

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for January 2023 (Kanto Area)

1. The calculation of the Average Fuel Price

- ① Calculate the 3-month average fuel price for each fuel type (i.e. crude oil, LNG, and coal).
- ② Multiply the average fuel prices in ① above by the respective conversion factors, and add all the numbers together.

(Below are the prices provided in the Trade Statistics of Japan published by the Ministry of Finance Japan)

	Jan. - Mar. 2012 (at the time of rate revision)	Jul. 2022 - Sep. 2022 (for Dec. 2022)	Aug. 2022 - Oct. 2022 (for Jan. 2023)			
			Average	Aug. 2022	Sep. 2022	Oct. 2022
Crude Oil (JPY/kl)	57,802	97,466	96,630	95,654	97,571	96,684
LNG (JPY/t)	67,548	142,803	152,786	139,618	164,909	156,339
Coal (JPY/t)	11,452	51,875	53,483	51,222	53,236	56,792

Average Fuel Price (JPY/kl)	44,200	95,600		(detailed data)	(detailed data)	(preliminary data)
	(Basic Fuel Price)			<Conversion Factor> Crude Oil Conversion Factor X Caloric Component Ratio		

		↓			
Crude Oil Price	96,630 JPY/kl		×	0.1970	(α)
LNG Price	152,786 JPY/t		×	0.4435	(β)
+) Coal Price	53,483 JPY/t		×	0.2512	(γ)
		↓			
Average Fuel Price	100,200 JPY/kl		(Maximum unit: 100 JPY) Rounded off to the nearest 10 (compared with the previous period : +4,600JPY/kl)		

2. The calculation of the Fuel Cost Adjustment Unit Price (in the case of Low-Voltage Supply)

Subtract the basic fuel price from the average fuel price and then multiply the result by the basic unit price to calculate the fuel cost adjustment unit price.

(1) Contracts for which specified retail supply agreements apply

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price}^* &= (\text{Average Fuel Price} - \text{Basic Fuel Price}) \times \text{Basic Unit Price} \\
 &= (66,300 \text{ JPY/kl} - 44,200 \text{ JPY/kl}) \times \frac{0.232 \text{ JPY/kWh}}{1,000 \text{ JPY}} \\
 &= 5.1272 \text{ JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 &= 5.13 \text{ JPY/kWh}
 \end{aligned}$$

* Calculated based on the average fuel price of 66,300 yen/kl because the average fuel price exceeded the maximum price (66,300 yen/kl)

(2) Contracts for which electricity supply/demand agreements (low voltage) apply

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= (\text{Average Fuel Price} - \text{Basic Fuel Price}) \times \text{Basic Unit Price} \\
 &= (100,200 \text{ JPY/kl} - 44,200 \text{ JPY/kl}) \times \frac{0.232 \text{ JPY/kWh}}{1,000 \text{ JPY}} \\
 &= 12.992 \text{ JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 &= 12.99 \text{ JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for January 2023 (in the case of the average model)

*The fuel cost adjustment price, which is calculated by multiplying the fuel cost adjustment unit price by the amount of power consumed, is included in the electricity rates.

Example: For the customers of 30A meter-rate lighting B with 260kWh of electricity consumption per month.
Automatic bank transfer discount included.

Demand Charge 858 JPY	+	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;">Energy Charge</td> </tr> <tr> <td style="text-align: center;">19.88 JPY/kWh</td> <td style="text-align: center;">× 120kWh</td> </tr> <tr> <td style="text-align: center;">26.48 JPY/kWh</td> <td style="text-align: center;">× 140kWh</td> </tr> <tr> <td colspan="2" style="text-align: center;">+</td> </tr> <tr> <td colspan="2" style="text-align: center;">Fuel Cost Adjustment</td> </tr> <tr> <td style="text-align: center;">Fuel Cost Adjustment Unit Price 5.13 JPY/kWh</td> <td style="text-align: center;">× Consumption 260kWh</td> </tr> </table>	Energy Charge		19.88 JPY/kWh	× 120kWh	26.48 JPY/kWh	× 140kWh	+		Fuel Cost Adjustment		Fuel Cost Adjustment Unit Price 5.13 JPY/kWh	× Consumption 260kWh	+	Renewable Energy Promotion Surcharge 897 JPY	-	Automated Bank Transfer Discount 55 JPY
Energy Charge																		
19.88 JPY/kWh	× 120kWh																	
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+																		
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Fuel Cost Adjustment Unit Price 5.13 JPY/kWh	× Consumption 260kWh																	
						= 9,126 JPY												

* The calculated electricity rate above includes a consumption tax and other costs.