



The Great East Japan Earthquake and the Japanese Energy Policy

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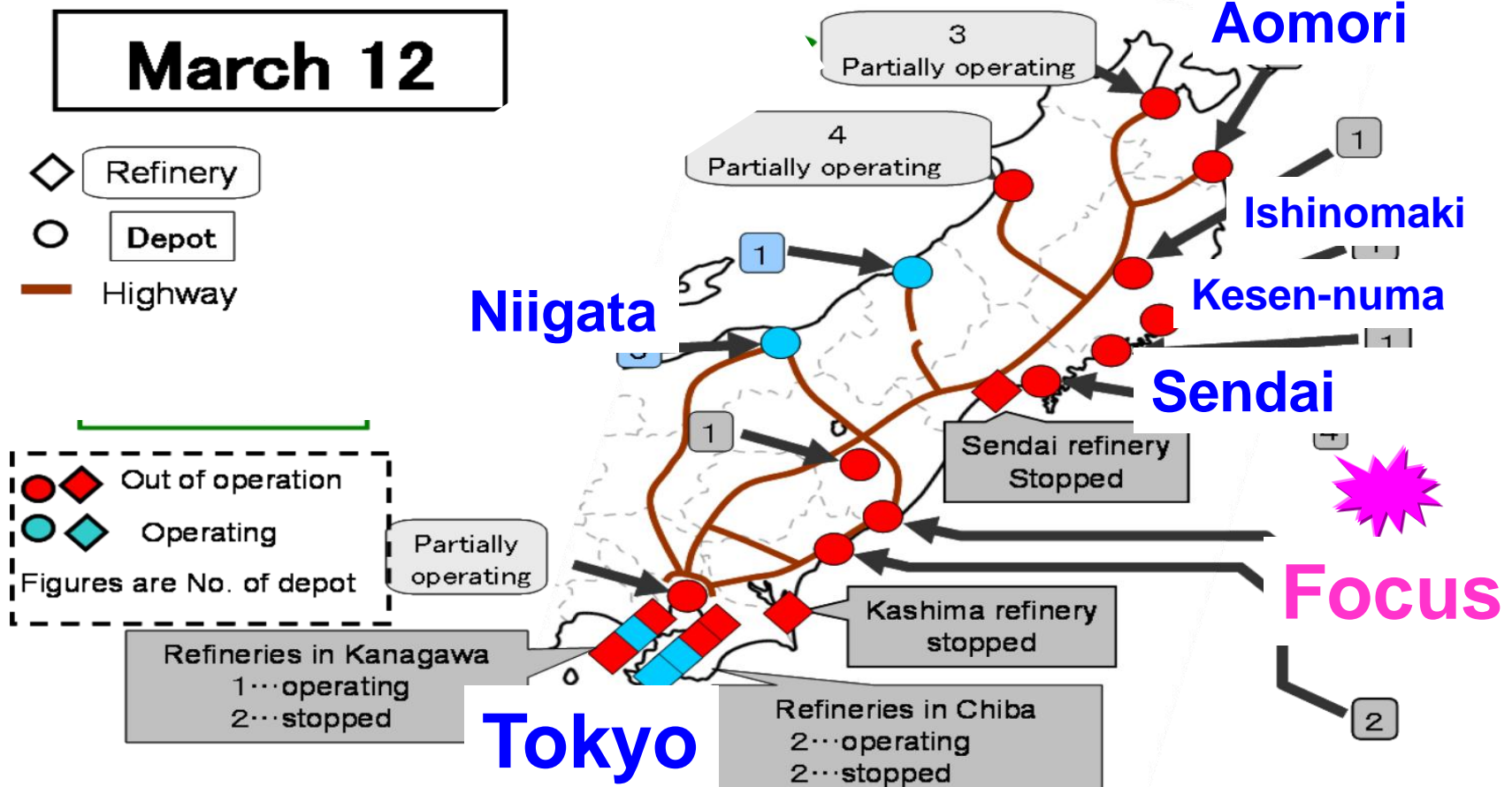
- 1 . The Great East Japan Earthquake
and oil industry countermeasures**
- 2 . Japanese energy policy and oil
industry**

1. The Earthquake & Countermeasures



Oil facilities severely damaged

- 6 refineries (1.4MBD、30%) shut down, 3 damaged.
- 680 petro-stations out of operation
- 150 tank trucks were missing.



Collapsed Tank in Kesen-numa City



Collapsed Service Station in Tohoku Area



Ishinomaki City damaged by Tsunami



Distressing → Return to Normality

- In Tokyo
10 days to recover
- In affected area
1 month to recover

**Ship and haul !
additional 70,000 KL/d**

- Control ling domestic demand
- Curbing export

Raising refinery throughput
ratio 95% +

- Tank truck
- Tank train

Survived Hub
Petro-stations

- Shiogama Depot
10 days to recover
- Joint use of the depot
by oil companies

**13 refineries
in west**

- Coordinated stock draw down
- Joint transportation

1. The Earthquake & Countermeasures



Sufficient stocks, but interrupted logistic network

**Temporary
operating
pump station**



Joint utilization of Shioyama depot after March 21

Cooperation to SDF* as requested by government



PAJ's Emergency Operation Room



5,000 oil drums provided for SDF



Transportation to SDF base



Kerosene supply by SDF with hand pump

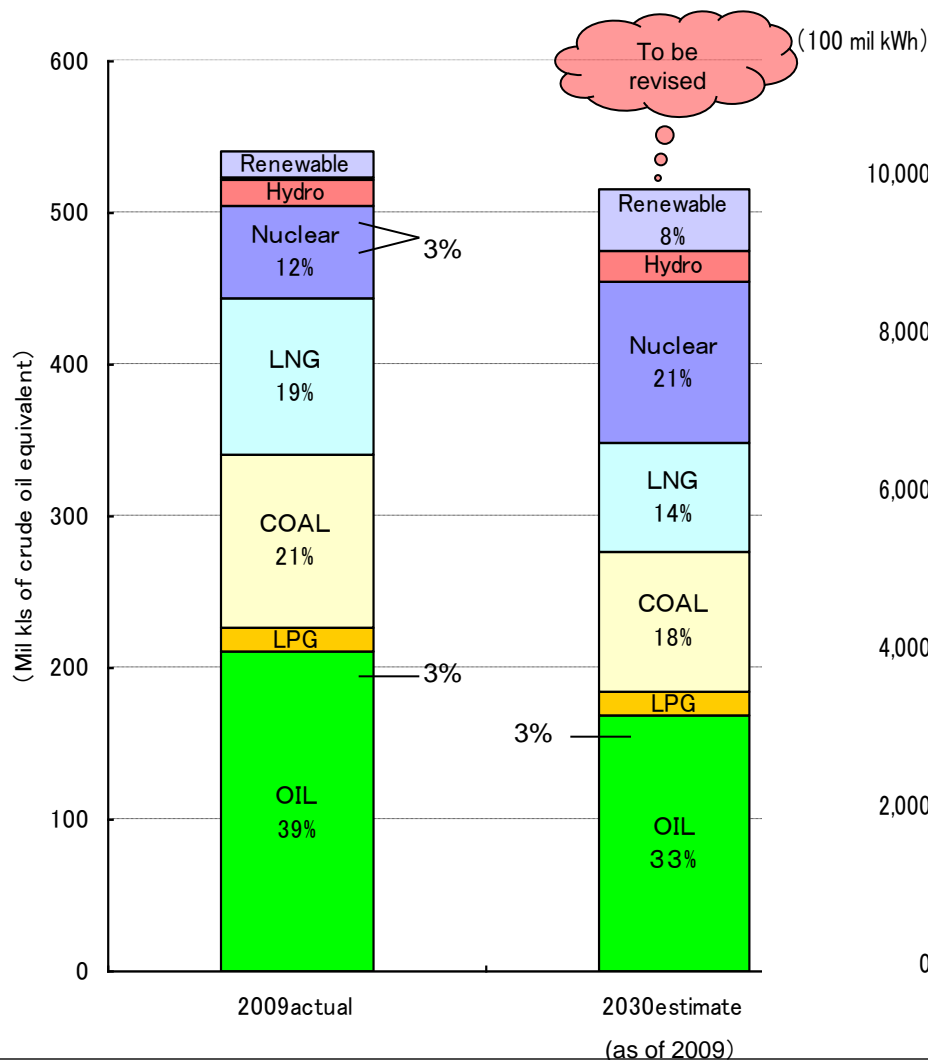
***SDF : Japan's Self Defense Force**

2. Japanese energy policy and oil industry

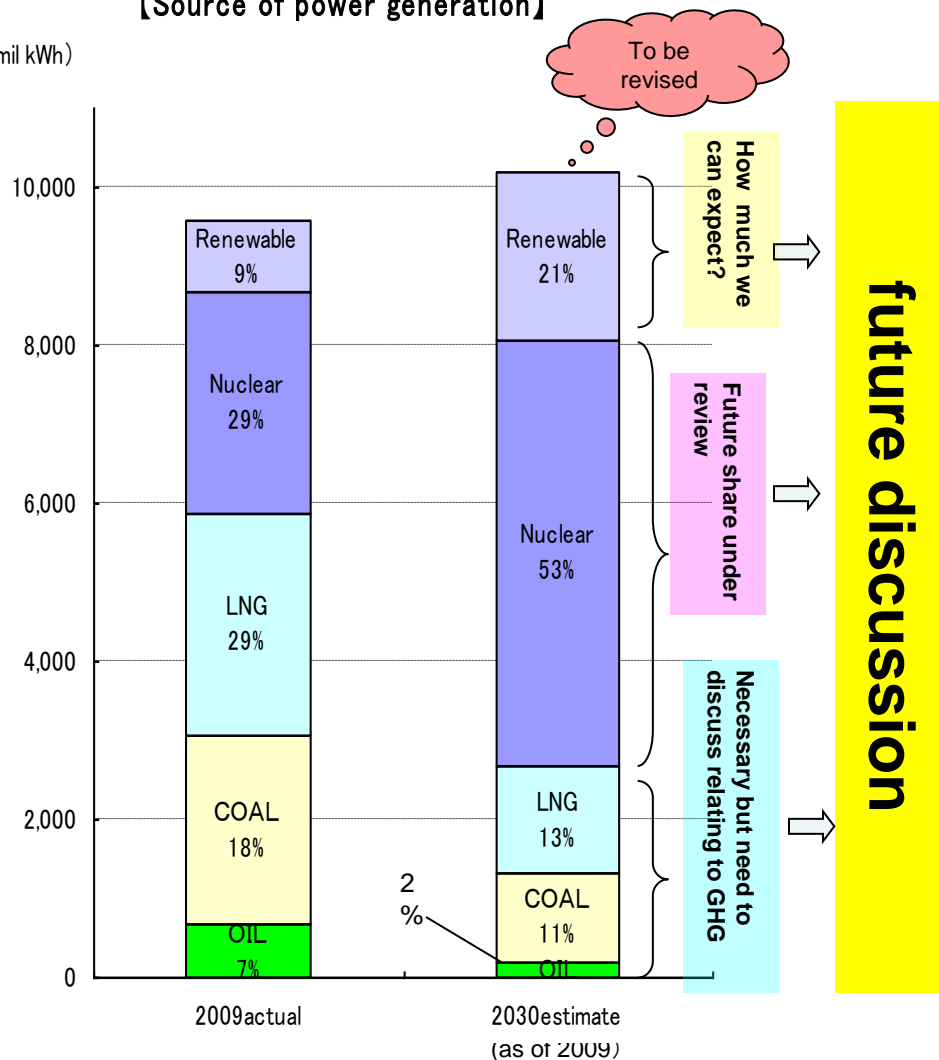


Revision of official energy outlook in the pipeline

【Primary Energy Supply】



【Source of power generation】





PAJ Proposes Prioritisation of “3Es”

- First, Energy security, Second, Economic efficiency, then Environment
- Reconfirm Positive Role of Petroleum
 - still championing in primary energy balance long time future
 - effective response to large scale disasters (to come....)

① Energy Security

- Energy supply security
- From primary energy import to delivery to consumer end

② Economic efficiency

- Internationally competitive energy prices
- Keep factories in Japan

③ Environment

- Realistic targets
- Industrial energy efficiency best in the world

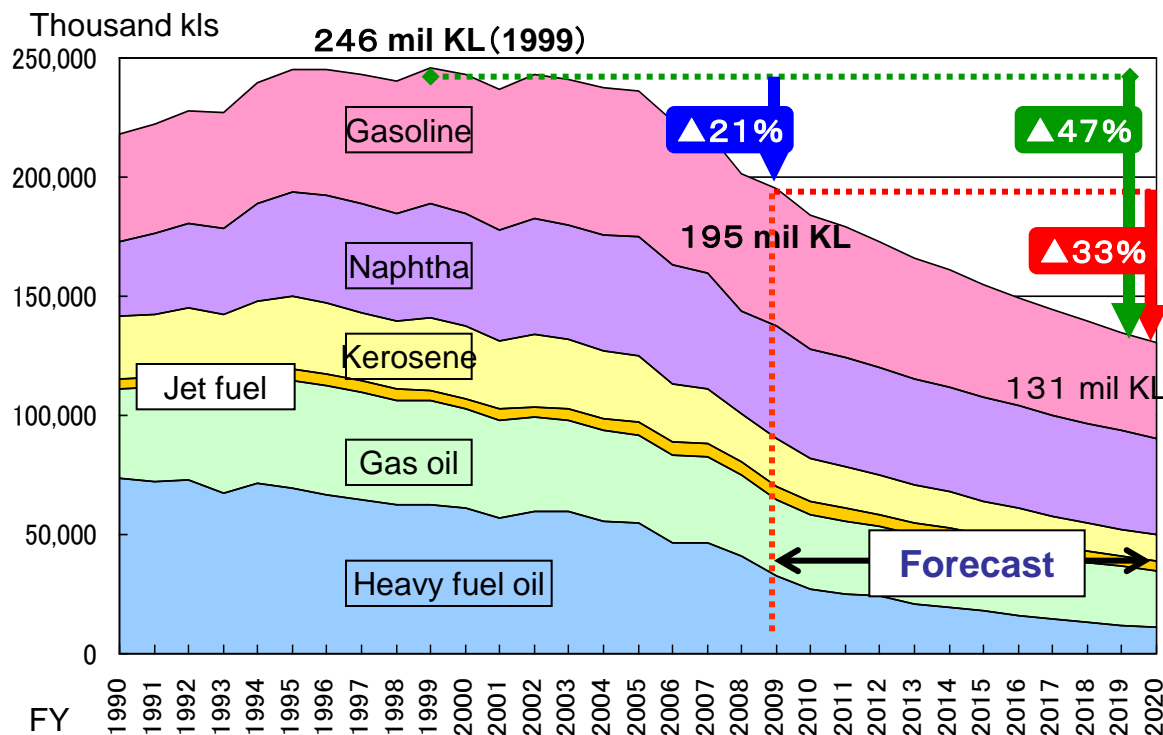
2. Japanese energy policy and oil industry



Commercial Challenge : Decreasing Demand

Forecast : Domestic oil demand

Refining capacity and utilization rate

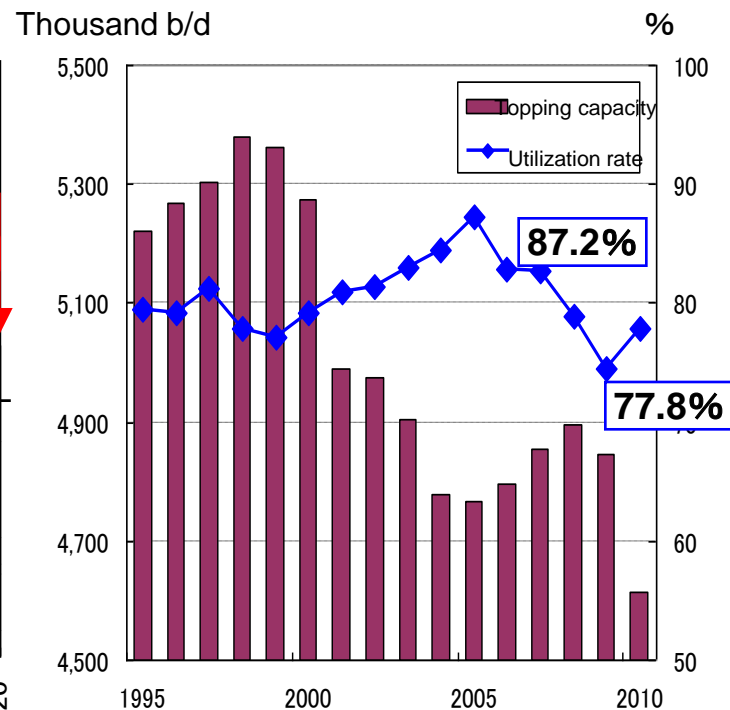


Source: METI statistics
and PAJ estimation

Demand fall 100,000BD p.a.



4,619,000/day of capacity
as of end of June, 2011



2. Japanese energy policy and oil industry



Down-to-Earth Supply Chain; being robust and efficient

