative total of 80) and established new activity fields</li> <li>Provided support for taking the eco certification examination to employees voluntarily aspiring to enhance their environmental awareness</li> </ul>		<ul style="list-style-type: none"> <li>Promoting increased environmental awareness and environmental actions through the ECO Points Program</li> <li>Training and utilizing Chuden Foresters (20 per year)</li> <li>Providing continuous support for taking the eco certification examination</li> </ul>	P44 P47
<ul style="list-style-type: none"> <li>Held Chubu Electric Power Elementary School Eco Sessions (participation by 331 students in 6 schools)</li> <li>Chuden Eco Partnership Program (19 activities with 19 civic organizations)</li> <li>Implemented participatory forest conservation activities (9 times), traveling classes (435 times), tours of workplaces and facilities (212 times), and joint lectures with universities</li> <li>Promoted EPOC*8 activities in cooperation with other companies</li> <li>Participated in an event marking a year for the holding of COP10</li> </ul>		<ul style="list-style-type: none"> <li>Implementing Chubu Electric Power Elementary School Eco Sessions and the Chuden Eco Partnership Program on a continuous basis</li> <li>Implementing participatory forest conservation activities called "Invitation to the Forest," traveling classes, and tours of workplaces and facilities, on a continuous basis</li> <li>Further promoting EPOC activities</li> <li>Communicating Chubu Electric Power's initiatives at COP10 support events and other related events</li> </ul>	P08 P47 P49 P55 P56
<ul style="list-style-type: none"> <li>Provided technical support for stable operations of rice-husk power plants and projects for power generation using empty palm fruit</li> <li>Continued to develop and survey new projects that contribute to CO<sub>2</sub> reduction</li> <li>Made proposals for the maintenance and improvement of thermal efficiency in existing coal-fired thermal power plants in APP*9 participant countries</li> </ul>		<ul style="list-style-type: none"> <li>Developing and surveying new projects in the biomass, small hydroelectric power, wind power, and solar power sectors</li> <li>Carefully monitoring actions made toward a post-Kyoto framework and responding appropriately to them</li> <li>Providing continuous support for the maintenance and improvement of thermal efficiency in existing coal-fired thermal power plants in APP participant countries</li> </ul>	P35 P49

Certificate of Green Power).

\*5: Reducing volume of waste sent to external landfills, including waste from contractors (waste generated due to work ordered by us) to less than 1% of entire volume of waste.

\*6: Synthetic zeolite made of by-product coal ash from the Hekinan Thermal Power Station (coal-fired thermal power plant)

\*7: The 3 Rs of waste: Reduce, Reuse, and Recycle

\*8: Environmental Partnership Organizing Club; an organization of local firms dedicated to promoting environmental awareness

\*9: Asia-Pacific Partnership on Clean Development and Climate

# Environmental Accounting

## Environmental Preservation Costs and Environmental Preservation Impact

We are expanding our environmental accounting in order to increase public understanding of our positions and actions related to environmental preservation. This will also allow us to achieve higher levels of both management efficiency and environmental preservation.

### Principles Applied in Tables

Tables were created by referring to "Environmental Accounting 2005" (published by the Ministry of the Environment), and incorporating our categorization and calculation criteria.

Period created: FY2009

Scope of tables: All corporate facilities of Chubu Electric Power

### Environmental Preservation Costs

Environmental preservation investments amounted to 51.9 billion yen; other environmental expenses totaled 162.5 billion yen. These amounts represented 21.2% and 8.5% of our capital investment and total operating expenses, respectively.

Category	Item	Investment (100 million yen)			Expenses (100 million yen)		
		FY '08	FY '09	Changeover	FY '08	FY '09	Changeover
Global environmental preservation	Global warming prevention and ozone layer preservation	330	176	-155	228	184	-44
Regional environmental preservation	Air pollution prevention, water pollution prevention, etc.	64	117	53	548	549	1
Resource recycling	Resource conservation, industrial waste measures, and radioactive material measures	106	46	-60	267	267	0
Purchase of low environmental impact products, etc. (Electric vehicles, low-pollution vehicles, etc.)		4	3	-1	3	3	1
Management programs	Personnel costs related to environmental preservation measures, costs for obtaining and maintaining ISO 14001, etc.	2	5	2	17	18	1
Research and Development	Environment-related research and development	0	0	0	48	46	-2
Social programs	International cooperation, landscape protection, greening, natural environment preservation, etc.	164	172	8	555	549	-5
Environmental damage countermeasures	Pollution impact levy under the pollution-related health damage compensation system	0	0	0	8	8	-1
Total		672	519	-153	1,674	1,625	-49
Percentage of total capital investment		26.5%	21.2%	-	-	-	-
Percentage of total electric utility business expenses		-	-	-	7.7%	8.5%	-

(Note) Totals may not match because figures have been rounded down to the nearest 100 million yen.

#### Basis for calculation

Investment and expenses for the prevention, reduction or avoidance of environmental impact; environmental impact reversal; and damage restoration are taken into account.

- Investment is the amount of capital investment used for environmental protection.
- Costs associated with investment such as depreciation, equipment leasing, and maintenance and operating costs are calculated by taking into account factors such as the lifespan of each type of facility or equipment.

### Environmental Preservation Impact

Category	Item	Indicators		
		FY '08	FY '09	
Global environmental preservation	Global warming prevention	CO <sub>2</sub> emissions intensity*	0.424 kg-CO <sub>2</sub> /kWh	0.417 kg-CO <sub>2</sub> /kWh
		Power purchases from renewable energy sources	541.02 GWh	664.48 GWh
		SF <sub>6</sub> recovery rate (at inspection time)	99.1%	99.4%
Regional environmental preservation	Air pollution prevention	SO <sub>x</sub> emission (thermal power)	0.05 g/kWh	0.04 g/kWh
		NO <sub>x</sub> emission (thermal power)	0.08 g/kWh	0.08 g/kWh
Resource recycling	Industrial waste measures	External landfill waste	12,000 t	140,000 t
	General waste measures	Waste paper recovery rate	86.5%	87.8%
Social programs	Landscape protection	Total length of power distribution cables laid underground	23 km	28 km
	Greening	Green area at power plants	2,397,000 km <sup>2</sup>	2,398,000 km <sup>2</sup>

\* After reflecting Kyoto Mechanism credits

(Note) These figures indicate the levels of environmental impact reduction and avoidance associated with our business operations, as well as environmental improvements made by Chubu Electric Power, and are limited to those related to environmental preservation costs.

### Economic Impact of Environmental Preservation Measures

Category	Item	Amount (100 million yen)		
		FY '08	FY '09	
Global environmental preservation	Global warming prevention	Fuel cost reduction due to change in gross thermal efficiency of thermal power plants, etc.	202	11
Resource recycling	Industrial waste measures	Sales income from recycled gypsum, coal ash, etc., and reduced expenses due to reuse of transformers and other equipment	107	96

(Note) These figures represent changes in gains on recycling of gypsum and other waste and expenses related to environmental conservation.

# Global Warming Prevention

## Promotion of Global Warming Prevention Measures

The three pillars of CO<sub>2</sub> emissions reduction for the prevention of global warming are nuclear power, renewable energy sources, and energy conservation. As a party involved in the energy industry, Chubu Electric Power is actively promoting measures from the supply and demand perspectives of electric power, such as described below.

### Supply perspective:

#### Use energy sources that emit less CO<sub>2</sub>

- Promote nuclear power generation
- Promote the adoption of power generation using renewable energy sources
- Improving thermal efficiency of thermal power
- Participate in CO<sub>2</sub> reduction projects in developing countries

### Demand perspective:

#### Energy conservation

- Heighten awareness of energy conservation (advocate eco-friendly lifestyles)
- Develop proposals and technologies for more efficient energy utilization

## Reduction of CO<sub>2</sub> Emissions

Chubu Electric Power aims to reduce CO<sub>2</sub> emissions per kilowatt-hour (CO<sub>2</sub> emission intensity) by 20% relative to fiscal year 1990 during the first commitment period (fiscal year 2008 to fiscal year 2012) of the Kyoto Protocol.

Although we were impacted by shutdowns at Hamaoka Nuclear Power Station because of rising hydrogen concentrations in our off-gas system and the Suruga Bay earthquake, our CO<sub>2</sub> emission intensity for fiscal year 2009 was 0.417 kg-CO<sub>2</sub>/kWh after applying Kyoto Mechanism credits (actual emission intensity 0.474 kg-CO<sub>2</sub>/kWh), which is a 10.2% reduction compared to fiscal year 1990. CO<sub>2</sub> emissions totaled 51,170,000 tons after applying Kyoto Mechanism credits (actual emissions 58,270,000 tons).

### ■ Participation in Experimental Integrated Emissions Trading Market in Japan

An experimental emissions trading market started in Japan in October 2008.

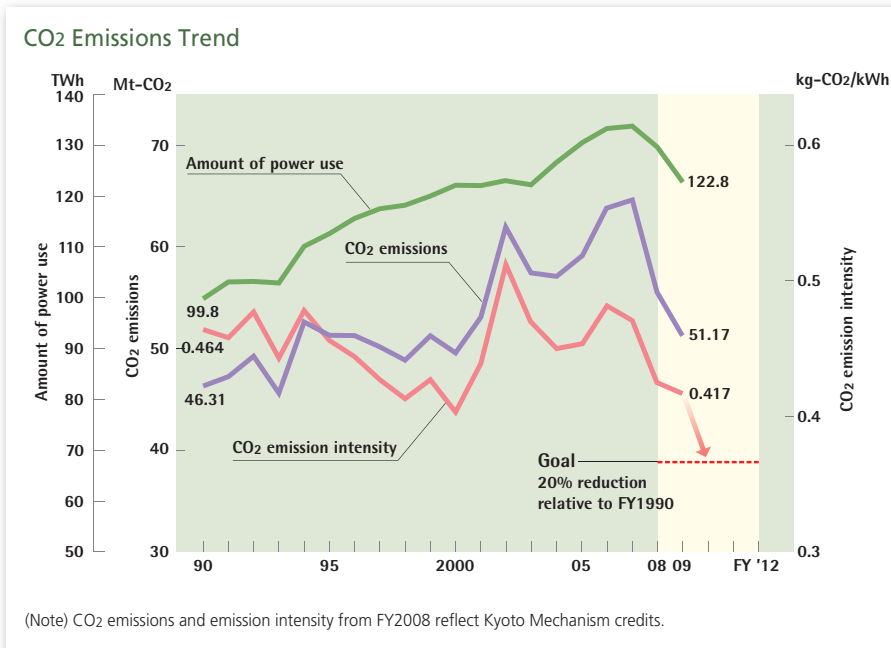
So far, Chubu Electric Power has applied to the Domestic Credit Certification Committee to recognize 12 CO<sub>2</sub> emissions reduction projects run jointly with our customers. These projects are expected to reduce CO<sub>2</sub> emissions by approximately 56,000 tons by fiscal year 2012.

### ■ Research and development into Reducing CO<sub>2</sub>

In April 2008, we launched a CO<sub>2</sub> reduction technology project in our Electric Power Research and Development Center and have conducted research on CO<sub>2</sub> reduction technologies therein.

#### Major R&D Initiatives for a Low-carbon Society

- Research into next-generation power distribution networks to ensure a stable supply by coordinating the emerging field of solar energy with existing electric power supply systems
- Proving experiment of mixed combustion of woody biomass fuels at Hekinan Thermal Power Station
- Joint development of high-efficiency hot water heat pump, the first in the industry to supply 90°C and 7°C water at the same time
- R&D on recharging systems to support diffusion of next-generation automobiles (electric vehicles, plug-in hybrids, etc.).



Look! P33

Look! P36



Global Warming Prevention

Initiatives from the Electric Power Supply Perspective

Promoting Zero Emissions Power Generation\* (Nuclear Power)

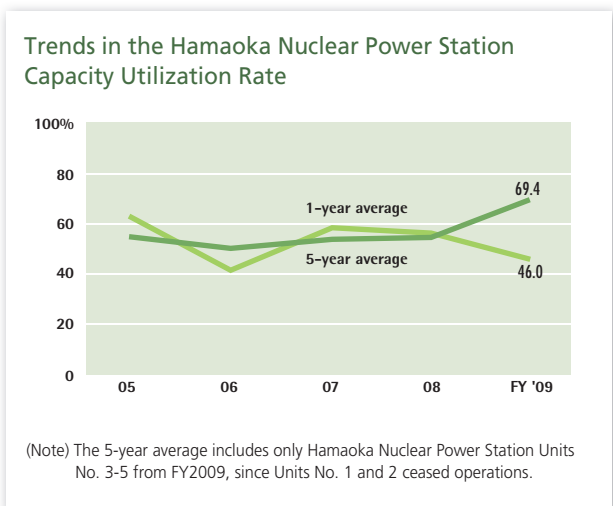
Because nuclear power offers supply stability and emits no CO<sub>2</sub> as power is generated, it has the advantage of helping to avert global warming. Nuclear power is a relatively small part of the power supply structure of Chubu Electric Power as compared to other electric power companies and therefore it is a form of power we need to prioritize and proactively develop. We will make every effort to develop nuclear power internally with the target of deriving 40%-50% of our power supply from nuclear power in the future.

\* Zero emissions power generation: Renewable energy sources such as solar, wind, hydro and biomass, and sources that do not emit CO<sub>2</sub> during power generation, such as nuclear power.

Development of Nuclear Power

In our Hamaoka Nuclear Power Station (Omaezaki City, Shizuoka Prefecture) replacement plan, Chubu Electric Power intends to terminate operations at Units No. 1 and 2 and, in their place, build Unit No. 6 (1,400-MW class), with a target operations starting date in 2018 or within several years thereafter. Decommissioning work on Units No. 1 and 2 has been proceeding since the Japanese government approved our decommissioning plan in November 2009. Additionally, we will actively accept electric power from nuclear power plants under development by other companies, such as the Ohma Nuclear Power Plant (J-Power, Aomori Prefecture, starting operations in fiscal year 2014), and the Tsuruga Nuclear Power Station Units No. 3 and 4 (Japan Atomic Power Co., Fukui Prefecture, starting operations in 2015 and 2016, respectively).

Increase in the Capacity Utilization Rate of Nuclear Power Plants



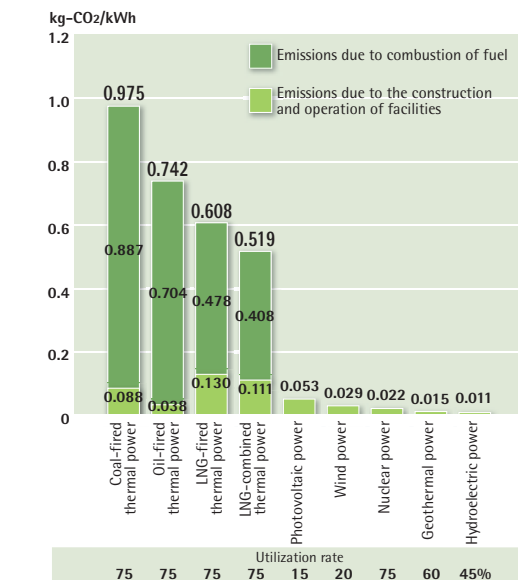
Chubu Electric Power is striving to make efficient use of nuclear power plant facilities while placing top priority on safety.

The capacity utilization rate for Hamaoka Nuclear Power Station in fiscal year 2009 was 46.0% (compared to an average of 69.4% for the last five years) due to shutdowns caused by problems in our off-gas system and the Suruga Bay earthquake.

Recycling of Nuclear Fuel

In Japan, recycling of nuclear fuel forms the basis of the national nuclear power policy. Reprocessing spent fuel to efficiently use uranium resources can pave the way for assurance of a long-term energy supply through nuclear power. For Japan, with scarce domestic energy resources, recycling of nuclear fuel is a valuable tool for ensuring energy supply stability. Spent fuel can be reprocessed to separate highly radioactive waste to be treated. Since not all spent fuel is waste, the amount of waste generated can be reduced.

Breakdown of CO<sub>2</sub> Emissions by Type of Power Generation



(Note) CO<sub>2</sub> emissions derived from energy consumption at all stages, from resource extraction and facility construction to fuel transportation, refining, operation, and maintenance, as well as fuel for power generation. Figures for nuclear power generation include emissions associated with domestic reprocessing of spent fuel and use of a system employing plutonium uranium mixed oxide fuel (also known as MOX fuel), assuming single recycling as now planned, and disposal of high-level radioactive waste.

Source: Central Research Institute of Electric Power Industry (CRIEPI)

## Initiatives from the Electric Power Supply Perspective

### Promoting Zero Emissions Power Generation (Renewable Energy\*)

Because it uses natural power, electricity generated from renewable energy raises issues such as instability of output, but such energy sources are helping to reduce environmental impacts, for example reducing CO<sub>2</sub> by lowering fossil fuel consumption.

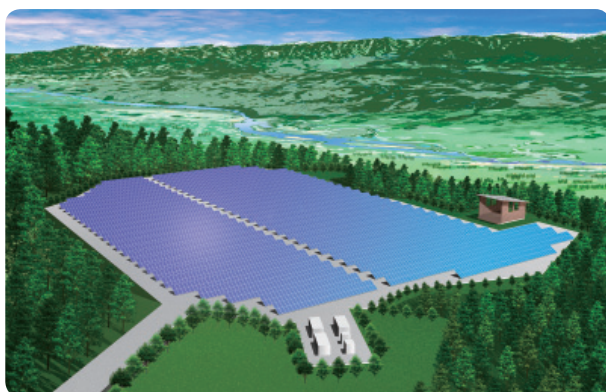
Chubu Electric Power actively supports the development and diffusion of electricity generation using renewable energy.

\* **Renewable energy:** Energy sources that are not depleted through consumption, such as sunlight, wind, biomass, and water. Although the amount of energy that these sources yield annually within a certain geographical area is limited, they can be employed semi-permanently.

### Mega Solar Electricity Generation

Chubu Electric Power aims to implement mega solar power projects with 15-20 MW of output by fiscal year 2020. We are currently developing the following two mega solar power projects.

Mega Solar Iida (Iida City, Nagano Prefecture)	1 MW	Scheduled to begin operation in FY2010 CO <sub>2</sub> emissions reduction approx. 400 tons/year
Mega Solar Taketoyo (Taketoyo Town, Aichi Prefecture)	7.5 MW	Scheduled to begin operation in FY2011 CO <sub>2</sub> emissions reduction approx. 3,000 tons/year



Mega Solar Power Station Iida (rendered image)

### Wind Power Generation

Chubu Electric Power is developing the Omaezaki Wind Power Station (22 MW; Omaezaki City, Shizuoka Prefecture). The first stage was completed in February 2010 (6 MW; three turbines) and operations have begun. Development continues on the second stage (16 MW; eight turbines) with the aim of starting operations in fiscal year 2010.



Omaezaki Wind Power Station (first stage)

Also, the following wind power plants are being operated or developed by Group companies.

#### Wind Power Plants of Chubu Electric Power Group Companies

##### C-TECH CORPORATION

Wind Park Misato (Tsu City, Mie Prefecture)	16 MW	Started operations in February 2006
Wind Park Kasatori (Iga City, Mie Prefecture)	38 MW	First stage (20 MW) to begin operation in February 2010 (construction to be completed in FY2010)

##### AOYAMA-KOGEN WIND FARM CO., LTD.

AOYAMA-KOGEN WIND FARM (Tsu City and Iga City, Mie Prefecture)	15 MW	Started operations in March 2003
AOYAMA-KOGEN WIND FARM expansion plan	Approx. 80 MW	Operations targeted to start in FY2016

### Biomass Power Generation

#### ■ Mixed Combustion of Biomass Fuels at Hekinan Thermal Power Station

We are planning to start mixed combustion of woody biomass fuels during fiscal year 2010, at the coal-fired Hekinan Thermal Power Station. Approximately 1.5% of the output from Hekinan Thermal Power Station (Hekinan City, Aichi Prefecture; 4,100 MW) is accounted for by woody biomass fuel. The consequent reduction in coal use has the effect of cutting annual CO<sub>2</sub> emissions by approximately 300 kt-CO<sub>2</sub>.

We are also participating with METAWATER Co., Ltd. in a sludge-to-fuel project at the Kinuura East Purification Center. Sewage sludge that until now would have been disposed of by incineration is being carbonized and made into biomass fuel. Our plan calls for mixed combustion of this fuel with coal starting in fiscal year 2012 at the Hekinan Thermal Power Station. This project will reduce greenhouse gases by the equivalent of about 8,000 t-CO<sub>2</sub> per year.

## Global Warming Prevention

### Hydroelectric Power Generation

With 182 hydroelectric power plants that have 5,220 MW of capacity, Chubu Electric Power uses Japan's water resources effectively.

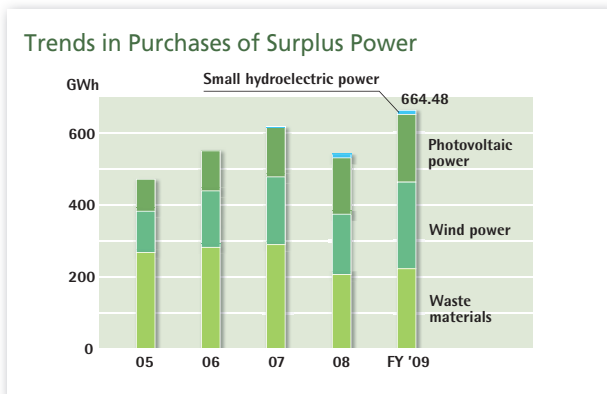
We are developing the Susado Hydroelectric Power Station (230 kW; Azumino City, Nagano Prefecture), which will utilize the unused drop of an erosion control dam, to begin operating in fiscal year 2010. We will continue to make effective use of currently untapped energy sources like maintenance flows\*.

In addition, we are pursuing the Tokuyama Hydroelectric Power Station Plan (output of 153.4 MW) to tap the valuable water resources of the Incorporated Administrative Agency Japan Water Agency's Tokuyama Dam (Ibigawa Town, Gifu Prefecture), with fiscal year 2014 targeted for the start of operations.

\* **Maintenance flow:** The volume of flowing water needed for appropriate use and normal function of a river

### Purchases of Surplus Electric Power

Chubu Electric Power is helping to diffuse renewable forms of energy such as solar and wind by purchasing excess supplies of electric power from these sources. In fiscal year 2009, these purchases resulted in a reduction of CO<sub>2</sub> emissions by approximately 300,000 tons.



The "New Solar Energy Purchasing System" started in November 2009. Aiming to achieve a low-carbon society in which every citizen participates, the system requires each electric power company to purchase surplus solar energy at a price set by the Japanese government, with the cost of purchases borne by all the customers using the power company's network.

### Smart Grid\* Research

#### ■ Promoting Wide-Scale Adoption of Solar Energy

For solar energy to be adopted on a large scale, several issues must be resolved: evaluating energy output, since it varies widely with the amount of sun; dealing with surplus

electric power when demand is low; dealing with spikes in grid voltage; and handling the massive cost of adapting the grid.

For that reason, as part of a project subsidized by the Agency for Natural Resources and Energy, at 61 business sites in Chubu Electric Power's service area, we are studying the effect on the grid when high volumes of solar energy are fed into it, by measuring sunlight and other meteorological data along with solar energy output and analyzing output fluctuation smoothing on the grid as a whole.

\* **Smart grid:** An electric power grid that uses information and communication technologies to accomplish two tasks at once: promoting the wide-scale adoption of solar and other renewable energy power generation facilities with unstable output, and achieving stable operation of the electric power grid

#### ■ Next-Generation Energy and Social System Proving Experiment

The Ministry of Economy, Trade and Industry selected Toyota City in April 2010 as a "Next-Generation Energy and Social System Proving Region." Chubu Electric Power, city officials, Toyota Motor Corporation and others had jointly nominated the city for this purpose.

The experiment aims for effective energy use in the home and community and seeks to build a low-carbon transportation system as part of achieving a low-carbon society.

Chubu Electric Power will participate along with such partners as Toyota Motor Corporation and Denso Corporation, especially to develop and evaluate a home energy management system (HEMS),\* which makes home energy use more tangible and easy to control and enables effective home use of electricity generated by home solar power systems. What we will gain through this is new knowledge about future energy supply and the effective use of energy.

\* **HEMS:** A system that centrally and automatically controls energy consuming devices in the home such as appliances and water heaters by networking them, and which lets the resident see his or her energy usage status and other information

#### ■ Proving Experiment for Remote Reading of New Meters

Starting from April 2011, Chubu Electric Power will spend one year verifying about 1,500 new electric meters to be installed in homes in parts of Kasugai City, Aichi Prefecture. The test will verify the remote reading function and the effectiveness of making energy use tangible (customers will receive notice about their electricity use by Internet to promote efficient use). We believe that introducing these new meters can improve customer service, help us operate more efficiently, and encourage efficient energy use as a step toward a low-carbon society.

# Initiatives from the Electric Power Supply Perspective

## Efficient Use of Energy

### Increase in the Thermal Efficiency\* of Thermal Power Plants

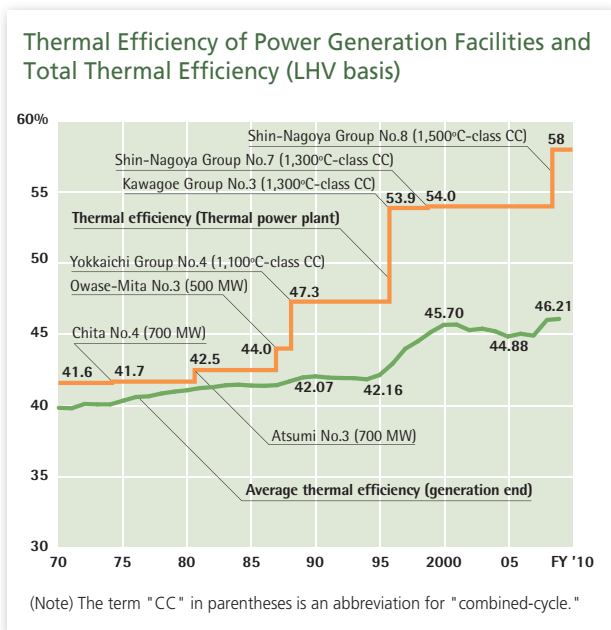
An increase in the thermal efficiency of thermal power plants could result in reduced fuel use and CO<sub>2</sub> emissions. We are striving for higher thermal efficiency by installing high-efficiency combined-cycle power generation\* systems and effectively operating high-efficiency thermal power plants.

In fiscal year 2009, the gross thermal efficiency of our thermal power plants reached 46.21% (LHV basis\*), an improvement of 0.13 points over the previous year and again setting the top mark for Japan. The result was to reduce CO<sub>2</sub> emissions by approximately 0.1 million tons.

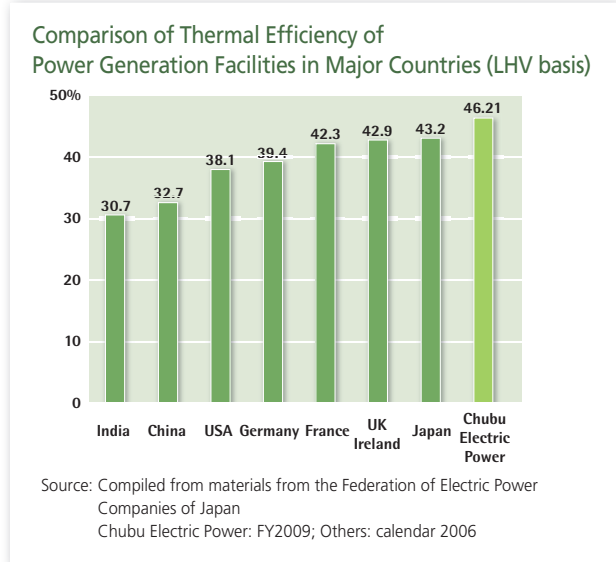
- \* **Thermal efficiency:** Out of the thermal energy of the fuel consumed, the percentage of energy capable of transmission as electrical power; an indicator of the efficiency of energy utilization at a thermal power plant.
- \* **Combined-cycle power generation:** Technology that combines gas turbines and steam turbines to generate electricity.
- \* **LHV basis:** The thermal efficiency rate found by subtracting the heat of condensation of moisture in the fuel and moisture produced by combustion.

### ■ Implementing Leading-Edge Combined-Cycle Power Generation

Just as we have been doing at the high-efficiency LNG combined-cycle Shin-Nagoya Thermal Power Station Group No. 8 (1,534.4 MW; Nagoya City, Aichi Prefecture), which began operations in fiscal year 2008, we will use extremely efficient generating equipment in the Joetsu Thermal Power Station (Groups No. 1 and 2, each 1,190 MW; Joetsu City, Niigata Prefecture), scheduled to begin operations between fiscal years 2012 and 2014, in order to reduce CO<sub>2</sub> emissions. The Joetsu Thermal Power

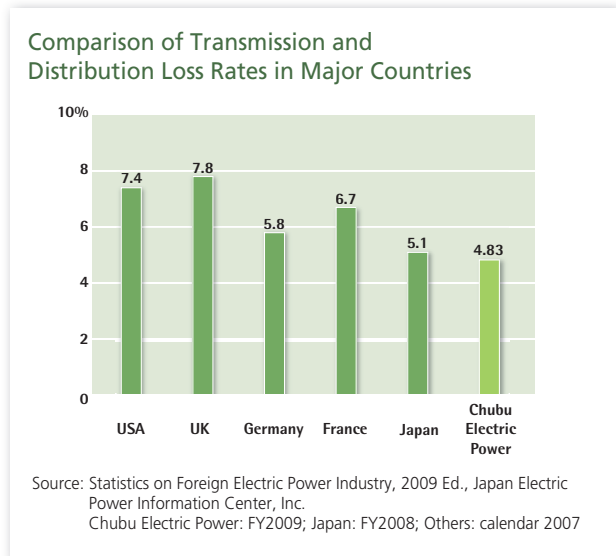


Station Groups No. 1 and 2 will reduce such emissions by an estimated 1.6 million tons annually.



### Reducing Power Transmission and Distribution Loss

We have been actively implementing measures to reduce power transmission and distribution losses, such as installing high-voltage power transmission lines and equipment generating low transmission losses, and utilizing power-grid systems designed to reduce electric power loss. Through these efforts, our power transmission and distribution losses in fiscal year 2009 were only 4.83%, one of the lowest levels among electric power companies in Japan.





## Global Warming Prevention

### Overseas Initiatives

#### Use of Kyoto Mechanisms

The technical capabilities, human resources, and other management resources fostered by Chubu Electric Power to date will be used effectively. We will contribute to environmental protection in developing countries, and will pursue warming countermeasures on a global scale. To that end, we are actively promoting the Clean Development Mechanism (CDM\*), Joint Implementation (JI\*), and other such projects.

\* **Clean Development Mechanism:** In CDM projects, a developed country joins a GHG emission reduction project in developing countries, and may count part of the resulting reduction as its own.

\* **Joint Implementation:** Under JI, a developed country jointly implements a project for reduction of GHG emissions, and may count part of the resulting reduction as its own.

#### Overseas Environmental Projects

Thailand Rice Husk Biomass Power Generation Project	CDM project Participated in FY2003. A small generator station with 20 MW output was developed to use rice husks as fuel in the rice-growing region of Northern Thailand. It began operation in December 2005. Contracts have been concluded for the purchase of CO <sub>2</sub> credits from this project.
Malaysia Oil Palm Empty Fruit Bunch Biomass Power Generation Project	CDM project Participated in FY2006. Biomass power generation business (two locations, each 10 MW) using empty palm fruit bunches in eastern Sabah State on the island of Borneo, Malaysia. It began operation in FY2008.
Global/Asia Clean Energy Service Fund	Participated in FY2003. A fund that invests in several small-scale projects centered mainly on the ESCO project. Invests in small-hydroelectric power plants in India and China and other such projects. Investment of \$10 million

#### Purchasing CO<sub>2</sub> Emission Credits

CO<sub>2</sub> credits we purchase under the Law Concerning the Promotion of Measures to Cope with Global Warming are transferred to a government-administered account and used to meet Chubu Electric Power's CO<sub>2</sub> emission intensity reduction target.

#### Sources of CO<sub>2</sub> Credits We Have Purchased

Purchasing CO <sub>2</sub> Emission Credits	<ul style="list-style-type: none"> <li>• Purchase from CDM businesses (China, India, etc.)</li> <li>• Wind power generation projects</li> <li>• Hydroelectric power generation projects</li> <li>• Natural gas power generation projects</li> <li>• Waste methane gas recovery and power generation projects</li> <li>• Chlorofluorocarbon gas recovery and destruction projects, etc.</li> <li>• Procurement from the World Bank Prototype Carbon Fund (PCF)</li> <li>• Procurement from Japan Greenhouse Gas Reduction Fund (JGRF), etc.</li> </ul>
---	---

#### Working with the APP\* and CCfA\*

Through the Federation of Electric Power Companies of Japan, we provide facility checkups and technical cooperation for maintaining and improving the thermal efficiency of existing coal-fired thermal power plants outside Japan in order to boost the effective use of coal in the Asia-Pacific region, where demand for coal is on the rise.

The Asia-Pacific Partnership on Clean Development and Climate (APP) conducts peer reviews\* in APP member countries and disseminates best practices for the operation, maintenance and management of power plants.

Also, in fiscal year 2009 we took part in the Clean Coal for Asia Cooperation (CCfA) project, conducting facility checkups to increase thermal efficiency of existing coal-powered thermal power plants in China.

This initiative aims to support the transfer of global warming prevention technologies on a global scale while developing and enhancing related technical skills, and is expected to be a useful tool for advertising the effectiveness of sector-specific approaches in Japan and abroad as the world considers the post-Kyoto era.

\* **Asia-Pacific Partnership on Clean Development and Climate (APP):** A public/private sector regional cooperation partnership established to address the issues of growing energy demand, energy security, and climate change. The seven member countries are the US, Australia, Canada, China, India, the Republic of Korea, and Japan.

\* **CCfA:** A government project that, among other activities, sends specialists to Asia-Pacific countries to transfer technology and perform facility checkups in order to spread Japan's clean coal technology.

\* **Peer review:** A process in which members from participating nations visit each other's power plants to perform facility checkups and evaluations



APP peer review at Yonghung Thermal Power Plant, Korea

## Initiatives from the Electric Power Demand Perspective

### Energy Conservation and Others

#### Promoting More Efficient Energy Use by Customers

Chubu Electric Power offers a variety of energy services in response to customer needs, supports prosperous lifestyles and the development of industry, and works to protect the global environment.

Heat pumps, a renewable energy technology, use heat from the air, greatly reducing CO<sub>2</sub> emissions. We will continue actively marketing heat pumps, especially the Eco Cute, to promote the diffusion of this technology and help achieve a low-carbon society.

#### ■ Promoting E-Kucho (Electric Air Conditioning Systems)

In our sales promotion activities focused on energy solutions, we recommend highly efficient, environmentally friendly electrical heat pump air conditioners. In fiscal year 2009, we received 1,172 orders corresponding to approximately 138 MW.

#### ■ Popularizing Eco Cute

Water-heating accounts for about one-third of residential energy consumption. We are working to expand the diffusion of Eco Cute. Eco Cute reduces energy consumption from water-heating and is also budget- and environment-friendly.

During fiscal year 2009, we used the new catch phrase "ON!" to promote sales of all-electric solutions. We communicated the advantages of electricity including environmental and comfort factors, and conducted PR initiatives to promote Eco Cute throughout the fiscal year, efforts which included actively suggesting Eco Cute applications in our "All-Electric Campaign 2009." Thanks to our customers, the cumulative number of Eco Cute units installed in the Chubu Electric Power service area reached about 350,000 by the end of fiscal year 2009.

We will continue promoting Eco Cute solutions and introducing consumers to new eco-friendly lifestyles that combine all-electric solutions with solar energy.

#### "Heat Pump Laboratory" for High-Efficiency Appliance R&D

We started operating the "Heat Pump Laboratory" in our Research & Development Division in April 2009 as a place to develop heat pumps and evaluate their energy efficiency. The facility houses two laboratories, one large and one small, for researching air conditioning equipment for office buildings and factories and similar equipment for homes and small offices. This setup allows us to develop and evaluate several units at the same time, accelerating the R&D process.

#### Electric Power Supply Stand Project to Reduce Engine Idling

This joint project with parking lot owners, begun by Chubu Electric Power in fiscal year 2010, installs electric power supply stands at truck stations and parking areas so that trucks on standby can access a supply of electricity. Drivers using this service do not need to let their trucks idle, which will help reduce CO<sub>2</sub> emissions and fuel costs. This service reduces CO<sub>2</sub> emissions by about 98% compared to idling.

### Topics

#### Development of Electric Vehicle Charging Stands AICHI ELECTRIC Co., Ltd.

In partnership with Chubu Electric Power, we have developed an ordinary charging system with a load-leveling function for multi-unit housing. If multiple electric vehicles are connected simultaneously, the system prioritizes them and controls the process so vehicles do not exceed their contracted capacity.



## Global Warming Prevention

### Other Global Warming Countermeasures

#### Initiatives in Physical Distribution

We are working to conserve energy and reduce CO<sub>2</sub> in the transportation of fuel, materials and waste. Emissions in fiscal year 2009 came to approximately 14,800 t-CO<sub>2</sub>. We have already promoted modal shifts (changing over to maritime and rail transportation) and high load factor transportation. In the future, we will conduct further improvements in order to seek greater efficiency in transportation.

For shipments of fuel from outside Japan, we are working to receive LNG from large container ships to boost shipping efficiency. In 2009, we finished dock reinforcement\* at the Chita LNG terminal, and in December a large vessel in the 210,000 m<sup>3</sup> class from Qatar berthed there for the first time.

Procuring LNG by large container ships is estimated to reduce CO<sub>2</sub> emissions per vessel by about 40% compared to conventional tankers.

Chubu Electric Power will continue to strive for further increases in logistics efficiency.

\* **Dock reinforcement:** Reinforcement of receiving docks at our Kawagoe LNG terminal will be completed at the end of fiscal year 2010.



Large LNG tanker at the dock

#### ■ Introduction of Electric Vehicles

Chubu Electric Power plans to introduce about 1,500 electric vehicles (including plug-in hybrids) to its commercial vehicle fleet by the end of fiscal year 2020. In fiscal year 2009, we introduced 100 such vehicles, and we plan to add another 100 in fiscal year 2010.



Electric vehicle

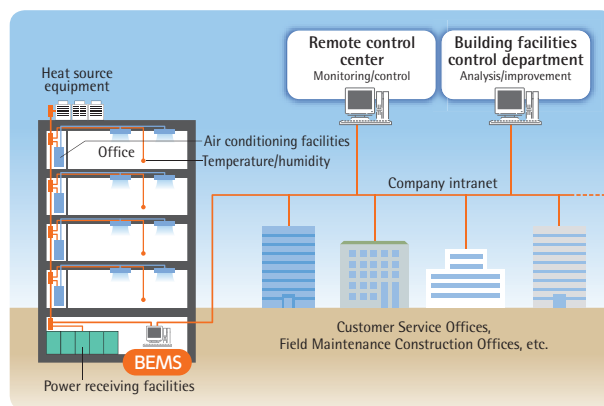
Plug-in hybrid

We are also part of the Aichi EV/pHV Promotion Network and are conducting proving tests to promote wide-scale adoption of these vehicles.

#### Energy Management Initiatives at Our Offices

We are engaged in creating a networked Building and Energy Management System (BEMS\*) in order to conduct energy management efficiently over multiple offices. The system brings together instrumentation data on electric power and other such factors in each building by means of an intranet. After analyzing the data, the system carries out diagnoses with the aim of reducing energy use and CO<sub>2</sub> emissions at each business location.

##### Structure of networked BEMS



#### CO<sub>2</sub> Emissions from Electricity Consumption in Offices and Vehicle Fuel Consumption

Electricity consumption in offices	Approx. 64 kt
Vehicle fuel consumption	Approx. 9 kt

\* **BEMS:** A system that monitors the indoor environment and energy usage in a commercial building and manages the operation of equipment and facilities so as to reduce energy consumption.

#### ■ Green IT to Reduce Energy Consumption

Chubu Electric Power is working to improve air conditioning efficiency on the floors of its data centers to cut energy consumption there. Starting in fiscal year 2010, we are changing the server racks and rearranging them to improve air flow, in addition to other measures to eliminate floor heat reservoirs, thereby reducing CO<sub>2</sub> by an estimated 115 tons annually.

## Gas/LNG Sales and On-Site Energy Service

With the growing awareness of the environment, we are transitioning from heavy oil to low-carbon fuels like natural gas to meet customer energy needs. The Chubu Electric Power Group is responding to customer needs through our sales of gas and LNG and our on-site energy service initiatives.

### Chubu Electric Power

- Sales of gas through our own pipelines, etc.
- FY2009 sales: About 340,000 tons

### LNG Chubu CORPORATION, Hokuriku Erunesu Co., Ltd.

- LNG sales by tanker truck
- FY2009 sales: About 190,000 tons

### C ENERGY CO., INC.

- On-site energy service sales
- Cumulative contracts at end of FY2009: 104

### ■ Chilled Water Usage Partnership

Our Group company Chita L.N.G. Co., Ltd., which receives LNG and ships gas, and the petroleum refiner Idemitsu Kosan Co., Ltd. have formed an inter-industry partnership to enhance overall production efficiency at oil refineries. Their industrial complex LNG chilled water usage partnership will start operating in fiscal year 2010. Chilled water generated by Chita L.N.G.'s LNG vaporizers will be supplied to Idemitsu Kosan's Aichi refinery, which will use it effectively as a process coolant, increasing distillation refining and recovery efficiency at the refinery and helping to recover oil and petrochemical products from the company's own fuel. That will cut CO<sub>2</sub> emissions by about 15,000 tons annually.

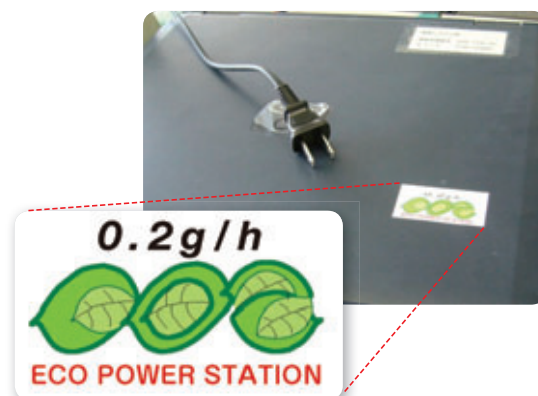
The partnership was selected as a fiscal year 2010 industrial complex partnership oil supply stability measures project overseen by the Research Association of Refinery Integration for Group-Operation (RING), with the support of the Ministry of Economy, Trade and Industry.

## Topics

### Eco Power Station Initiative

Chubu Electric Power's thermal power division has engaged in an "Eco Power Station Initiative" since January 2009 to make small green actions in our day-to-day work and workplace activities tangible as CO<sub>2</sub> reductions and help raise environmental awareness.

Four Group companies involved with thermal power generation have also taken part in this initiative since January 2010. Working with Group companies in this way, we are building an eco-culture at our business locations.



#### "Eco Power Initiative Mark" Makes CO<sub>2</sub> Reductions Tangible

The Thermal Power Center is conducting an initiative to put Eco Power Initiative marks on all the PCs, printers, copiers, light switches and more in the building to encourage staff members to work together to save energy and reduce CO<sub>2</sub>.

## Reduction of Non-CO<sub>2</sub> Greenhouse Gases

Chubu Electric Power is also working to reduce greenhouse gases from sulfur hexafluoride (SF<sub>6</sub>) used in insulation and other substances found in power facilities.

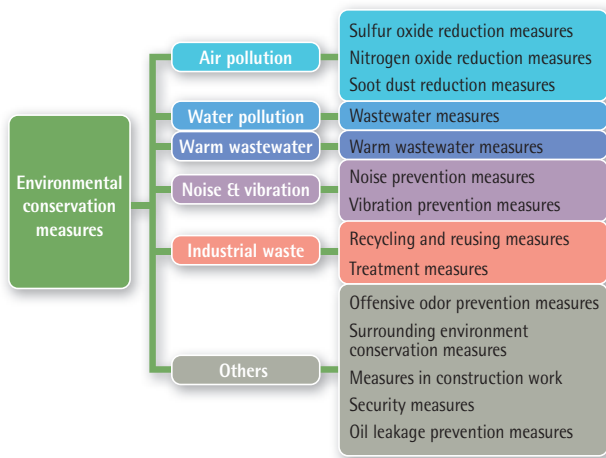
HFC	FY2009 emissions approximately 1,022 ton-CO <sub>2</sub> HFCs are mainly used in refrigerants for air conditioning systems. Our efforts to reduce HFCs include prevention of leaks and recovery of gas at disposal facilities.
PFC	PFCs are used in liquid form in insulation for transformers and also in refrigerants. Accordingly, almost no PFCs are released into the air.
SF <sub>6</sub> (sulfur hexafluoride)	FY2009 emissions approximately 60 kt-CO <sub>2</sub> SF <sub>6</sub> is mainly used in insulation for power facilities. We are working to recover SF <sub>6</sub> during inspection and repair, in order to reuse the recovered gas for other purposes.
CH <sub>4</sub> (methane)	The level of unburned CH <sub>4</sub> generated from combustion of fuels at thermal power plants was below the CH <sub>4</sub> level in the air. Accordingly, there were effectively no emissions.
N <sub>2</sub> O (dinitrogen monoxide)	We are working to reduce N <sub>2</sub> O emissions through improvement of power generation efficiency, among other methods.



# Environmental Conservation

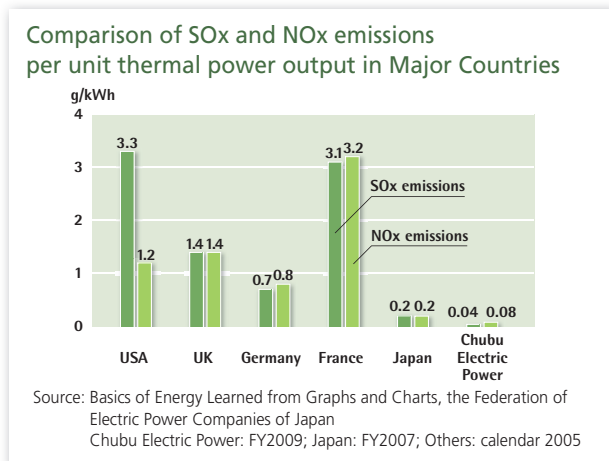
## Environmental Conservation Measures at Power Plants / Creating a Recycling Society

We are paying close attention to the surrounding environment by implementing measures addressing air pollution, water pollution, noise and vibration, based on environmental conservation agreements and pollution control agreements with local municipalities, and we are monitoring the effectiveness of these measures. At our power plants, we also carry out monitoring surveys of the surrounding area to verify that there is no impact on the environment.



### Air pollution prevention

Our thermal power plants are implementing a number of measures to prevent air pollution, such as expanding the use of LNG (which generates no sulfur oxides [SOx]), use of fuel oils containing low levels of sulfur, installation of sulfur and nitrogen scrubbers, and adoption of burners capable of reducing NOx (nitrogen oxides) production from combustion. Through these efforts, SOx and NOx emissions from our thermal power plants are among the lowest in the world, based on quantity per unit power output. We have also installed high-performance dust collectors, and are taking other steps to minimize soot emissions.



### Water Pollution Prevention Measures

Water used at power plants is treated by comprehensive wastewater treatment systems before being released into the water systems of the outside environment. To reduce the effect of thermal effluent, we are adopting the deep-layer seawater intake and surface-discharge method, among others. We have also prepared for possible oil leaks by, for example, putting oil fences around vessels and stockpiling oil-collecting materials at all times.

### Noise and Vibration Prevention

We are working to prevent noise and vibration by constructing and installing buildings and equipment at optimal locations, adopting low-noise/low-vibration equipment, and installing silencing systems and sound-insulating walls.

### Compliance with Environmental Laws and Regulations

In fiscal year 2009, we discovered one environmental legal violation and two cases where environmental conservation agreement values were exceeded, but in all cases we took recurrence prevention measures and confirmed that these measures were functioning effectively.

- Assessment standard value for landfill disposal of solidified sludge exceeded at Hekinan Thermal Power Station Unit No. 5  
**Recurrence prevention measure:** Ensuring operation at appropriate heating temperature during wastewater concentration process in desulfurization waste reduction system and injecting chelating agent
- Environmental conservation agreement value exceeded for suspended solids in Shin-Nagoya Thermal Power Station household wastewater treatment facility effluent  
**Recurrence prevention measure:** A measure to prevent loosening of flange that connects air duct that passes through the sand filtering device to clean the filter
- Pollution control agreement value exceeded for nitrogen content of wastewater at transformer recycling center  
**Recurrence prevention measure:** Stepped up inspections of system for automatically supplying water to household wastewater system and strengthened control of joint wastewater treatment tank

### Radiation Control in the Vicinity of the Hamaoka Nuclear Power Station

People are exposed to radiation and radioactive substances in daily life. Annual exposure to natural radiation from cosmic

rays and radioactive substances in soil and food amounts to about 2.4 millisieverts\* per person (average worldwide). The law requires that people living near a nuclear power plant receive annual radiation doses of no more than 1 millisievert from the plant. Persons living near Hamaoka Nuclear Power Station received less than 0.001 millisievert in fiscal year 2009.

\* **millisievert**: A unit designating the degree of radioactive influence on the human body

## Targeting Zero Emissions

In fiscal year 2004 we set the target of zero emissions, and have been engaged in various activities to meet this goal based on the 3 Rs of Reducing, Reusing, and Recycling waste, including waste produced by our contractors.

### Industrial Waste, Waste By-Products and Amount Recycled (FY2009, unit: kt)

	Amount generated	Amount recycled	External landfill waste
Coal ash	933	933	0
Heavy and crude oil ash	1	1	0
Gypsum	249	249	0
Sludge (including solidified sludge)*1	250	74	129
Waste plastic	4	1	2
Metal scrap	38	37	0
Glass and ceramic scrap	2	0	2
Construction debris	97	89	5
Other*2	7	6	1
<b>Total</b>	<b>1,581</b>	<b>1,390</b>	<b>140</b>

\*1: In-house landfill waste 45 kt (used as landfill material)

\*2: Waste oil, waste alkali, etc.

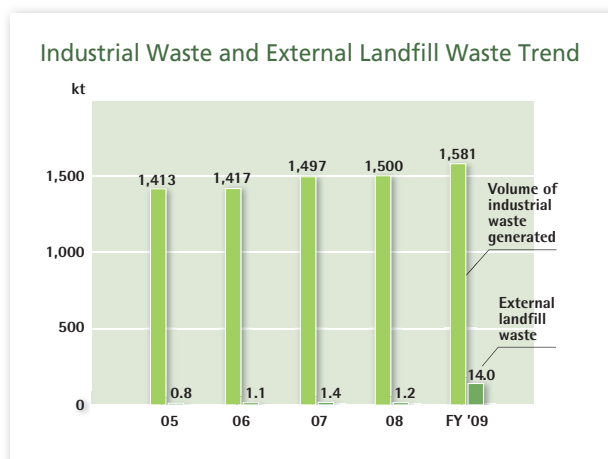
(Note) Totals may not match because figures have been rounded.

Waste generated by our facilities amounted to 1,581 kt in fiscal year 2009. Some of the sludge from construction projects was difficult to reuse and therefore waste disposal at external landfills increased 128 kt over the previous year to 140 kt. We will continue to study effective uses of external landfill waste, and make every effort to achieve our target of zero emissions.

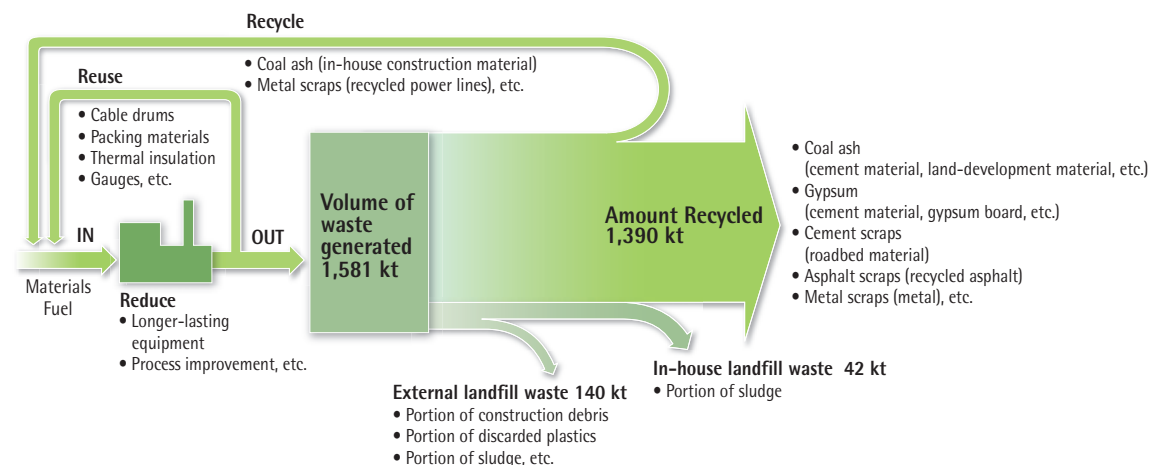
### Effective Use of Coal Ash

The coal ash generated at the Hekinan Thermal Power Station is used as the raw material for a synthetic zeolite called Circulash. Chubu Electric Power is manufacturing and selling this material that contributes to environmental improvement.

Circulash is effective for removing dioxins from incinerator facility exhaust gases and insolubilizing heavy metals (such as lead) found in fly ash, and is used as a dioxin remover at incinerator facilities in Aichi and Nagano prefectures. As a product that recirculates resources, Circulash is sure to be widely used in the future for environmental improvement.



### Industrial Waste Processing and Recycling Flowchart (Chubu Electric Power)



## Environmental Conservation

### ■ Effective Use of Scrap from Dismantling of Nuclear Power Plant

We have purchased benches made from recycled scrap from the dismantling of the Japan Atomic Power Company's Tokai Nuclear Power Plant and installed them at the Hamaoka Nuclear Power Station. The national government has approved the reused scrap, having confirmed under the Clearance System established in 2005 that the material has a sufficiently low level of radioactivity and need not be handled as radioactive waste.

Most of the waste generated by the dismantling and removal of nuclear power plants does not need to be handled as radioactive material, and by reusing it we are helping to build a recycling society.



Recycled benches made from reused scrap

### Management of Radioactive Waste

The term "radioactive waste" refers to that portion of waste generated by nuclear power plants that contains radioactive material. Radioactive waste produced at the Hamaoka Nuclear Power Station is treated with various methods depending on the type and concentration, in order to prevent it from affecting the environment. After measuring the radioactivity to ensure safety, some of the gaseous and liquid radioactive waste is discharged into the atmosphere and the sea from exhaust pipes and ducts. We manage to keep the impact of this discharge on the surrounding area to no more than about one-fiftieth of the naturally-occurring radiation (0.05 millisieverts/year). As of the end of fiscal year 2009, we were safely managing 35,190 drums (in oil-drum equivalents) of low-level radioactive waste at the solid waste storage depot on the station premises. Since fiscal year 1992, we have sent a total of 24,013 drums to the Low-Level Radioactive Waste Disposal Center (operated by Japan Nuclear Fuel Limited) in Rokkasho Village, Aomori Prefecture. There, after the radioactive material is sealed, the drums are stored underground (at a depth of at least 4 m).

### Promoting Green Procurement

In fiscal year 2003, we adopted the Chubu Electric Power Green Procurement system. The companies involved in our business activities under the Chubu Electric Power Group are all working together as one toward the goal of creating a society dedicated to recycling. In fiscal year 2006, we also took CSR into consideration when procuring our supplies.

Look! P53

#### ■ Green Procurement of Office Supplies

In fiscal year 2009, our green procurement ratio was 97%. We are now aiming to further raise our employees' environmental awareness, and achieve a green procurement ratio of 100% for office supplies.

#### ■ Green Procurement of Electric-Power Equipment and Materials

To reduce the environmental impact of our electric-power equipment and materials, we are working with our business partners to implement a comprehensive set of programs.

Evaluating materials for their potential for energy savings, resource conservation, recycling and minimal use of hazardous substances, we purchase removable insulating materials that can be reused, coatings with low content of harmful chemicals, and amorphous transformers that effectively reduce the loss of electric power.

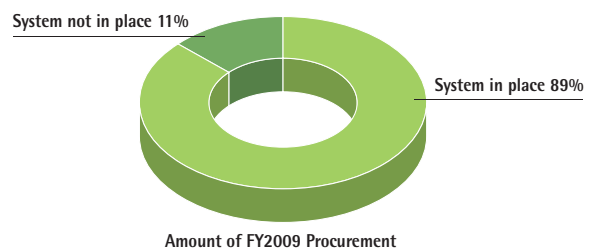
In addition, since fiscal year 2005 we have solicited "green proposals" for improving environmental performance from our business partners.

#### ■ Supply Chain Initiatives

Suppliers accounting for approximately 90% of the value of materials procured by Chubu Electric Power already have environmental management systems\* in place. We are committed to continuing our efforts to raise awareness among our business partners, and to working to upgrade our environmental initiatives across the entire supply chain.

\* Either acquired ISO 14001 certification or adopted Eco Action 21 prescribed by the Ministry of the Environment.

#### Percentage of Material Procurement from Companies with Environmental Management Systems in Place



# Chemical Substances Management

## Control of PRTR\*-Regulated Substances

Chubu Electric Power monitors the volumes of designated chemical substances (PRTR-regulated substances) that are discharged and transferred according to the Law Concerning Reporting, etc., of Releases to the Environment of Specific Chemical Substances and Promoting Improvements in Their Management (PRTR Law). We also implement appropriate controls on these substances based on in-house manuals and other such materials. We are also working to reduce the amounts of PRTR-regulated substances discharged by improving operating methods and introducing alternative substances and technologies.

\*PRTR: Abbreviation of Pollutant Release and Transfer Register. The PRTR system monitors, totals and publicly discloses where the many kinds of chemical substances with harmful properties originate and how much is released into the environment or contained in waste that is transferred off-site

### ■ Approaches to Emission Reduction

To reduce the release into the atmosphere of toluene, xylene and other pollutants contained in paints, we are now using paints with significantly lower levels of toxic substances or none at all.

We will continue to pursue these methods while also attempting to reduce emissions by other means, such as revising the frequency of painting.

## PCB (Polychlorinated Biphenyl) Treatment

Since February 2005, the Insulation Oil Recycling Center has been carrying out detoxification of insulation oil with low PCB concentrations. This had mistakenly been mixed with the oil used in some pole-mounted transformers. Approximately 26,000 kL of insulation oil has been treated (rate of progress approx. 43%) as of the end of fiscal year 2009, which is then shipped as recycled oil (fuel oil, etc.). The containers and components of the pole-mounted transformers that contained low concentrations of PCB have been detoxified at the Transformer Recycling Center



Work underway at the Transformer Recycling Center

since May 2008. We have processed about 153,000 pole-mounted transformers (rate of progress approx. 20%) as of the end of fiscal year 2009, recycling such parts as their metal components.

Transformers and other equipment using insulation oils containing PCBs (equipment with high PCB concentrations) are treated by Japan Environmental Safety Corporation (JESCO).

In accordance with the report submitted to the government by the Japan Electrical Manufacturers' Association (JEMA) in 2002, we are also implementing proper control over transformers and other equipment that have been found to contain trace amounts of PCBs.

## Status of Asbestos Usage

We are committed to investigating and monitoring our asbestos usage, and publicize our asbestos initiatives in a timely manner.

We used spray-on coatings containing asbestos in some of our buildings as soundproofing, insulation, and fireproofing materials; however, we are currently implementing well-planned measures to remedy the situation, including asbestos removal. We also used products containing asbestos in some of our generator facilities' heat insulation, shielding, and other materials, but as these are molded products, it will not disperse under normal-use conditions. For this reason, we plan to gradually replace these products with asbestos-free products when we carry out periodic inspections, improvements, and repairs. We will continue to respond appropriately to asbestos issues, in accordance with national asbestos policy and relevant laws and regulations.

## Soil Pollution Prevention

Chubu Electric Power is working to prevent soil contamination, while complying with and taking appropriate actions under all laws and ordinances designed to prevent soil pollution.



# Environmental Management

## Thorough Environmental Management

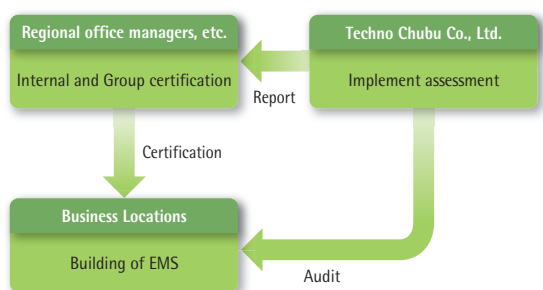
### Environmental Management System

Chubu Electric Power is committed to building our unique environmental management systems (EMS) and reducing environmental impact and risks. In doing so, we are also committed to complying with laws and regulations and reducing impact on the environment as much as possible. We will continue to conduct environmental management using EMS PDCA techniques.

#### ■ EMS Internal Certification System and Group Certification System

Since fiscal year 1999, we have implemented an internal certification system for effective deployment of EMS. Techno Chubu Co., Ltd., a subsidiary of Chubu Electric Power, carries out examinations on par with examination and registration institutions. In April 2008, we expanded the Chubu Electric Power internal certification system to the whole Group to support efforts to build environmental management systems suited to varying business needs.

#### Internal Certification System and Group Certification System



The EMS at the Chita LNG plant underwent inspection in the Chubu Electric Power Group certification system and was shown to meet our EMS standards. Group company Chita L.N.G. Co., Ltd. therefore became the first member of the Chubu Electric Power Group to receive certification from the head of our Environmental Affairs Department in March 2010.



Chita LNG plant director Tsunehiko Sugiura (right) receiving certificate

#### ■ EMS Lecture

Group company TOENEC Corporation hosted a lecture in October 2009 entitled "EMS in Business Activities" for staff members with environmental duties at 11 Group companies, including TOENEC and Chubu Electric Power. A lecturer from the ISO 14001 inspecting organization LRQA Japan gave a talk on building a more effective and efficient EMS.



EMS Lecture

## Environmental Education

In principle, we offer environmental education to our employees on a daily basis through on-the-job training. This is supplemented with instruction from environmental education trainers, environmental education programs for newly hired employees, and an e-learning program offered to all employees.

In addition, each division has its own environmental education programs as part of its specialized training. The Chubu Electric Power Group is also engaged in environmental education.

### Environmental Education Trainer System

Under the system, Chubu Electric Power holds seminars for environmental education trainers who are selected at each business facility. These trainers apply the knowledge gained through the seminars toward educating the employees at their business facility about the environment. Since the system was established in fiscal year 1998, a cumulative total of 3,294 trainers have attended the seminars, and are capitalizing on the environmental knowledge obtained in their own work and in guidance of the employees under their supervision.

### e-Learning

Since fiscal year 2002, we have provided online environmental education for all employees. In fiscal year 2009, participants increased their understanding of biodiversity protection ahead of the 10th Meeting of the Conference of the Parties to the Convention on Biological Diversity (COP10) to be held in Nagoya in October 2010.

### Chubu Electric Power Group ECO Points Program

We are implementing the ECO Points program to encourage independent, environmentally aware actions by the employees of Chubu Electric Power and all Group companies as well as their families. This program awards employees points for their environmental activities. As of the end of March 2010, there were 6,200 or more employees taking part.

Initiative results are compiled every half-year and commendations given to individuals and business sites that have done particularly well.

In addition, we conduct social service activities with environmental non-profits and others so that initiative participants' concern for the environment can be shared with the community. In fiscal year 2009, to promote participant enthusiasm, we started a system in which

participants use the points they earn to vote for non-profits they wish to support, and this is used to determine the size of our support to those groups.

### Recipients of Social Contribution Activities Support in Second Half of FY2009

OISCA	Wooden Block Plaza Children play with wooden blocks from the thinning of Japanese forests. The initiative seeks to make effective use of thinned wood to raise awareness of Japan's forests and the use of domestic wood.
Committee to Create a Famous Momiji Spot in Tara Gorge	The group seeks to turn a local area into Japan's most famous spot for momiji maples. Area citizens, the city and prefecture and others concerned are planting momiji trees in Tarakyo Forest Park in Ogaki City, Gifu Prefecture.

We also support Hoi Nam Du, an NGO working to restore mangrove forests in Vietnam. In August 2009, 12 employees of Chubu Electric Power and its Group companies took part as volunteers in the Vietnam Mangrove Planting Tour, sponsored by Chubu Electric Power. Working alongside university students from Japan and local students, they planted mangrove trees.



Vietnam Mangrove Planting Tour

### Eco Test

Since fiscal year 2009, Chubu Electric Power has supported employees wishing to take the "Eco Test" Certification Test for Environmental Specialists (sponsored by the Tokyo Chamber of Commerce and Industry). We periodically provide candidates with textbooks containing case studies from Chubu Electric Power's environmental initiatives and present anticipated problems. In fiscal year 2009, 143 took the test and 132 passed.

Environmental Management

Initiatives by Our Group Companies

The Chubu Electric Power Group, as a Multi-Energy Services Group, engages in electricity, gas, LNG and on-site energy service businesses and others as its core fields. In all these business activities, the Group is working as one to promote sustainable management according to the Guidelines for Chubu Electric Power Group Environmental Programs, which we formulated in accordance with the Chubu Electric Power Group Environmental Declaration.



Observing the Centrair Japan International Airport Energy Center

Chubu Electric Power Group Environmental Measures Committee

At conferences in May and December in fiscal year 2009, we introduced Group company initiatives for reducing CO<sub>2</sub> and gave tours of the Energy Center, which supplies electric power and heat to the Centrair Japan International Airport, and Aichi Rinku New Energy Park, a facility conducting new energy-proving research. (As of the end of fiscal year 2009, 29 companies including Chubu Electric Power have participated.)

Holding Theme-Specific Study Groups

The Chubu Electric Power Group Environmental Measures Committee includes theme-specific study groups to provide education for environmental staff in coordination with conferences. In December 2009, a study group was held on the theme of "Chubu Electric Power Initiatives for Protecting Biodiversity."

Group Environmental Goals

The Group's common environmental goals have been formulated to reduce our environmental impact, and we are pursuing measures accordingly.

Item	Goals	Performance
<b>1. Initiatives for CO<sub>2</sub> Reduction</b>		
Electric power utilization (offices)	• FY2010: 3% reduction (relative to FY2005)	213,200 MWh (-0.9% relative to goal)
Vehicle fuel utilization (gasoline)		9,146 kL (-3.3% relative to goal)
Water utilization		1,252,000 m <sup>3</sup> (-3.9% relative to goal)
CO <sub>2</sub> emission intensity	Power generation divisions	• 20% reduction over FY2008–2012 (relative to FY1990) 0.371 kg-CO <sub>2</sub> /kWh 0.417kg-CO <sub>2</sub> /kWh (+12.4% relative to goal)
	Production divisions	• Emission intensity reduced 5% in FY2010 (relative to FY2005) 581kg-CO <sub>2</sub> /million Yen 437 kg-CO <sub>2</sub> /million yen (-24.8% relative to goal)
<b>2. Reduce environmental impact</b>		
Green procurement rate	• Consumable office supplies: 100% (FY2020), expand to machinery	Procurement rate: 92.9%
Industrial waste	• Promote work on zero emissions (i.e., sending less than 1% of industrial waste and by-products to external landfills) (FY2020)	Industrial waste: 1,595 kt Final disposal volume: 142 kt Final disposal rate: 0.9% (excludes some construction sludge which was difficult to reuse)
Waste final disposal volume		
<b>3. Improve our level of environmental management</b>		
EMS	• Raise EMS level	• Used the Chubu Electric Power Group Certification System and conducted EMS lectures
Raise environmental awareness level	• Raise environmental awareness by enhancing environmental education • Full participation in the Chubu Electric Power Group ECO Points Program (FY2020) • Promote environmental household account books	• Conducted environmental education on the theme of "Biodiversity Protection" • Conducted ECO Points Program and awareness-raising activities to promote use of environmental household account books
<b>4. Communication</b>		
Conduct Chubu Electric Power Group-wide environmental initiatives and effectively provide information	• Conduct environmental initiatives during Environment Month, etc. • Introduce environmental initiatives at various events	• Conducted energy conservation and cleanup initiatives during Environment Month • Conducted PR for Group company environmental initiatives at various events

# Partnerships in Environmental Communication

## Communication with Local Communities

### Providing Information through TV Commercials, etc.

Chubu Electric Power uses TV commercials and newspaper ads to introduce people to our initiatives on a subject of great concern to the community: protecting the global environment.

In fiscal year 2009, we produced and broadcast TV commercials introducing Mega Solar Taketoyo Power Station, combined cycle power generation at Shin-Nagoya Thermal Power Station, and how to use electricity wisely.



Commercial introducing combined cycle power generation at Shin-Nagoya Thermal Power Station

### Communication Utilizing the Chubu Electric Power Website

Chubu Electric Power is utilizing a website to provide information and promote dialogue on the environment. In February 2010, we updated our website (for example, organizing the content by theme) to make it easier for customers to use. We have also added animation to our site in the form of the popular character Yoshida from the "Eagle Talon" animated series.

As "Businessman Yoshida," he introduces energy and environmental problems in a fun, understandable way.



Eco Land	Children can learn about environmental issues in an enjoyable, game-based setting.
Heart Bridge	Lifestyle information website. Together with "design no Ma" e-Lifestyle Information Center (opened November 2008), it provides lifestyle information on topics such as food, home, health and eco-life.
BizEne	Comprehensive website with energy solutions for corporate customers. It proposes measures to improve energy utilization with the latest information and many case examples.

### Technofair

Technofair 2009 took place at the Chubu Electric Power Technological Development Department in October 2009, pursuing the theme of "Taking the Environmental Challenge: E (Good) Relationships between Technology and Nature: Electricity, Ecology, Economy." Chubu Electric Power, nine Group companies and others gave research presentations at this event.

About 3,300 visitors came to the two-day fair and learned about a wide range of Chubu Electric Power Group technologies benefiting customers and the community.



Visitors flocked to the theme pavilion

### Environment and Energy Seminar

Chubu Electric Power offers a course through the Nagoya Open University of the Environment\* in which university students from Aichi Prefecture learn about the environment and energy and share their thoughts on these topics.

In fiscal year 2009, participants heard a lecture on Chubu Electric Power's environmental efforts, took tours at power plants and elsewhere and traded views with Chubu Electric Power employees.

\* Nagoya Open University of the Environment: An environmental learning network run jointly by citizens groups, businesses, universities, government agencies and others to promote the "human development and human network development," to support "Eco-Capital Nagoya" and a sustainable global society.



## Partnerships in Environmental Communication

### An Invitation to the Forest

In Yamato-cho, located in the city of Gujo in Gifu Prefecture, we own a broad expanse of forest covering 11 km<sup>2</sup>, called Uchigatani Forest.

We are making use of this woodland to conduct a forest conservation program with public participation under the name "Invitation to the Forest." Seeking to train people capable of acting voluntarily to protect the environment in the greater community, the program works with the non-profit Lovers of Water and Greenery, formed mainly by current and former Chubu Electric Power employees, and other local non-profits to protect the forest and give people the opportunity to experience it firsthand. Among the trainees are 80 "Chuden Foresters," volunteers who understand planted forests and know how to thin them. These volunteers are active in forest conservation activities in Aichi Prefecture and elsewhere.



Chuden Foresters thinning a forest stand

### Parent/Child ECO Classes

Chubu Electric Power and Nagoya Railroad Co., Ltd. held Parent/Child ECO Classes for elementary school students and their guardians in October 2009.

Part 1, entitled "Learn ECO on the Train," introduced people to the environmental initiatives of Nagoya Railroad in its rail cars, while Part 2, "Let's Think about the Forest," let participants get up close with nature, watching Chuden Foresters doing thinning work at Nagaragawa Fureai Forest in Gifu City and making eco-crafts and sawing logs from thinned wood.



Watching a Chuden Forester thin trees

### New-Employee Tree Planting Relay

The Chubu Electric Power Gifu Regional Office began a "Tree Planting Relay" for new employees in fiscal year 2009 to raise awareness of the importance of the natural world while growing a forest.

Oak, chestnut and other tree seeds are collected from the Uchigatani Forest and raised into seedlings, and in the following fiscal year new employees plant the seedlings. As the practice continues year after year, the employees will have created a new broadleaf forest through their efforts.

### Topics

#### Morino Chonai-kai Initiative Promotes Forest Thinning

Chubu Electric Power started the Morino Chonai-kai initiative in May 2010 to promote healthy forests in the Chubu Region through thinning of closely spaced trees. The initiative is a partnership with the environmental non-profit Office Chonai-kai.

Morino Chonai-kai encourages forest thinning through the use and sale of paper. The paper, the price of which includes funds to promote thinning, is used as printing paper at businesses that support thinning and helps to maintain the forest.

Chubu Electric Power takes an active role as the Morino Chonai-kai office, finding businesses willing to support thinning efforts and managing and reporting on thinning results.



Morino Chonai-kai logo

### Voice on Site



Sonoko Kato  
Kamo Customer Service Office,  
Gifu Regional Office,  
Chubu Electric Power Co., Inc.

#### Taking Part in Tree Planting Relay

In the Tree Planting Relay we get to grow seedlings from seeds with our own hands, and we plant them year after year. I feel a responsibility to carefully raise the seeds I've been given so that the relay will continue in future years. In the everyday things I do, I try to be environmentally aware so that future generations can enjoy natural beauty like the Uchigatani Forest.

## Cooperative Programs with Environmental Non-Profits

### ■ Tree-Planting Certificates

In collaboration with the non-profit Chubu Recycle Citizens' Organization, we have given away commemorative tree-planting certificates since 2001.

In fiscal year 2009, 7,000 customers were chosen by lottery to receive a tree-planting certificate; that is, credit for planting a seedling.

Winners can choose to plant a seedling themselves, give a seedling to a loved one or donate the certificate to a tree-planting group in Japan or abroad.

Overseas tree planting projects we support include reforestation in southern India by a non-profit and a project to prevent desertification in the Inner Mongolia Autonomous Region of China. We took part in tree planting in Inner Mongolia in October 2009, working with about 130 local people to plant 60,000 sand willows and other trees that survive in arid conditions. Sixty percent of the region's formerly verdant forest has been lost to encroaching desert in just 30 years. This project, it is hoped, will help restore greenery to the area and get a wide range of people genuinely concerned and active in caring for the environment.

### ■ Environmental Classes

Chubu Electric Power, in partnership with the non-profit Chubu Recycle Citizens' Organization, held "Chuden Natural School" from May to December 2009. Forty elementary school students took part in hands-on programs that make it fun to learn how to live an eco-friendly life, following the themes of food, living organisms, lifestyle and our connection to the world. The six programs included growing rice, exploring the forest, eco-friendly shopping and others. One participant noted feeling impressed at how different living organisms depend on each other.

### ■ Forest and Water Eco-Tour

The Chubu Electric Power Okazaki Regional Office partnered with the non-profit Honokuni Forestry Association to host a "Forest and Water Eco-Tour" in March 2010.

The event drew 25 elementary school students and guardians, who tried doing tree thinning in the Aichi Prefectural Forest in Shinshiro City, played nature games and learned about hydroelectric power at the Chubu Electric Power Nagashino Hydroelectric Power Station, which started commercial operation in 1912. As one participant commented, "I could really feel the relationship between the forest and energy."

### Environment Month Event

During Environment Month in June 2009, we used characters from our website's Ecoland environmental information page for children and a digital picture story show in events teaching about protecting the global environment at Taketoyo Town, Aichi Prefecture and "design no Ma" e-Lifestyle Information Center.

More than 300 people participated in the events, which included making crafts from thinned wood from Chubu Electric Power's Uchigatani Forest in a workshop that followed the digital picture story show.



Digital picture story show at Taketoyo Town, Aichi Prefecture

## Partnerships in Environmental Communication

### Communication with Local Communities / World Partnership

#### Partnerships with Universities

Chubu Electric Power concluded a comprehensive industry/academic partnership agreement with Mie University in fiscal year 2005. Under this partnership, we use Mie University's education and research results and Chubu Electric Power's business activities in the community to contribute to the sustained development of the local community.

Since fiscal year 2007, as part of our joint efforts, we have been developing an energy and environmental education program for elementary and junior high school students and providing a practical energy and environmental training course in partnership with an environmental non-profit and others.



Report on results of energy and environmental education

#### Partnerships with Other Enterprises (EPOC Initiatives)

Chubu Electric Power is one of a group of 14 local corporations that founded the environmental advocacy group, Environmental Partnership Organizing Club (EPOC), in February 2000. As of the end of fiscal year 2009, there were 275 participating companies.

EPOC's many events include seminars to bring member companies to a higher level, research meetings, and joint projects with government officials, academic experts and citizens. Chubu Electric Power participates and collaborates actively in these activities.

#### Development of International Exchange

We are helping to improve environmental conditions in other countries through our consultation service, capitalizing on the experience and knowledge we have accumulated by implementing environmental measures at our thermal power plants.

##### ■ Development of International Exchange

By accepting trainees from developing countries and dispatching instructors to these countries, we are promoting international exchanges in order to protect the environment, improve energy efficiency, and assure the safety of nuclear power generation.

We are also a member of the World Business Council for Sustainable Development (WBCSD), which brings together some of the world's leading environmental companies to work on various sustainable growth programs.

##### Acceptance of Trainees and Dispatch of Instructors

	Number of trainee projects	Number of instructor projects
FY2009	16 (114 trainees)	5 (6 instructors)

##### ■ Agricultural and Greening Support for Qatar

A cultivation experiment using artificial zeolite has been underway since 2005 in Qatar, a country from which we import LNG. This experiment seeks to promote the greening of arid regions. In August 2009, we sent an agricultural and greening technical specialist to Qatar, who has since been collecting useful data on desert greening.



Cultivation experiment in Qatar



## Chubu Electric Power Environmental Roundtable

We have established a Chubu Electric Power Environmental Roundtable, by which the General Manager of the Environmental Affairs and Plant Siting Division can receive advice and suggestions on environmental measures in general from experts in environmental issues.

### Fifth Chubu Electric Power Environmental Roundtable

At the fifth environmental roundtable in November 2009, participants visited the Uchigatani Forest and then traded views on forestry activities there as well as the issue of achieving a low-carbon society.

#### ■ Views of the Forum Members

##### Forestry activities in Uchigatani Forest

- When you generate hydroelectric power, you should also consider the forest that supplies the water. Protecting the forest is in our national interest, and taking energy and forest conservation together can be Chubu Electric Power's *raison d'être*. So it's very important to foster forestry leaders at Uchigatani Forest.
- It's great that Chubu Electric Power employees who learned thinning at Uchigatani are working as volunteers on other forests.
- Listening to the explanation by Chuden Real Estate Co., Inc., manager of the Uchigatani Forest, I understood the necessity of thinning and that there are ways of using the forest that are particularly appropriate for each site.



Visit to Uchigatani Forest (general explanation at forest cottage)

##### Initiatives for achieving a low-carbon society

- It's a good thing if our electric power supply is stable, but it's even more important that it be safe. However, you should try to help people understand the fact that, since we can't go back to our old lifestyles, nuclear power is essential.
- Safety is very important to the average citizen. You should clearly state your understanding that we won't be able to build a sustainable society until we have safety

plus the 3 E's (Energy, Economy and Environment).

- > Nuclear power is an effective means for ensuring a stable supply of electric power and protecting the global environment, and we strive to operate our nuclear power facilities stably and with safety as the highest priority and proactively disclose information.

### Sixth Chubu Electric Power Environmental Roundtable

At the sixth environmental roundtable in June 2010, we listened to participants' opinions on the results of fiscal year 2009 environmental conservation initiatives and our methods for providing information about our CO<sub>2</sub> reduction initiatives.

#### ■ Views of the Forum Members

- On the subject of CO<sub>2</sub> emissions reductions, you need to take a long-term view of what is the best mix of new energy, nuclear power and thermal power, factoring in economy and supply stability, and come up with the overall ideal solution.
- When you provide information, you need to improve how you express quantities like CO<sub>2</sub> emissions intensity or the amount of electric power generated, for example by using concrete examples that are familiar from everyday life.
- Up to now, the message we have largely heard is "nuclear power is safe." But in Japan we've come to understand that nuclear power is not so safe, so we assure safety by focusing on the system, engineering and operating control aspects. It seems to me the public may not be hearing about these efforts.

#### Chubu Electric Power Environmental Roundtable Members

##### Ichiro Yamamoto (Chair)

Trustee, Vice-President, Nagoya University and Professor, Graduate School of Engineering, Nagoya University

##### Tadashi Aburaya

Chairman, Mie Prefecture Environmental Conservation Agency

##### Toshihiro Kitada

Professor, Department of Environmental and Life Sciences, Toyohashi University of Technology

##### Keiko Kunimura

Director, Nagoya City Waterside Research Group

##### Noriyuki Kobayashi

Associate Professor, Graduate School of Engineering, Nagoya University

##### Masayo Kishida

President, NPO Partnership Support Center

##### Atsuko Hayakawa

NPO Weather Caster Network

##### Susumu Hayashi

Professor Emeritus, Gifu University



# Customers

Chubu Electric Power's customers express a wide range of views and requests, and we are committed to acknowledging them in a sincerely receptive manner. We strive thereby to deliver high-quality services that meet our customers' diverse needs, and to increase Customer Satisfaction (CS).

## Working for Customer Satisfaction

### Promoting Customer Satisfaction (CS)

Chubu Electric Power aims to deliver services that gain the customer's trust and give the customer satisfaction. The sales divisions in particular have formulated a common slogan as they endeavor to increase CS.

#### CS Slogan

- Care**  
(Improving the public image of our service response)
- Accuracy**  
(Accurately handling matters)
- Speed**  
(Acting quickly to respond to customer needs)

As part of the Chubu Electric Power promotion of CS, the head office and regional offices have been setting up customer satisfaction sections as part of the framework to support CS programs of sales offices that have direct contact with customers. The different customer satisfaction sections are engaged in a variety of initiatives, while customer service offices, led by their respective directors, use their own creativity to conduct autonomous activities that relate to actions taken in the customer's line of sight, which helps to boost CS.



"Telephone Support Contest," an event by the Nagoya Regional Office to improve telephone response

### A Framework for Utilizing Customer Feedback

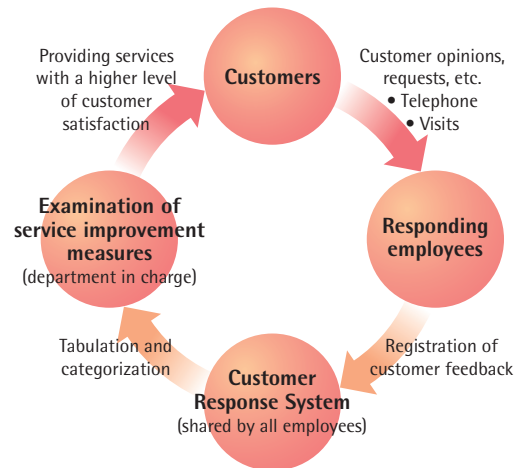
#### Customer Response System

To provide our customers with more satisfying service, customer comments and opinions taken at customer service offices and over the telephone are entered in our Customer Response System and the information is shared with all employees.

The departments in charge then consider specific service improvement measures based on the registered customer feedback and make improvements.

About 2,500 customer comments were registered in fiscal year 2009. At Chubu Electric Power, we think of customer feedback as a valuable asset, and we will continue to act progressively to give our customers more satisfying service.

#### Customer Response System



### Case Example of Customer Feedback in Use

#### Toll-free Calling and Phone System Improvements

In October 2009, Chubu Electric Power introduced toll-free calling in response to the many customers who had been requesting it.

After toll-free calling was in place, customers told us the automated voice guide was too fast and difficult to follow, and that it was difficult to figure out which number to select, so in March 2010, we improved the voice guide to make it more user-friendly.

## New Lifestyle Possibilities

### ■ "design no Ma" e-Lifestyle Information Center

To mark its first anniversary, in November 2009 the "design no Ma" e-Lifestyle Information Center partnered with numerous companies including manufacturers of home appliances and equipment, furniture and food products and other regional lifestyle companies to offer total solutions for living an eco-friendly life, spotlighting the advantages of electricity including the all-electric option.



"design no Ma" e-Lifestyle Information Center (Chikusa-ku, Nagoya City)

### ■ "HeartBridge" lifestyle information website and magazine

We operate the lifestyle information website "HeartBridge" to "help members of the regional community enjoy confident and happy lives." We also publish a seasonal magazine by the same name.

## Corporate Customers

Chubu Electric Power has specialist sales representatives (account managers) in every region for customers with contracts for 500 kW or more of high-voltage electricity. We also have technical service personnel (solutions staff) to provide them with support related to efficient energy utilization. We are engaged in proactively proposing solutions.

Meanwhile, for customers using less than 500 kW of high-voltage electricity, we have specialist staff in our sales offices and Customer Center to handle a wide range of inquiries. The members' information service known as the Chuden KIT Club provides a rate-plan calculation service, information on lightning strikes, e-mail magazine distribution, and various other information services useful to our customers.

### ■ ENE-WAY Event Showcases Solutions

Chubu Electric Power also organizes occasions for communicating information to corporate customers. These are the ENE-WAY expositions, where we introduce case studies of solutions and exhibit the most up-to-date electrification systems. They attract large numbers of visitors every year, and help businesses to use energy wisely.



Solutions to problems are presented on the Solution Stage

## Topics

### Events at "design no Ma"

#### New Electricity Lifestyles

Features the latest home environments with electric power, using Eco Cute, solar energy, etc.



#### Lifestyles of the Future

A chance to trade views, from industrial, academic and consumer perspectives, with university students seeking to develop the kitchen of the future



# Shareholders, Investors, and Business Partners

## Earning the Trust of Shareholders and Investors

By remaining a robust enterprise that can respond quickly and accurately to changes in the market environment, and showing sufficient performance while maintaining a high degree of transparency through appropriate managerial and financial disclosure, we consider the Group to be a reliable partner for our shareholders and investors.

### Maintaining Communication by IR Activities\*

In addition to holding regular biannual briefings on its financial results, Chubu Electric Power pursues communication by dispatching executives to meet directly with institutional investors in Japan and other countries. We also provide tours of power plants and other facilities, hold company orientations for individual investors, and conduct other such activities to foster better understanding of our business activities.

\* **Investor Relations (IR) Activities:** A corporation engages in IR activities to provide shareholders and investors with the prompt and unbiased corporate information they require to make investment decisions.

### FY2009 IR Activity Results

Who is covered		Description	No. of times	Month
Institutional investors		Management plan briefing	1	March
		Results briefing	2	May, November
Individuals	Investors	Company overview	2	August, February
	Shareholders	Facility tour	9	August to November

### Proactive information disclosure

We disclose information in accordance with the Securities and Exchange Law and other relevant regulations as well as the rules for timely disclosure stipulated by the stock exchanges where we are listed. We also actively publish information via our website and booklets like the Annual Report.



[HP](#) > English TOP > INVESTOR RELATIONS

## In Partnership with Our Business Partners

We strive to foster solid bonds of trust through open communication and fair and sincere dealings with our business partners. In our collaborative procurement of materials, we seek to broaden applications for practicing CSR.

### Basic Procurement Policy

We have a basic procurement policy that specifies total compliance, safety assurance, and reduction of environmental impact, in line with our CSR mission. All our procurement activities are carried out in accordance with this policy.

#### Basic Procurement Policy (excerpted)

- Total Compliance
- Open Door Policy
- Safety Assurance
- Fair and Honest Procurement
- Mitigate Environmental Burden
- Work in Partnership

[HP](#) > English TOP > CORPORATE INFORMATION > Procurement

### Enhancing Information Disclosure and Communication

We hold our business partners in high regard and recognize that they aim to develop and grow together with us. We also urge our business partners to implement CSR and practice active information disclosure. In April 2010, we continued last year's practice of holding briefing sessions for our business partners to explain CSR practice and our management plans and offer information on our procurement plans. Approximately 430 members of some 229 companies attended these presentations. We have established a point of contact in our head office to take questions about parts and materials transactions in general. This service was approached for advice 143 times in fiscal year 2009, an example of our initiatives for enhancing communication with business partners.



FY2010 briefing session for business partners

# Local Communities

We value communication with residents where our facilities are located.

We work to be a trusted neighbor through engaging in a variety of initiatives to contribute to sustainable regional development while addressing residents' needs.

## Contribution to Society

### Basic Corporate Citizenship Policies

Based on the Basic Corporate Citizenship Policies of the Chubu Electric Power Group (formulated in March 2008), we establish a shared basis of conceptual approaches and priority areas with Group companies, while at the same time promoting a wide range of activities.

#### Basic Corporate Citizenship Policies of the Chubu Electric Power Group

##### 1. Basic Approach

As a corporate group based in central Japan that provides Multi-Energy services, Chubu Electric Power Group fulfills our responsibility as a good corporate citizen in accordance with the following policies to demonstrate our commitment to sustainable development of society and our local communities.

- (1) Value dialog and partnership as we contribute to building better communities and society.
- (2) Take the initiative in support, not only through social contribution as a corporate group but also by respecting the voluntary efforts of employees.
- (3) Make the details of our corporate citizenship activities widely known and work for ongoing improvements.

##### 2. Key Areas

- Ensuring local welfare and peace of mind
- Environmental conservation
- Education of the next generation
- Cultural and sports activities

### Ensuring Local Welfare and Peace of Mind

Safety in everyday life is an important issue in local communities. The Chubu Electric Power Group will fully utilize its facilities, its technology, and its human resources to contribute to heightened safety in local communities and to promote a greater sense of security.

### Public Information Campaign on the Safe Use of Electricity

Chubu Electric Power is carrying on a public information campaign for the customers at large to improve their understanding and knowledge of how to safely use electric power. This is largely focused on August, which is Safe Use of Electric Power Month. As part of this campaign, we check the electrical wiring in buildings that are designated as cultural assets and so on.



Checking wiring at cultural properties like Yakushiji Temple and Kawano Sainyubo in collaboration with the Kakamigahara City fire department and city government (Kakamigahara Customer Service Office, Gifu Regional Office)

### Lifestyle Assurance Information Services

Chubu Electric Power offers lifestyle assurance information services using our mail servers and other facilities.

#### "Oshiete! Otenki"

##### Weather and earthquake information

We send Japan Meteorological Agency weather forecasts and warnings and earthquake information from our service area to subscribers' mobile phones.

#### "Kizuna Net"

##### Disaster Information

Working with the Nagoya Fire Department, we send notices by text message in the event of a Nagoya City evacuation alert (including any information about preparation for such an alert).

#### "Patonet Aichi"

##### Incident and suspicious person information

This joint service with the Aichi Police headquarters sends a text message immediately with information about incidents or suspicious persons in Aichi Prefecture to help people be on guard for crime.

#### "Kizuna Net"

##### School communications network

See Highlight 4 on P. 9-10 of this report.

Look! P09-10



## Local Communities

### ■ Gardening Welfare Program

The Nagoya Port Wildflower Garden Bluebonnet is open to the community and welcomed its one-millionth visitor in May 2010.

Bluebonnet is about more than viewing flowers. As a garden of health and healing, it was built barrier-free to promote the welfare of mind and body of all visitors. We operate programs using flowers and greenery in cooperation with non-profits, government agencies and private enterprise.

In October 2009, we collaborated with the non-profit Hana to Midori to Kenko no Machizukuri Forum to hold a "Potato Digging Workshop" for local kindergarten students in Bluebonnet's experimental community garden.



"Potato Digging Workshop" for kindergarten students

### Environmental conservation

In addressing environmental problems, Chubu Electric Power promotes collaboration with local residents. We also consider it important to develop the human resources needed to continue engaging issues in a sustained manner. The Chubu Electric Power Group will join with local communities to make contributions to environmental conservation.

### ■ The Chuden Eco Partnership Initiative

The Chuden Eco Partnership initiative provides a new framework for collaboration by NPOs and other such civic organizations with corporations on environmental activities they had been engaging in separately, as well as for cooperation by civic organizations with each other. This initiative further seeks to form larger circles of partnership in environmental activities. The partnership was begun in 2006 when Chubu Electric Power called for participation by NPOs and other civic organizations, student groups, schools, and other such organizations engaged in addressing environmental issues.

In fiscal year 2009, we held a variety of environmental events with 18 groups. The approximately 15,000 participants had an opportunity to think about the global environment and engage in environmental initiatives that anyone can do.

### Participating groups in FY2009 (in alphabetical order)

- "Eco No Tsubomi" of Aichi Shukutoku University
- Asperger Society (NPO)
- E-Produce (NPO)
- Ecobank Aichi (NPO)
- Kida Eco-club
- Executive Committee of the Environmental Learning Exchange Program for high school and university students
- University of Shizuoka Environmental Circle CO-CO
- Sugiyama Jogakuen Environmental Circle TERRA e VIDA
- Sports Support Association (NPO)
- Team Bandori (NPO)
- Chubu Recycle Citizens' Organization (NPO)
- Nagoya University Sumo Club
- Nissin Citizens' Network on the Environment (NPO)
- Manamana. Co.
- Mizushirube (NPO)
- Lovers of Water and Greenery (NPO)
- Meijo University Volunteer Association
- Friends of the Metasequoia Forest

### ■ Chuden Elementary School Eco Session

In December 2009, we held the Chuden Elementary School Eco Session 2009. Chubu Electric Power holds this event to generate opportunities for children, society's future leaders, to think about the environment and energy, and to help them learn about the environment at school.

On the day of the event, 331 children from six elementary schools in our service area, all of whom had done preliminary study in Chubu Electric Power's traveling classes and in study visits to power plants, took part and presented a number of unique energy conservation ideas that only elementary school students could have thought of, such as a car that runs on carbon dioxide. Afterwards, children representing each school had a conversation with Chubu Electric Power's then-President Mita and a special guest, the actor and weather forecaster Yoshizumi Ishihara, about their ideas for the environment.



Children trade views with then-President Mita

## Education of the Next Generation

At Chubu Electric Power, we provide a wide range of education and support programs to encourage children's interest in environmental and energy issues.

### ■ PR Facilities

The Chubu Electric Power Group operates facilities where visitors can learn about energy, the environment and science in a fun, hands-on way.

#### List of PR Facilities

Electricity Museum	2-2-5 Sakae, Naka-ku, Nagoya-shi, Aichi, Japan Tel: +81-52-201-1026
Hekinan Tantopia	2-8-2 Konan-machi, Hekinan-shi, Aichi, Japan Tel: +81-566-41-8500
Chita Electric Museum	Kitahama-machi 23, Chita-shi, Aichi, Japan Tel: +81-562-55-8311
Nagoya Port Wildflower Garden Bluebonnet	Shiomi-cho 42, Minato-ku, Nagoya-shi, Aichi, Japan Tel: +81-52-613-1187
Kawagoe Electric Power Museum Tera 46	87-1 Aza-Chomei, Oaza-Kamezakishinden, Kawagoe-cho, Mie-gun, Mie, Japan Tel: +81-59-363-6565
Hamaoka Nuclear Power Museum	Sakura 5561, Omaezaki-shi, Shizuoka, Japan Tel: +81-537-85-2424
New Energy Hall	Sakura 5561, Omaezaki-shi, Shizuoka, Japan Tel: +81-537-85-2424
Igawa Pavillion	1956-1 Aza-Nishiyamazawa, Ikawa, Aoi-ku, Shizuoka-shi, Shizuoka, Japan Tel: +81-54-273-9004
Electric Power Historical Museum	840-1 Nanzan, Komenoki-cho, Nisshin-shi, Aichi, Japan Tel: +81-561-72-2121

Part of the third-floor exhibit room at the Electricity Museum in Naka-ku, Nagoya City was updated in March 2010 and now features a hands-on exhibit entitled "Look, Touch, Play and Learn."

The four new features on exhibit include "Electricity Field," "Electricity Road," "Door to New Energy" and "Power Supply Simulator." Visitors play games that teach them about the flow of electricity from the power plant to the home, how electricity is sent over transmission lines, new forms of energy, and the state of the power supply.



Generating electricity by rotating handles of "Twirling Generator"

### ■ Traveling Classes and Study Tours to Workplaces and Facilities

Chubu Electric Power employees go on assignment to elementary and junior high schools. There they organize electrical experiment laboratory sessions to introduce the mechanisms of power generation in an easy-to-understand format, and hold traveling classes (environment/energy class, etc.) that introduce the importance of energy and environmental preservation.

We also offer study tours to workplaces and facilities, where participants can observe customer service offices, power plants, substations and other facilities.

#### Results for FY2009

Traveling Classes	Held 435 times, 17,386 persons participating
Study Tours to Workplaces and Facilities	Held 212 times, 3,002 persons participating



Traveling class at Chikuhoku Village Sakai Elementary School (Toyoshina Customer Service Office, Nagano Regional Office)

### ■ Diet Education Event at "design no Ma"

In a partnership with food products manufacturers, government agencies, schools and others, we are working to raise interest in diet, the environment and agriculture at the "design no Ma" e-Lifestyle Information



Children and their parents cooking

Center in Chikusa-ku, Nagoya City. In one planned event to be hosted with Higashiyama Zoo and Botanical Gardens, children and their parents will be able to observe the feeding room of the zoo and help apportion food there, or prepare foods at "design no Ma," affording them the chance to think about nature and food.

Look! P52

## Local Communities

### Cultural and Sports Activities

Chubu Electric Power aspires to contribute to the transmission of traditional culture and art, as well as to the creation of new cultural movements and sports activities. We will assist our community in further developing its culture and traditions, which are common assets shared by all citizens, so that the community will become richer and more vibrant.

#### ■ Opening Company Facilities to Local Residents

Chubu Electric Power rents out company facilities like the Denki Bunka Kaikan (Naka-ku, Nagoya) and Higashi Sakura Kaikan (Higashi-ku, Nagoya), so that they may be widely used to promote culture, the arts and health.



Higashi Sakura Kaikan (Higashi-ku, Nagoya)

#### ■ Chuden Spring Break Parent and Child Theater

The cultural event Chuden Spring Break Parent and Child Theater took place March 26-27, 2010 at halls in the cities of Handa and Tokoname to promote arts and culture and develop aesthetic sensibility in young people.

During this event, theater company Minwaza, which performs across Japan and overseas, staged a shadow picture puppet show and Edo utsushie (projected images) show. About 1,600 parents and children enjoyed watching masters of these traditional arts.



Children learn how shadow picture puppet shows work

#### ■ Joint Concert with Nagoya Philharmonic Orchestra and High School Wind Ensembles

Since fiscal year 1999, Chubu Electric Power has held a joint concert with the Nagoya Philharmonic Orchestra to support music by high school students.

The event in fiscal year 2009 took place at the Shizuoka City Shimizu Cultural Center. About 60 members from three Shizuoka City high school wind ensembles, who had received instruction from a professional conductor and members of the orchestra, gave a performance that enthralled an audience of 1,400.



The 11th Chuden Joint Concert

#### ■ Rugby Club Coaches School Team Members

The Chubu Electric Power rugby club is helping junior and senior high school students grow in good health through rugby.

Every year since 1996, we have been inviting members of rugby teams from local high schools for friendship and exchange events, in addition to giving them some technical guidance.

In April 2010, we invited 117 rugby club members from four high schools to the Chubu Electric Power Nisshin Multi-Purpose Stadium for the 15th Chubu Electric Power Rugby Festival.



Technical instruction to local high school rugby players

#### Employee Volunteer Organization "Fairy Lights Club"

The "Fairy Lights Club" was organized in 1991 as a part of our social contribution activities, and is open to all employees. Since its formation, the club has acquired a large number of employee members, including those from Group companies. Its activities have also been expanding, to include assistance to disaster areas as well as clean-up programs around Chubu Electric Power business locations, public facilities, and other such locations.



## Initiatives by Our Group Companies

Member companies of the Chubu Electric Power Group run all types of social service activities and events and actively participate in other local happenings.

### SHIN-NIHON HELICOPTER Co., Ltd.



We took part in "Sky Day" at Nagoya Airfield. Visitors were able to sit in the cockpit of the new aircraft on display to get a taste of being a pilot and learn about this business.

### Chuden Disaster Prevention Co., Ltd.



This company primarily provides fire and disaster prevention and security services for Chubu Electric Power's power plants and fuel bases. It participated in a regional New Year firefighters' event held each year in early January, giving demonstrations of firefighting work.

### Chuden Wing Co., Ltd.



The company provided a lecturer for the "Challenged Agricultural Labor Support Seminar for Caretakers," an event that helps nurture and secure human resources to act as a bridge between the challenged and host farmers. The seminar presented case studies of adaptations made to help persons with mental disabilities continue doing agricultural labor.

### CHUBU SEIKI Co., Ltd.



An "In-house Eco-cap Campaign" collects and donates PET bottle caps to send vaccines to developing countries. In fiscal year 2009, some 70,000 caps were collected, enough to provide vaccines for about 90 people.

### CHUDEN KOGYO Co., Ltd.



Works to expand public notices for a more livable town, such as signs on utility poles leading people to evacuation areas in case of emergency or raising awareness for crime prevention or traffic safety.

### TOENEC CORPORATION



Employees and trainees from the Electricity Distribution Training Institute conducted cleanup events at the Asakura Nursery School (Chita City, Aichi Prefecture) and the Meiwa Dormitory of the Nagoya Light House (Nagoya City, Aichi Prefecture).



## Employees

We employ a diverse staff to promote equal opportunity in recruitment, hiring and employment. Emphasizing individual capability and aptitude, we strive to create a corporate culture that enables each of our employees to fully exercise his or her skills. We offer support so that each employee can work safely and in good health.

### Creating a Pleasant Workplace Environment / Personnel Motivation and Career Development

#### Respect for Human Rights and Equal Opportunity

Chubu Electric Power has eliminated discrimination based on sex, age, academic record, nationality, and so on in recruitment and hiring for positions as well as during employment. We pursue equality of opportunity by assuring transparency in compensation and benefits.

##### ■ Human Rights Awareness and Education Policy

In keeping with our Human Rights Awareness and Education Policy, which declares that Chubu Electric Power "will fulfill its responsibilities to society as a company in order to work for the realization of a society in which all human rights are respected," our head office and regional offices maintain Individual Rights Awareness Promotion Committees to conduct training and other activities to increase awareness.

##### ■ Establishment of a Point of Contact

Chubu Electric Power gives various types of training to foster correct understanding of harassment and deepen awareness of it. Other activities include using the intranet for consciousness-raising and providing harassment hotlines inside and outside the company to give advice on this issue. Chubu Electric Power has also set up the Personnel Consultation Office as a point of contact where employees can pose questions they might have about company personnel policies.

#### Hiring of Challenged and Elderly People

Chubu Electric Power established Chuden Wing Co., Ltd. in 2003 to create new work opportunities for challenged persons. Today it employs 46 such persons in printing, marketing of gifts and gardening. Including Chuden Wing, as of June 2010, the percentage of Chubu Electric Power employees who are challenged is 2.26%. (The legally required percentage is 1.8%.)

In light of the amendment to the Law Concerning Stabilization of Employment of Older Persons, in 2006 we reevaluated our "senior staff" system for rehiring employees who have reached the age of mandatory retirement to put the superior capabilities of employees at retirement age to effective use across a wider range.

Additionally, under our Course Change Support System, we help staff who are leaving to work for themselves or at businesses other than Group companies to get the training and credentials they need.

#### Topics

##### Her Imperial Highness Princess Hisako Takamado Visits Bluebonnet Garden



In March 2010, Princess Hisako Takamado observed staff members at work in flower beds of the Nagoya Port Wildflower Garden Bluebonnet, a facility open to the community on the grounds of the Shin-Nagoya Thermal Power Station and which is maintained and managed by Chuden Wing Co., Ltd.

#### Topics

##### Silver Medals at Paralympics



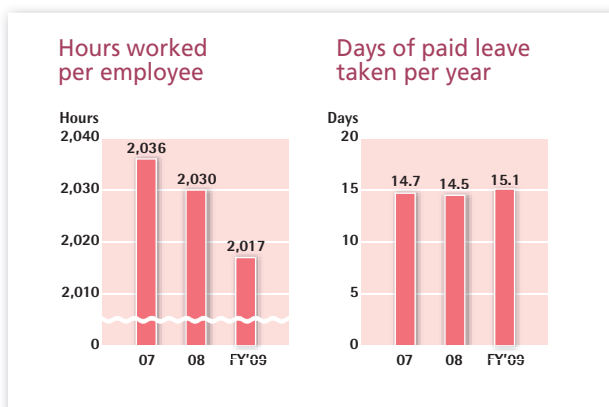
Three employees of the Chubu Electric Power Group were selected to represent Japan at the Vancouver Paralympic Games in March 2010. Naohiko Ishida (Chubu Electric Power Nagoya Regional Office, Naka Customer Service Office), right, and Mamoru Yoshikawa (Chubu Electric Power Nagano Regional Office, Iida Customer Service Office), left, earned silver medals as part of the ice sledge hockey team. Keiichi Sato (Chuden CTI Co., Ltd.) competed in five events in two sports and took fifth place as part of the cross-country ski relay team.

## Work System Designed to Harmonize Jobs and Family Life

In 2005, we introduced a planned holiday and designated work program. This system gives our employees flexibility to select and specify working days and hours, based on the individual's preferences and in keeping with the work situation, enhancing our ability to run our operations systematically and efficiently while enriching employees' home lives.

### ■ Life-Support Leave

In addition to annual paid leave, Chubu Electric Power provides life-support leave to support employees who are actively trying to fulfill their roles as members of their families and of their local communities. Employees can use this leave for volunteer activities, registering as donors, and other activities contributing to society, as well as for their own illness or injury, caring for family, and taking part in school events.



## Support System for Childcare and Nursing Care

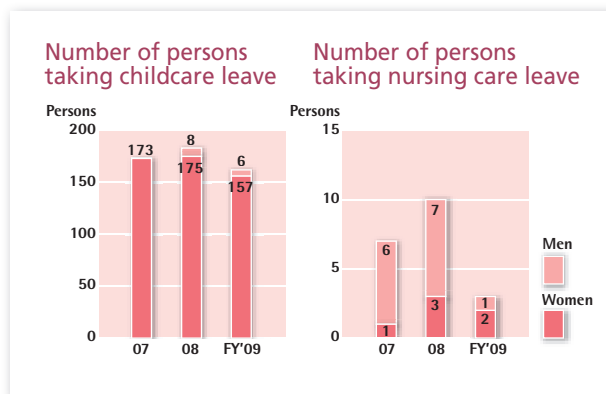
### ■ Support for Childcare

In April 2009, we revised our childcare leave program so that employees can take leave until the day their child turns two, and work shorter hours until the last day of the fiscal year in which their child is a first-grader in elementary school. We also offer a system that lets employees apply Life-Support Leave for parental leave purposes for a certain period of time so that they can be even more involved with their children.

We also provide a telephone consultation service to assist employees in balancing their work with childcare. The service is for employees who have children up to the third year in junior high school, or who are pregnant. External advisors stand ready to consult with individual employees.

### ■ Support for Long-Term Care / Nursing Care

For employees needing to provide long-term or nursing care, we offer a Nursing Care Leave System that lets them take time off for two years or work shorter hours. During nursing care leave, the company pays a part of the employee's wages to reduce their financial burden.



## Female Activities Promotion Office Programs

At Chubu Electric Power, we believe that a diverse staff whose members are respectful of each other's individuality and who work to the full extent of their talents is essential to our sustained growth. Promoting the active involvement of women is a particularly important part of this, and the Female Activities Promotion Office takes this as its full-time mission.

Initiatives of the Female Activities Promotion Office are based on three pillars: creation of opportunities for female employees to cultivate themselves and demonstrate their abilities, work style reform, and external collaboration. Specifically, the office provides support for female activities by giving training in each region to female employees and their immediate superiors, running a dedicated website and incorporating feedback from awareness surveys and roundtable talks it holds during workplace visits. These initiatives have won praise, including the fiscal year 2008 Excellence Award from the City of Nagoya's program to recognize and commend businesses supporting child-rearing, and the fiscal year 2009 Excellence Award from the City of Nagoya's program to recognize and commend businesses promoting women's activities. In May 2010, the office also earned the "Kurumin" mark under the Law for the Promotion of Measures to Support Nurturing of the Next Generation.



## Employees

### Topics

#### Chuden Papa Child-rearing Forum



In November 2009, 34 male employees took part in our first child-rearing forum for men, intended to encourage male employees to be part of raising their children. At this event, Tetsuya Ando of the non-profit Fathering Japan gave a talk entitled "The Essence of Being a Dad: Enjoying Work and Child-rearing." Afterwards, participants discussed how they could best be fathers to their children.

#### ■ Chubu Diversity Net

The purpose of this organization is to develop a corporate climate of acknowledgement and respect for diversity in the workforce by having corporations in the Chubu region share diversity-related information and case examples of measures they have taken. Chubu Electric Power's partners in this endeavor are INAX Corporation, Denso Corporation and Toyota Tsusho Corporation. The network holds forums and joint inter-sector training sessions and gives lectures for managers.

### Cultivating Human Resources

Chubu Electric Power trains personnel so that employees can autonomously enhance their talents, with specific education programs for employees of different levels, programs designed to pass on or master technical skills, and on-the-job training programs, as well as programs that focus on communication skills.

#### ■ Work Support Service

In July 2006, we established the Work Support Service in our Human Resources Development Center. Seven outside specialists with qualifications such as career counselors or career coaches, together with two staff members working exclusively in the center, work with employees to understand employment issues and devise strategies to solve them, and also help employees create action plans. As of the end of March 2010, more than 1,500 employees have taken advantage of the center.

#### ■ Employee Satisfaction Surveys

Chubu Electric Power periodically conducts employee satisfaction surveys. A survey on satisfaction and workload was conducted in April-May 2010 using channels such as the company intranet.

#### ■ Group Initiatives in Human Resources Development

The Chuden Group Training Promotion Conference, which we manage with our Group companies, endeavors to cultivate human resources effectively through joint training, joint lectures and other means.

### Creating a Workplace of Mutual Acceptance and Promoting Creativity

We are working to build a workplace that promotes good communication and an open atmosphere of mutual respect. In addition, our C-Up Initiative encourages effective actions such as suggestion and commendation systems to help build workplaces in which employees themselves notice issues and practice improvements that help us respond flexibly to social changes.

### Promoting Part-Timers to Regular Employees

Following the enforcement of the revised Act on Improvement, etc. of Employment Management for Part-Time Workers in April 2008, Chubu Electric Power instituted a system for promoting part-timers to regular employees. This system was put in place to help us secure excellent personnel as well as meet our social obligation to turn more people who work short hours into regular workers. In fiscal year 2009, 15 ambitious and capable part-timers were hired as regular employees.

### Career and Skill Development

In April 2003, we introduced a framework based on a voluntary target-management program into our human resources and wage system. The aim of the framework is for each employee to set ambitious targets to guide them as they complete their tasks.

We also provide periodic opportunities for employees to consult with their superiors about the employee's skill development and future career plans. Results of these sessions are reflected in subsequent work assignments, training, transfers, and so on.

## Initiatives for Labor Safety and Well-Being

Chubu Electric Power considers the safety and health of employees to be the crucial foundation for a corporation's existence and therefore works to maintain and improve each workplace. This consideration for safety and well-being also extends to subcontractors.

### Safety and Well-Being Campaign Policies

To promote comprehensive safety and well-being, we convene an annual ad-hoc committee to consult on and determine the direction of company-wide safety and well-being activities, based on opinions from the regional offices and supervisory units.

Based on company-wide policies, regional offices establish safety and health policies while business sites adopt plans for conducting safety and health-related duties, and both regional offices and business sites carry out effective safety and health initiatives accordingly.

#### FY2010 Safety and Well-Being Campaign Policies

##### 1. Safety

- (1) [When driving] Reduce traffic accidents through constant awareness of safety.
- (2) [At work] Conduct safety activities so that all concerned can share a common awareness of risk.

##### 2. Well-Being

- (1) Measures to prevent health problems due to overwork
- (2) Mental health care measures
- (3) Promotion of awareness of autonomous health management by giving specific health advice, etc.
- (4) Measures against new types of influenza

### Chubu Electric Power Group Safety and Well-Being Activities

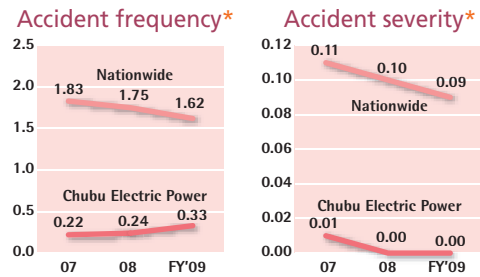
To promote the development of labor welfare throughout the Group, we organized a council on safety and well-being among Group companies and are taking various steps on this front. Convening about four times a year, the council works to prevent accidents and illness by facilitating close communication among Group companies

#### Number of industrial accidents

	FY '07	FY '08	FY '09
Chubu Electric Power employees	21	19	20
Contractors	35	46	38

and through consciousness-raising activities like joint patrols and seminars on safety and health management.

#### Industrial Accident Frequency and Severity



\*Accident frequency: Numbers of persons killed or seriously injured (i.e., at least one day of work lost) by industrial accidents per million working hours.

\*Accident severity: Numbers of days of work lost by industrial accidents per 1,000 working hours. (0.00 means less than 0.005)

### Rigorous Safety Instruction for Contractors

To eradicate accidents among contractors, we hold ad-hoc conferences composed of the units in charge of safety and those handling the execution of necessary work based on safety campaign policies. At these conferences, the council formulates policies on instructing contractors on how to prevent accidents and gives comprehensive safety advice to the contractors.

### Promotion of Mental and Physical Health

#### ■ Programs to Promote Mental Health

We continue to take focused mental health care measures based on Ministry of Health, Labour and Welfare policies and so on.

In fiscal year 2009, we gave level-specific mental health care training, and training was also given by an external organization to improve our occupational health staff's consultation skills.

#### ■ Programs to Promote Physical Health

We actively provide employees with health and nutrition advice and information to help them make lifestyle changes that will prevent metabolic syndrome and other lifestyle diseases and maintain and improve physical health. We also make sure that employees get face-to-face advice from occupational physicians to prevent harm to their health from overwork, and we provide management training and information to raise awareness of this issue.



# Stakeholder Dialogues / Third-Party Evaluation

In addition to explaining our CSR efforts in a clear manner to our stakeholders, it is also vital to maintain two-way communication with them to receive feedback that we can utilize in future environmental management.

## Stakeholder Dialogues

On March 17, 2010, we hosted a stakeholder dialogue at Iga City Kume Elementary School (Mie Prefecture), which uses our Kizuna-Net information service. The event drew participation from the school principal, vice-principal and PTA board members.

Following the theme "Chubu Electric Power Initiatives for the Region and Society," we introduced company initiatives and then traded views with the audience.

Taking these views into consideration, we will continue to contribute to society.



### Views of the Forum Participants

- I had no idea Chubu Electric Power was doing so much for the local community. There was a lot of interesting content, so I hope you'll do more PR where you invite people to take part like this.
- I've previously gone to Kawagoe Electric Power Museum Tera 46 for a children's event. The children were overjoyed to learn and experience so much about electricity and energy. Look! P56
- The children love "Dr. Denjiro's Experiments." I hope you will do a traveling class with the same kind of experiments. Look! P56
- Compared to ordinary school communication networks, Kizuna Net is so much more convenient because everyone can get the information at once. I hope you will continue to provide safety information (such as about suspicious persons) after my child graduates. Look! P09-10

## Exchange of Views with Employees

From September to November 2009, staff members in charge of CSR at Chubu Electric Power visited 12 business sites belonging to various regional offices to increase awareness of CSR and trade views with the local staff on CSR in general and social contributions being made at each site.

### Major Opinions Expressed by Employees

#### About CSR in General

- CSR is our job. We understand that as long as we do our work according to company policies and departmental and business site plans, we will naturally be practicing CSR.
- I sense a growing expectation that we should hire local high school students.

- Customers and business partners are of course important stakeholders, but so are the landowners who let us use land for installing utility poles, and we work with them very sincerely.

#### About Social Contribution Activities

- To keep from spoiling relationships we have built with the community, we conduct a variety of initiatives, especially in four focus areas outlined in our Basic Corporate Citizenship Policies.
- Sometimes reductions in staff and budgets make it hard to respond to community needs, but we are working to cooperate with the community as much as possible.

## Opinion Exchange with Mie University

Chubu Electric Power holds opinion exchanges with Mie University as part of our joint industry/academic initiatives. On September 16, 2009, following a similar event the previous year, we traded views on contributing to the building of a sustainable society. The conversation was based on the university's 2009 environmental report and the Chubu Electric Power Group's CSR Report 2009.

### Major Opinions on CSR Report

In the course of this exchange, views like the following were expressed regarding the Chubu Electric Power Group CSR Report 2009.

At the previous session I commented, "Looking at the cover photos alone gives no indication that the report is about Chubu Electric Power," but the 2009 report was improved so I could tell right away what company it was from.

I'd like to see more specific information about events at "design no Ma" e-Lifestyle Information Center.

We included information about respective events on the "Customers" and "Local Communities" pages.

Look! P52,56

I'd like to see, for example, how much paid leave and childcare leave employees took.

The 2010 issue shows how much paid leave, childcare leave and nursing care leave were taken. **Look! P60**

Since your website has a lot of details about your nuclear power initiatives, you should put plenty of "HP" marks in the report to direct people to your website.

We have placed many "HP" marks throughout the 2010 report, including pages that discuss nuclear power initiatives.



## Sustainable Management Rating

Chubu Electric Power has been undergoing continuing assessment of its sustainable management rating and receiving management diagnoses from the Sustainable Management Forum of Japan NPO. In fiscal year 2009 as before, we underwent an evaluation and held a discussion in the areas of management, environment and society to answer whether our initiatives actually contribute to the building of a sustainable society.

The results indicate that Chubu Electric Power Group is practicing sustainable management at a generally high level on many items, but needs to make further improvements in areas such as the following. We intend to study how to improve in these areas.

### Main Findings

- **Management: "Legal Compliance and Business Ethics"**

The company needs to establish a system for

centrally managing legal compliance and business ethics at Group companies overseas also.

- **Environmental: "Global Warming Prevention"**  
The company needs to set clear medium-range targets for greenhouse gas emissions reductions in line with national targets. If that is not possible, it would be best to clearly and widely explain your stance as an electric power company on the superiority of electricity and the outlook for energy conversion for the region as a whole as we try to achieve a low-carbon society.
- **Social: "Work-Life Balance"**  
Although you are expanding the types and lengths of leave, paid leave is not being sufficiently utilized. As a core industry of the region, the company needs to lead the region in ensuring work-life balance for employees.

# Corporate Profile (for FY2009 and FY2009 term-end)

Corporate Name	Chubu Electric Power Co., Inc.
Home City	1 Higashi-shincho, Higashi-ku, Nagoya 461-8680, JAPAN Phone +81-52-951-8211 (Main)
President & Director	Akihisa Mizuno
Established	May 1, 1951

## Summary of Facilities

### Power Generation Facilities

Thermal	23.904 GW (11 locations)
Hydroelectric	5.219 GW (182 locations)
Nuclear	3.504 GW (1 location)
Renewable Energy	0.006 GW (1 location)
Total	32.632 GW (195 locations)

### Power Transmission Facilities

Transmission Line Route Length	12,220 km
--------------------------------	-----------

### Transforming Facilities

Number of Substations	938 locations
Capacity	122.258 million kVA 300 MW*
Linkage Station	1 location
Capacity	300 MW

### Power Distribution Facilities

Distribution Line Length	136,525 km
--------------------------	------------

\* Frequency conversion facilities listed separately (Operating output: 100MW)  
Figures may not equal the total due to rounding.

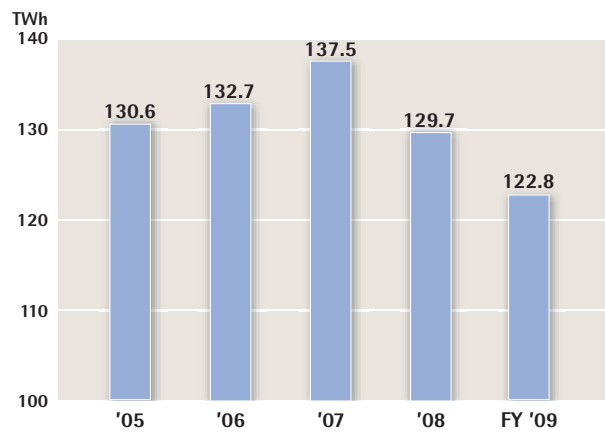
## Primary Business Areas

Electric utility and related enterprises  
Gas supply and thermal storage brokerage  
On-site energy business  
Overseas consulting and investment  
Real estate management service  
IT business  
Etc.

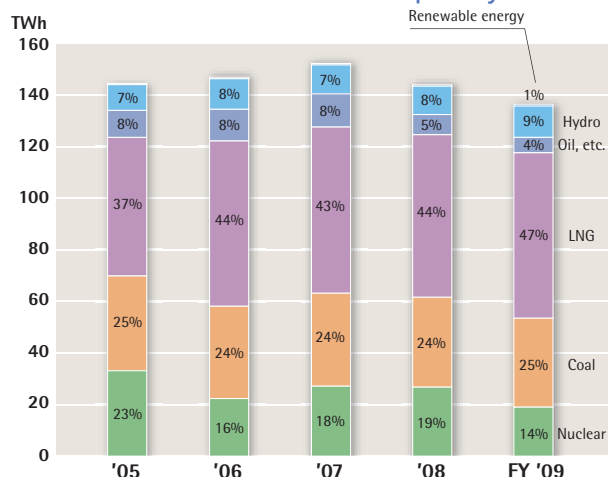
## Principal Business Indicators

Capital	430.7 billion yen
Total Assets	4,969.4 billion yen
Interest-Bearing Debt	2,520.7 billion yen
Number of Outstanding Shares	763,000,000
Number of Shareholders	346,457
Number of Employees	16,645
Service Area	5 prefectures in the Chubu region: Aichi, Gifu (excluding certain areas), Mie (excluding certain areas), Nagano, and Shizuoka (all areas west of the Fujigawa River)
Number of Customers <small>(excluding certain high voltage customers)</small>	
Electric Lighting	9,254 thousand
Electric Power	1,201 thousand
Total	10,455 thousand
Electric Energy Sold	122.8 TWh
Total Operating Revenues	
Consolidated	2,238.5 billion yen
Non-consolidated	2,084.3 billion yen
Ordinary Income	
Consolidated	178.5 billion yen
Non-consolidated	157.4 billion yen
Shareholder's Equity Ratio	
Consolidated	30.9%
Non-consolidated	29.6%

## Electric Power Sales Trend

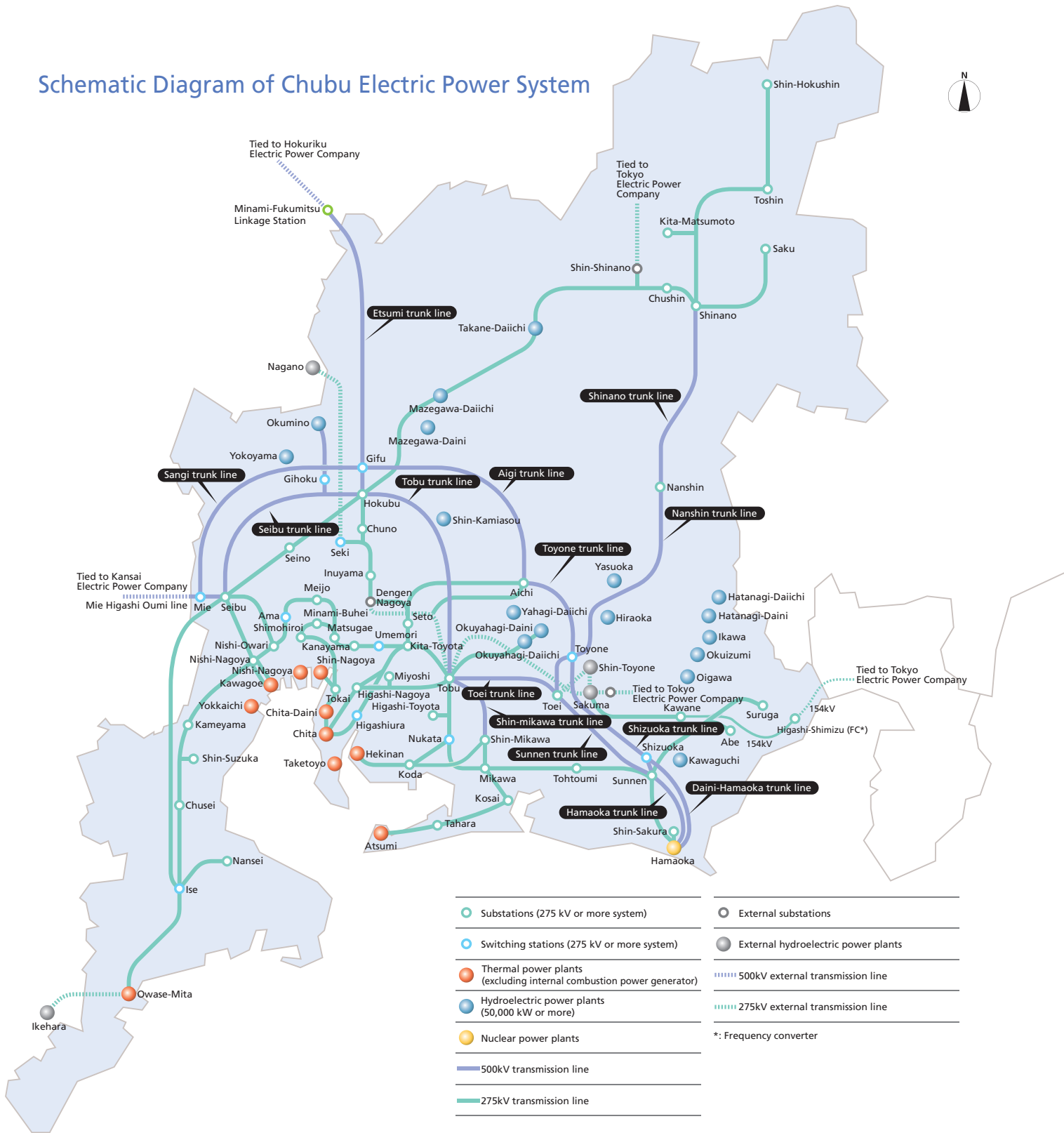


## Breakdown of Generated Output by Source



Figures shown are percentages of electric power going to meet demand at Chubu Electric Power.  
Figures may not equal the total due to rounding.

# Schematic Diagram of Chubu Electric Power System



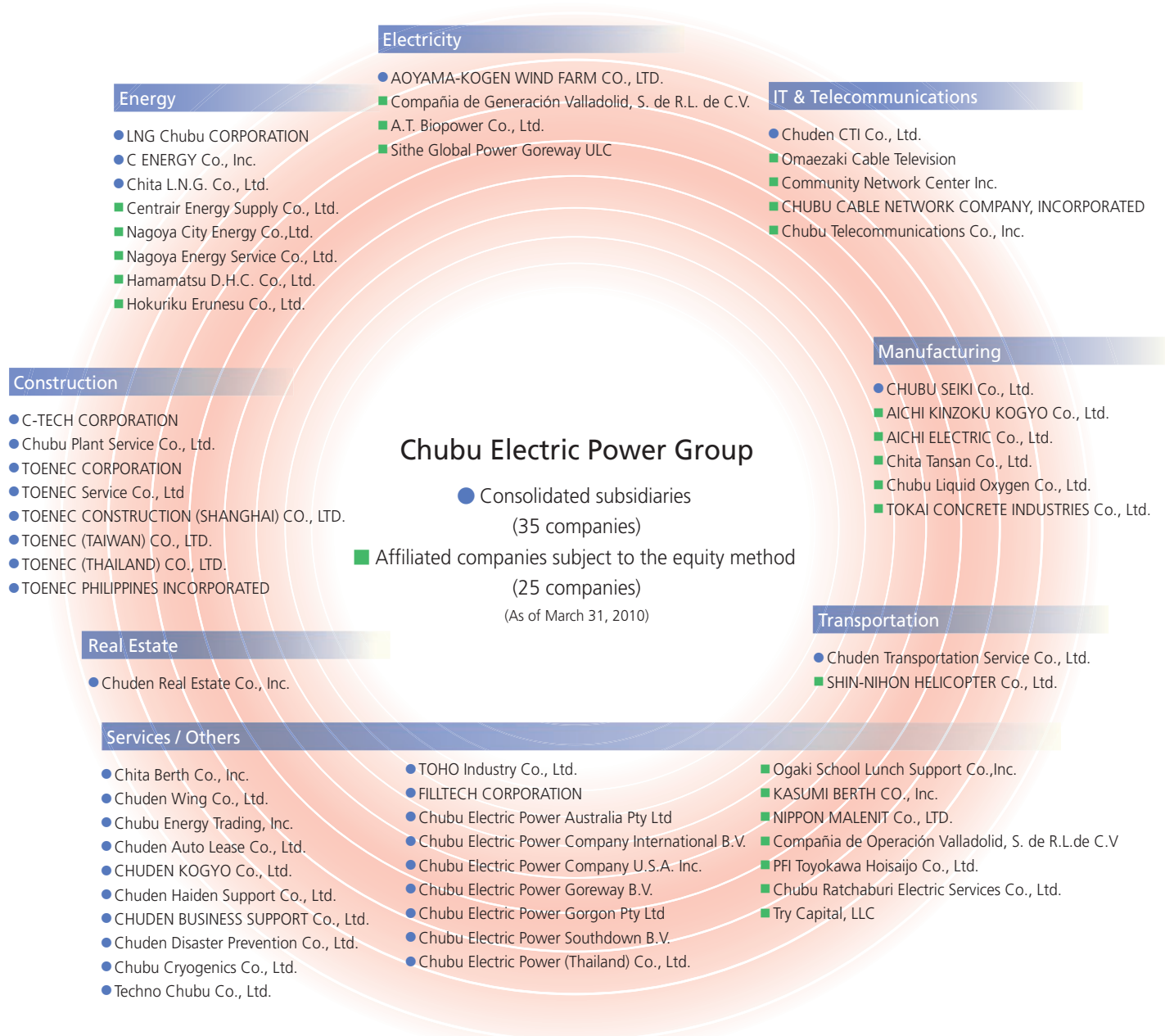
## Main Business Locations of Chubu Electric Power

Head Office	1 Higashi-shincho, Higashi-ku, Nagoya 461-8680, JAPAN	Phone: +81-52-951-8211
Nagoya Regional Office	2-12-14 Chiyoda, Naka-ku, Nagoya 460-8310, JAPAN	Phone: +81-52-243-9100
Shizuoka Regional Office	2-4-1 Hontori, Shizuoka 420-8733, JAPAN	Phone: +81-54-255-1111
Mie Regional Office	2-21 Marunouchi, Tsu 514-8558, JAPAN	Phone: +81-59-226-5555
Gifu Regional Office	2-5 Mieji-cho, Gifu 500-8707, JAPAN	Phone: +81-58-265-1122
Nagano Regional Office	18 Yanagimachi, Nagano 380-0805, JAPAN	Phone: +81-26-232-9060
Okazaki Regional Office	7 Aza daidouhigashi Tozaki-cho, Okazaki 444-8606, JAPAN	Phone: +81-564-55-5005
Tokyo Regional Office	5th Floor, Nippon Press Center Building, 2-2-1 Uchisaiwai-cho, Chiyoda-ku, Tokyo 100-0011, JAPAN	Phone: +81-3-3501-5101
Washington Office	900 17th Street N.W., Suite 1220 Washington, D.C.20006, U.S.A.	Phone: +1-202-775-1960
London Office	Nightingale House, 65 Curzon Street, London W1J 8PE, U.K.	Phone: +44-20-7409-0142
Bangkok Office	Unit 4, 18th Floor, M. Thai Tower, All Seasons Place, 87 Wireless Road, Phatumwan, Bangkok 10330, THAILAND	Phone: +66-2-654-0688
Doha Office	4th Floor, Salam Tower, Al Corniche P.O. Box 22470, Doha-Qatar	Phone: +974-4836830



# Chubu Electric Power Group

We are a multi-energy services group, with electricity and energy as our core business.



## Initiatives to Strengthen Group Management

April 2008	80.5% of shares in Chubu Telecommunications Co., Inc. were transferred to KDDI Corporation, and a cooperative partnership was established between Chubu Electric Power and KDDI.
July 2008	C-TECH CORPORATION, CHUBU CABLE NETWORK COMPANY, INCORPORATED, and local cable television companies split up and swapped stocks to establish a business holding company (Community Network Center Inc.).
October 2008	The vehicle leasing operation of TOENEC Service Co., Ltd. was transferred to EIRAKU AUTO SERVICE Co., Ltd. through a spin-off (EIRAKU AUTO SERVICE changed its name to Chuden Auto Lease Co., Ltd.).
July 2009	Chubu Electric Power acquired Toho Oil Co., Ltd. Comres Corporation's artificial zeolite production and gypsum sales businesses were transferred to Techno Chubu Co., Ltd. through a spin-off.

# Third-Party Views

## Remarks on Chubu Electric Power Group CSR Report 2010

The establishment of the Consumer Affairs Agency in 2009 is just one sign that consumers are going to be watching businesses more closely in the future. With that in mind, a CSR report has to do more than simply pass along information from a business. A CSR report helps ensure enterprise accountability and is an important tool for deepening mutual understanding with consumers.

This report is written in straightforward, easily understood language and uses graphs, tables and photos very effectively. Important terms are explained and the report guides the reader to the company website or other relevant online content. A real effort was made to create a report understandable even to those without specialized knowledge. Chubu Electric Power also reported negative information such as legal violations and described subsequent recurrence prevention measures and post-improvement status, which shows a commitment to sincerity.

Since there is so much concern these days that children are losing interest in science, it was encouraging to see that your specific CSR initiatives included ways for children to enjoy learning, including exhibitions and traveling classes. Your prioritizing of service recovery in the event of disaster and your overall coordination of services to reassure consumers and keep them safe (for example, the Kizuna Net service) have created a favorable impression. An issue we would like you to work on hereafter is being a leader as a member of a sustainable society.

In October of this year, the 10th Conference of the Parties to the Convention on Biological Diversity (COP 10) will be held in Nagoya. Your Highlights sections featured a number of initiatives for biodiversity protection, and you dedicated many pages to your environmental report. Many initiatives that are

challenging for individual consumers are possible if business takes the lead, so we hope you will keep up your activity hereafter.

One initiative you have taken on the electric power demand side to prevent global warming is the promotion of technologies using renewable energy, like Eco Cute. Using new technology to enhance energy efficiency takes a big up-front investment, so we would like to see Chubu Electric Power go further with its initiatives over the entire residential sector. The first thing we feel you must do is take steps to show clearly how much consumers are reducing their CO<sub>2</sub> emissions, for example by helping the residential sector understand their energy consumption quantitatively, making it more tangible. There is such a big gap between company and consumers in the amount of information and knowledge they have about the electric power business, especially nuclear power, and skill is needed to fill this gap. If you can use communication to build trust between company and consumers in ordinary times, the information you provide in emergencies will be more meaningful.

Reading this report reminded us that the consumer must not simply receive information passively from the company, but must take an active part in the company's CSR activities and be willing to express an opinion. We hope that many people will read this report and feel motivated by it to become involved in bringing forth a sustainable society.

Consumer life advisors

**Makiko Ishikawa**

**Mie Ishizaki**

**Miyuki Yamanaka**



Consumer life advisors exchanging views with the editorial board of the CSR Report

## Chubu Electric Power Co.,Inc.

1 Higashi-shincho, Higashi-ku,  
Nagoya 461-8680, JAPAN  
Phone: +81-52-951-8211(Main)  
[www.chuden.co.jp](http://www.chuden.co.jp)

Produced by CSR & Business Reform Promotion Group,  
Corporate Planning & Strategy Division  
Published September 2010

E0-12-4-06



Chubu Electric Power earned the Next-generation Certification Mark "Kurumin" in May 2010 under the Next Generation Nurturing Support Measures Promotion Law.