# Utility covering disaster-hit region seeks power rate hike

The Associated Press

TOKYO, Feb. 14 (Kyodo) — Tohoku Electric Power Co. on Thursday sought government approval to raise household electricity rates by an average 11.41 percent from July 1 in the face of deteriorating business conditions following the March 2011 earthquake, tsunami and nuclear disasters and subsequent shutdown of its nuclear power plants.

The utility, supplying power to Japan's northeastern areas including the disaster-hit Miyagi and Fukushima prefectures, said it is also planning an average 17.74 percent rate hike for corporate users from July 1, a move which does not require government permission.

The company said it has no plans to give special treatment to people and companies affected by the disasters in implementing the rate hikes, a move that may have an impact on ongoing reconstruction efforts.

Tohoku Electric is the fourth regional utility to apply for government approval to raise household electricity charges following the nuclear disaster at the Fukushima Daiichi complex, which has made it increasingly difficult for major electric power companies to continue to rely on nuclear power generation.

Most of the 10 major utilities posted group net losses for the April-December period as they continued to face growing fuel costs for thermal power generation to make up for the loss of halted nuclear power generation.

Under Tohoku Electric's plan, a standard household using around 280 kilowatt hours per month would see its monthly bill rise 540 yen, or 8.08 percent, to 7,223 yen. If household electricity charges are raised, it would be the utility's first rate increase based on a thorough cost review in 33 years.

The utility came up with the rate hike plan by calculating the costs for supplying power during a three-year period from April 2013.

The plan is based on the assumption that its Higashidori plant in Aomori Prefecture will resume operation from July 2015, but does not expect its Onagawa plant in Miyagi Prefecture to operate in the three-year period due partly to the need to repair facilities that were damaged by the natural disasters.

Kansai Electric Power Co. and Kyushu Electric Power Co. have already applied for government permission for rate hikes and their plans are being screened by the government.

In the case of Tokyo Electric Power Co., the operator of the Fukushima Daiichi complex, the utility first applied to raise household rates by an average 10.28 percent but was asked to trim the margin of the hike to 8.46 percent following the screening process.

Four power companies -- Chubu, Hokuriku, Chugoku and Okinawa, meanwhile, will refrain from raising rates for the time being as they are less dependent on nuclear power generation.

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