

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for May 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)	Nov. 2022 - Jan. 2023 (for Apr. 2023)	Average	Dec. 2022 - Feb. 2023 (for May 2023)		
				Dec. 2022	Jan. 2023	Feb. 2023
Crude Oil (JPY/kl)	57,802	82,572	76,242	82,551	73,336	71,915
LNG (JPY/t)	67,548	132,509	127,258	135,188	128,023	118,935
Coal (JPY/t)	11,452	53,189	49,648	52,445	49,116	47,125
Average Fuel Price (JPY/kl)	44,200	88,400		(detailed data)	(detailed data)	(preliminary data)

			<Conversion Factor> Crude Oil Conversion Factor X Caloric Component Ratio	
Crude Oil Price	76,242 JPY/kl	x	0.1970	(α)
LNG Price	127,258 JPY/t	x	0.4435	(β)
+) Coal Price	49,648 JPY/t	x	0.2512	(γ)
Average Fuel Price	83,900 JPY/kl			

(Maximum unit: 100 JPY) Rounded off to the nearest 10
(compared with the previous period : ▲4,500JPY/kl)

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

- ① Subtract the basic fuel price from the average fuel price and then multiply the result by the basic unit price to calculate the basic fuel cost adjustment unit price.
- ② Subtract the fuel cost adjustment unit price resulting from special measures from the basic fuel cost adjustment unit price to calculate the fuel cost adjustment unit price.

(1) Contracts for which specified retail supply agreements apply

$$\begin{aligned}
 \text{Basic Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{66,300 \text{ JPY/kl}} - \frac{\text{Basic Fuel Price}}{44,200 \text{ JPY/kl}} \right) \times \frac{\text{Basic Unit Price}}{0.232 \text{ JPY/kWh}} \\
 &= \frac{5.1272 \text{ JPY/kWh}}{1,000 \text{ JPY}} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 \text{Fuel Cost Adjustment Unit Price} &= \frac{5.13 \text{ JPY/kWh}}{1,000 \text{ JPY}} - \frac{7.00 \text{ JPY/kWh}}{1,000 \text{ JPY}} \\
 &= \frac{-1.87 \text{ JPY/kWh}}{1,000 \text{ JPY}}
 \end{aligned}$$

Unit price discount as a nationwide measure for mitigating sharp fluctuations in electricity rates

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

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

$$\begin{aligned}
 \text{Basic Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{83,900 \text{ JPY/kl}} - \frac{\text{Basic Fuel Price}}{44,200 \text{ JPY/kl}} \right) \times \frac{\text{Basic Unit Price}}{0.232 \text{ JPY/kWh}} \\
 &= \frac{9.2104 \text{ JPY/kWh}}{1,000 \text{ JPY}} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 \text{Fuel Cost Adjustment Unit Price} &= \frac{9.21 \text{ JPY/kWh}}{1,000 \text{ JPY}} - \frac{7.00 \text{ JPY/kWh}}{1,000 \text{ JPY}} \\
 &= \frac{2.21 \text{ JPY/kWh}}{1,000 \text{ JPY}}
 \end{aligned}$$

Unit price discount as a nationwide measure for mitigating sharp fluctuations in electricity rates

* For customers who have signed up for the Renewable Energy Credit Plan, the fuel cost adjustment unit price does not include the unit price discount since the billing amount is already discounted based on the amount of electricity used.

3. The calculation of the Electricity Rates for May 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		Energy Charge		Renewable Energy Promotion Surcharge		Automated Bank Transfer Discount
885.72 JPY	+	19.91 JPY/kWh x 120 kWh 26.51 JPY/kWh x 140 kWh + Fuel Cost Adjustment Unit Price: -1.87 JPY/kWh x Consumption: 260 kWh	+	364 JPY	-	55 JPY
= 6,809 JPY						

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

* Includes electricity consumption discount of [Used electricity volume (260 kWh)] x 7.00 JPY/kWh as a nationwide measure for mitigating sharp fluctuations in electricity rates.