

Third Party Viewpoints

Here we report feedback on this publication from one of our stakeholders.

A sustainability report is designed to clarify action guidelines with regard to the social responsibilities of the issuing company and explain, in an easy-to-understand manner, the various endeavors it pursues toward their realization. The report is also expected to help change the mentality of employees and educate business partners. I read the HEPCO Sustainability Report 2008, and the wealth of valuable information and numerical data contained in it is the manifestation of a great deal of effort toward its creation. I would therefore like to express my sincere respect to the employees of Hokkaido Electric Power Co., Inc. and the many other collaborators who engaged in the report's publication.

The publication is also a very useful source of information for many people, including university researchers, and should be highly regarded. Since its format is based on the GRI Sustainability Reporting Guidelines 2002, it is a standardized document, and yet it made a favorable impression on me for its efforts to ensure readability throughout.

First of all, considering the basic premise of the report as a communication tool, it is natural that it should contain the information the company wants to convey. However, I feel that it is also necessary to review the content from the viewpoint of conveying the information its readers (i.e., the stakeholders) want to know. I believe that the inclusion of such information in the report will enable the fulfillment of its original role as a communication tool. When I asked HEPCO about this, the response was that they are now investigating the type of information that is of reader interest in a variety of ways. I hope HEPCO will clarify the kind of information its stakeholders want and specify their efforts to include this information in the next report.

The document indicates that numerous fields have been affected by soaring fuel prices in the international market, such as those for crude oil and coal; this has been covered in depth by the media. The sharp rise in energy prices is caused largely by the recent surge of demand in developing nations, and there is no doubt that this will be a long-term trend. I think it is necessary for HEPCO to clearly show that it has implemented measures to ensure a stable supply of power amid recent international competition over energy resources.

As the company's contribution to the environment and society, the report contains various examples of beneficial activities in local communities. However, I would ask the company to seriously consider expanding the scope of its social contribution through its core business of power supply.

Recently, putting carbon labels on products has become popular, especially in EU nations. According to the HEPCO Group CSR Behavior Charter, the company hopes to contribute to and help achieve socioeconomic development and create a particular culture through the provision of products and services centered on electricity. I hope that the organization will step up its efforts to study a wide range of activities to develop renewable energy sources. Such efforts will also lead to regional revitalization that takes advantage of the characteristics of Hokkaido's rich natural environment.

Next, I would like to comment on the report's content concerning the economy. I dare point out that in the midst of Hokkaido's harsh economic climate, the roles played by HEPCO through its economic activities are significant. The Hokkaido economy is believed to be worth 20 trillion yen, and HEPCO's sales account for approximately 3% of the gross prefectural product. In addition, Hokkaido's trade deficit amounted to 1.1 trillion yen in FY 2007. An increase in the share of locally procured materials and fuels used by HEPCO would help to reduce the prefecture's trade deficit. The company's large-scale economic activities have a significant impact, and the company has a duty to find ways of contributing further to the region by examining these areas.

Last but not least, I wish the HEPCO Sustainability Report continued to evolve as a vehicle that plays a central role in providing materials and creating opportunities to support the company's sustainable activities along with its stakeholders.



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