

A COMPUTABLE GENERAL EQUILIBRIUM ANALYSIS OF NUCLEAR PHASE-OUT AND FEED-IN TARIFF IN JAPAN

In Japan, energy policy has become more important because of the nuclear power plant accident at Fukushima resulting from the Great East Japan Earthquake in 2011. Following the unprecedented accident, many people expressed opposition to the use of nuclear energy as their power source. Consequently, the majority of the country's nuclear power plants are out of operation until the plants can be thoroughly inspected. In response to this situation, the Japanese government has decided to promote renewable energy as a promising power source. Specifically, the government has introduced an extensive renewable energy promotion policy in the form of a feed-in tariff (FIT).

This study specifically examines the environmental and economic impacts of a nuclear phase-out by 2030 and a feed-in tariff in Japan. We construct a multi-regional, recursive-dynamic computable general equilibrium (CGE) model to address these energy and environmental issues.