

[I. The Most Important Plans to Overcome Business Challenges Confronting TEPCO]

TEPCO will tackle the following three most critical issues.

1. Establishment of Much Safer and Securer Nuclear Power Stations Resistant to Disaster

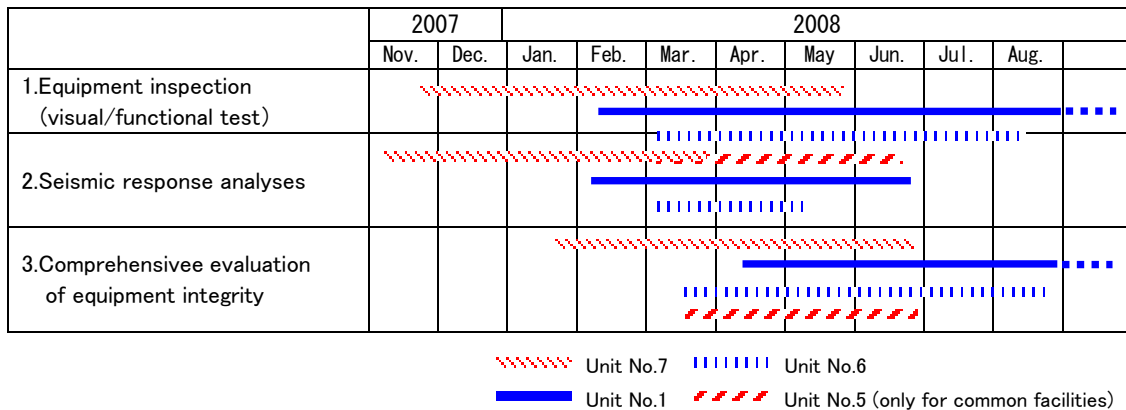
TEPCO, with the cooperation of not only its group companies but also of manufacturers and their subcontractors, is committed to establishing much safer and securer nuclear power stations that are resistant to disaster and are based on solid trust with local residents.

(1) Establishment of Nuclear Power Stations Resistant to Disaster

- Thoroughly confirm and evaluate integrity of the Kashiwazaki-Kariwa Nuclear Power Station, and steadily execute recovery work for damaged equipment.
- Formulate design-basis seismic motion for facility seismic design and seismic safety assessment based on results of geological survey and analysis of seismic observation data, and implement any necessary quake-resistance enhancement work taking into consideration seismic safety assessment based on the design-basis seismic motion, with deliberation and confirmation of national committees, etc.
- Promptly implement necessary additional measures such as enhancement of initial fire extinguishing organization, improvement of fire extinguishing facility, telecommunication lines etc., in addition to in-house fire protection measures improved after the Earthquake

<Reference: Schedule of Inspections and Evaluation>

We have submitted inspection and evaluation plans related to equipment integrity of Units 1, 5, 6, 7 of the Kashiwazaki-Kariwa Nuclear Power Stations to the Nuclear and Industrial Safety Agency, and, based on the plans, we will execute comprehensive evaluation of equipment integrity. As for Units 2, 3, 4, we plan to file the plans in series.



(2) Establishment of more solid trust with local residents.

- Strengthen emergency response ability through emergency drills
- Do our best to gain more understanding and confidence from the society by providing clear-cut information in a timely manner

2. Efforts to Secure Stable Electricity Supply

Peak demand of fiscal 2008 summer is expected to be about 61.1 million kW (one-day peak at generation end), with the assumption of normal summer temperatures. As for supply, the Kashiwazaki-Kariwa Nuclear Power Station is not included, but the supply of about 64.7 million kW is planned to be secured, including commencement of new power stations, restart of mothballed thermal power, purchasing power from other electric utilities, and so on.

TEPCO will continue our efforts to secure stable power supply by considering additional power supply such as output increase operation, purchasing extra power from in-house power generation, and utilization of trial operation power. In addition, according to the situation, we may ask our customers to conserve electricity.

<Peak Demand and Supply Outlook for Fiscal 2008 Summer>

| (Million kW) | |
|---|--------|
| | August |
| Peak Demand (Daily peak at generation end) | 61.10 |
| Supply Capacity (At generation end) | 64.70 |
| Supply Reserve (At generation end) | 3.60 |

"Supply capacity" represents the average value.

<Measures to Secure Electricity Supply Since Last Summer>

1) Commencement of new power stations and restart of mothballed thermal power stations (about 2.5 million kW)

| | Plant | Output (Million kW) | Fuel | Start/Restart of Commercial Operation |
|-----------------------------------|------------------------|------------------------|----------------------------|--|
| New Power Stations | Kawasaki Unit 1-2 | 0.5000 | LNG | July, 2008 |
| | Futtsu Unit 4-1 | 0.507 | LNG | July, 2008 |
| | Kawasaki Unit 1-1 | 0.5000 | LNG | February, 2009 |
| Mothballed Thermal Power Stations | Yokosuka Unit 2 GT* | 0.144 | Diesel Oil/City Gas | September 11th, 2007 |
| | Goi Unit 4 | 0.265 | LNG | December 18th, 2007 |
| | Yokosuka Unit 7 | 0.350 | Fuel Oil/Crude Oil | the end of March, 2008 |
| | Yokosuka Unit 8 | 0.350 | Fuel Oil/Crude Oil | before Summer 2008 |
| | Kashima kyoudou Unit 2 | 0.350 | Blast Furnace Gas/Fuel Oil | before Summer 2008 |

*Yokosuka Unit 2 GT restarted after decommission.

2) Others

- Adjustment of regular inspections and maintenance schedule, etc. (about 3.7 million kW)
- Purchasing power from other electric utilities (about 0.5 million kW)

*Supply capacities above do not include output increase operation of power stations, purchasing extra power from in-house power generation, and utilization of trial operation power, etc.

3. Thorough Execution of Cost Reduction

In order to overcome the severe financial situations, the TEPCO Group will engage in full-scale efforts for drastic cost reduction. In fiscal 2008, the TEPCO Group as a whole will maximize its efforts to realize cost reduction of more than 100 billion yen, aiming to break even as soon as possible.