International Days of the Chair Modeling for Sustainable Development

Japan's Energy/Climate Policy "After FUKUSHIMA"

Mar. 15, 2012 MINES ParisTech

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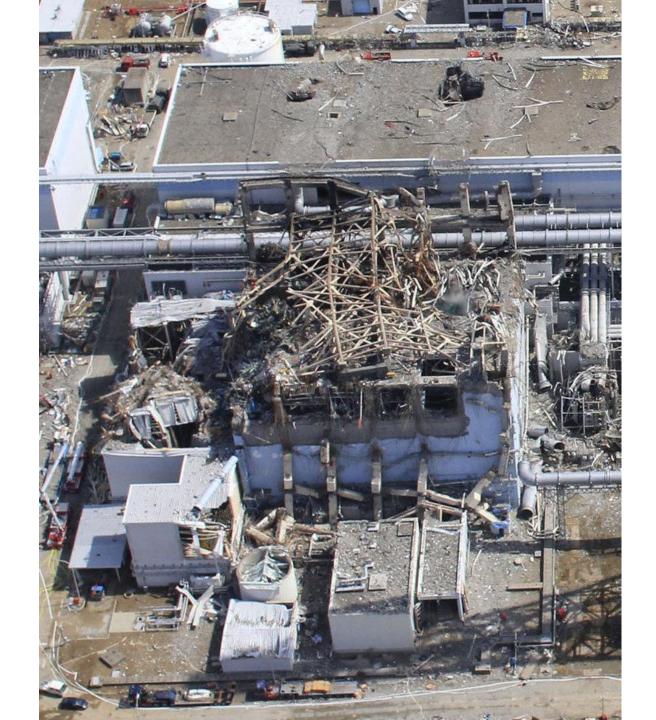
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1. Situation in Japan



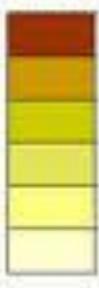






Relative Vertebung in Fukushima emittierter redioaktiver Partikel:

Relative distribution of emitted radioactive particles:



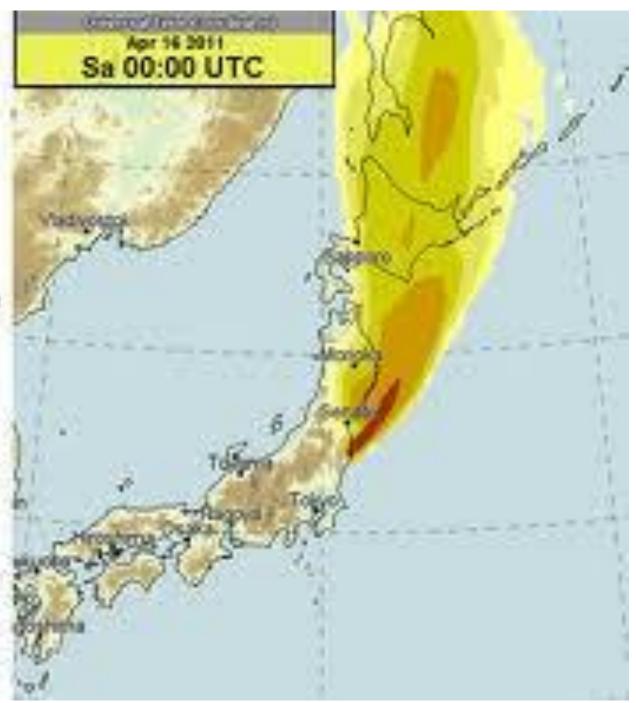
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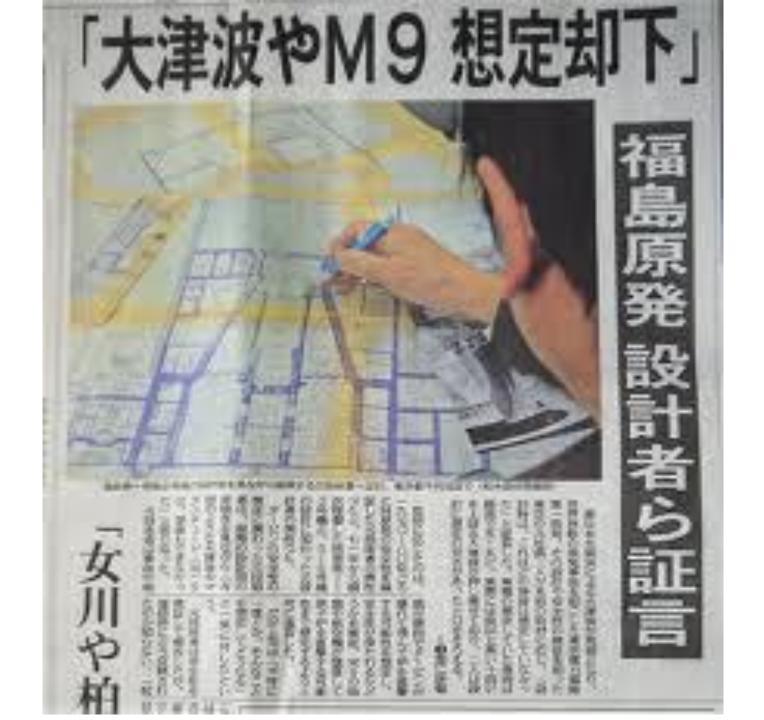
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Inspantant mate: The intrahation states not allow constructions an like lead concentration of tablecolors particles in the air, because fire atomptic of the storage to optimized. If is only shown have a future emission to debetwired of the worder and district) depending on consol member continues.









Myths (unquestioned-beliefs) about nuclear power were broken

- Myth #1 "Credible (stable)": Many small/big accidents
- Myth #2 "Cheap": Subsidy (13 trillion JPY for 54 plants)+Compensation (more than several trillion JPY)+Damage on Industry (more than several trillion JPY) + α
- Myth #3 "Safe": It was just not

Example of the damage cost

- (Complete or partial) import ban or request for a certificate to "made in Japan food" (almost all countries)
- Decrease of foreign visitors: 2.2 million (April-June, 2010) →1.1 million (April-June, 2011) = Loss of 650 billion JPY per year
- Tremendous costs for decontamination: Several hundreds of trillion JPY (?)



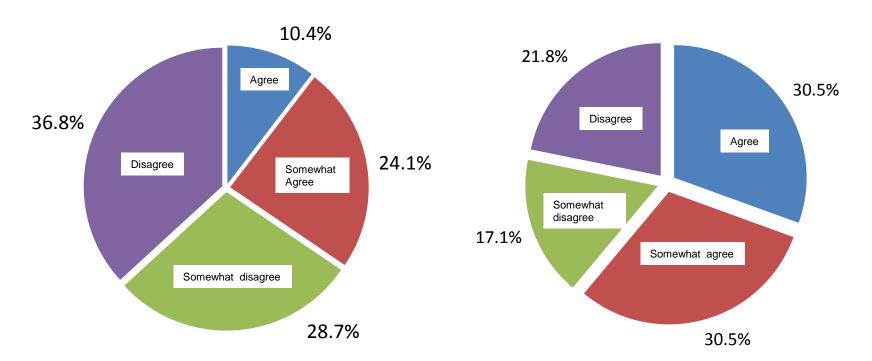
Energy conservation we achieved last summer

- 15 % compulsory electricity consumption reduction requirement to the heavy consuming facilities in Tokyo and Tohoku area
- Voluntary reduction requirement for general house hold
- Results: -16 % compared to last year (July and August, Tokyo metropolitan area)

Survey conducted by IGES: Do you support nuclear power to meet the demand of Japan?

Japanese (N=432)

Non Japanese (N=275)



Survey conducted by Asahi newspaper (Mar. 10, 2013) Do you support nuclear power plants to start operation again after (periodical) inspection?

> Disagree: 57% Agree: 27%

Survey conducted by Asahi newspaper (Mar. 10, 2013) Do you trust the safety measures by the Japanese government?

Not at all: 52% Not so much: 28%

2. Energy/Climate policy

"Less-dependent on nuclear power" is a consensus in Japan, but...

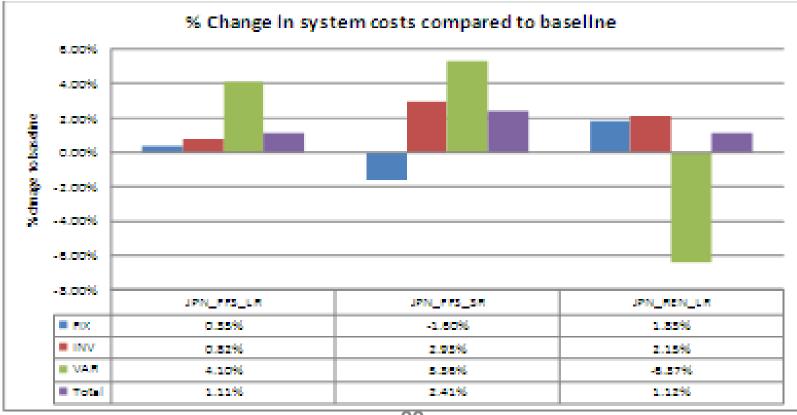
- When? : Immediately, 20years, 40 years....
- How? : Renewable? fossil fuel?
- How much? : Cost re-calculation
- CO₂ implication?: Difficult to say something definite at this moment
- Defense policy implication?: role of nuclear power as a deterrent force

Renewables are IN, but..

- Exact FIT tariff prices, terms and amount of introduction, etc. are not yet decided
- Re-examining assumptions on cost calculation are still under-going
- Many regulation and local stake-holders objections are big barriers

Renewables are cheaper in the long run, but...

Results of the TIMES Japan model simulation by IGES NPV of total energy system cost (2005-2100, 10% discount rate)



Energy conservation potential exists

- For example, If we change all electric bulbs and fluorescent lights in Japan to LED, we can save 99.2 billion kWh which corresponds to 13 nuclear power plant generation per year
- Anyway, we need to explore more energy conservation potential on the demand side (so far, little incentives for power companies)

Socio-economic impacts are high

- Challenges to the existing oligo-politicized, fragmented power supply/transmission system
- Revision of the price setting methodology of electricity price (VERY IMPORTANT!)
- Political influence of power companies on Japan's industries and policy-makers will change
- Asia super-grid?

Japan's climate policy: anti-multilateralism? (my personal observation)

Generally speaking, Japan's traditional multilateralism seems to have somewhat faded away due to:

- 1) loss of election for the UN security council member in 2005
- 2) China's economic/political surge and Japan's relative decline
- 3) FUKUSHIMA accident

3. Conclusion

Challenges and Opportunities

- Japan's energy policy will definitely change after FUKUSHIMA
- Impacts on climate policy would be negative in the short term but positive in the medium and long term
- In short, everything depends on the restructuring of political decision making system in Japan!

Last word

Nuclear is neither safe nor cheap!

Thank you and let's keep fingers crossed for everything!

