

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for June 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 in① 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)	Dec. 2022 - Feb. 2023 (for May 2023)	Jan. 2023 - Mar. 2023 (for June 2023)			
			Average	Jan. 2023	Feb. 2023	Mar. 2023
Crude Oil (JPY/kl)	57,802	76,242	72,625	73,336	72,049	72,423
LNG (JPY/t)	67,548	127,258	117,760	128,023	118,935	104,212
Coal (JPY/t)	11,452	49,648	47,001	49,116	47,103	44,231

	Average Fuel Price (JPY/kl)	44,200	83,900	
	(Basic Fuel Price)			(detailed data) (detailed date) (preliminary data)
				<Conversion Factor> Crude Oil Conversion Factor X Caloric Component Ratio
Crude Oil Price		72,625 JPY/kl	×	0.1970 (α)
LNG Price		117,760 JPY/t	×	0.4435 (β)
+) Coal Price		47,001 JPY/t	×	0.2512 (γ)
	↓			(Maximum unit: 100 JPY) Rounded off to the nearest 10
Average Fuel Price		78,300 JPY/kl		(compared with the previous period : ▲5,600JPY/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

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

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

$$\begin{aligned}
 \text{Basic Fuel Cost Adjustment Unit Price} &= (\text{Average Fuel Price} - \text{Basic Fuel Price}) \times \text{Basic Unit Price} \\
 &= (78,300 \text{ JPY/kl} - 44,200 \text{ JPY/kl}) \times \frac{0.232 \text{ JPY/kWh}}{1,000 \text{ JPY}} \\
 &= 7.9112 \text{ JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 \text{Fuel Cost Adjustment Unit Price} &= 7.91 \text{ JPY/kWh} - 7.00 \text{ JPY/kWh} \\
 &= 0.91 \text{ JPY/kWh}
 \end{aligned}$$

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 June 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 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	+	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Energy Charge</td> <td></td> </tr> <tr> <td style="text-align: center;">19.91 JPY/kWh × 120 kWh</td> <td></td> </tr> <tr> <td style="text-align: center;">26.51 JPY/kWh × 140 kWh</td> <td></td> </tr> <tr> <td style="text-align: center;">+</td> <td></td> </tr> <tr> <td style="text-align: center;">Fuel Cost Adjustment</td> <td></td> </tr> <tr> <td style="text-align: center;">Fuel Cost Adjustment Unit Price × Consumption</td> <td></td> </tr> <tr> <td style="text-align: center;">- 1.87 JPY/kWh × 260 kWh</td> <td></td> </tr> </table>	Energy Charge		19.91 JPY/kWh × 120 kWh		26.51 JPY/kWh × 140 kWh		+		Fuel Cost Adjustment		Fuel Cost Adjustment Unit Price × Consumption		- 1.87 JPY/kWh × 260 kWh		+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	
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885.72 JPY			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.