

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for August 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)

	Nov. 2022 - Jan. 2023 (at the time of rate revision)	Feb. 2023 - Apr. 2023 (for July 2023)	Mar. 2023 - May 2023 (for Aug. 2023)			
			Average	Mar. 2023	Apr. 2023	May 2023
Crude Oil (JPY/kl)	82,572	71,300	71,756	72,488	69,448	73,504
LNG (JPY/t)	132,509	106,865	96,262	104,212	93,147	89,461
Coal (JPY/t)	53,189	43,744	39,325	44,071	38,909	33,289

Average Fuel Price (JPY/kl)	86,100 (Basic Fuel Price)	70,000		
		↓		
Crude Oil Price	71,756 JPY/kl		×	0.0048 (α)
LNG Price	96,262 JPY/t		×	0.3827 (β)
+) Coal Price	39,325 JPY/t		×	0.6584 (γ)
	↓			
Average Fuel Price	63,100 JPY/kl		(Maximum unit: 100 JPY) Rounded off to the nearest 10	(compared with the previous period: ▲6,900JPY/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.

$$\begin{aligned}
 \text{Basic Fuel Cost Adjustment Unit Price} &= \left(\text{Average Fuel Price} - \text{Basic Fuel Price} \right) \times \frac{\text{Basic Unit Price}}{1,000 \text{ JPY}} \\
 &= \left(63,100 \text{ JPY/kl} - 86,100 \text{ JPY/kl} \right) \times \frac{0.183 \text{ JPY/kWh}}{1,000 \text{ JPY}} \\
 &= -4.209 \text{ JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 \text{Fuel Cost Adjustment Unit Price} &= -4.21 \text{ JPY/kWh} - 7.00 \text{ JPY/kWh} \\
 &= -11.21 \text{ JPY/kWh}
 \end{aligned}$$

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 August 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.

Demand Charge 885.72 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: right;">30.00 JPY/kWh</td> <td style="text-align: left;">× 120 kWh</td> </tr> <tr> <td style="text-align: right;">36.60 JPY/kWh</td> <td style="text-align: left;">× 140 kWh</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: right;">Fuel Cost Adjustment Unit Price</td> <td style="text-align: left;">Consumption</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;">-11.21 JPY/kWh</td> <td style="text-align: left;">× 260 kWh</td> </tr> </table>	Energy Charge		30.00 JPY/kWh	× 120 kWh	36.60 JPY/kWh	× 140 kWh	+		Fuel Cost Adjustment		Fuel Cost Adjustment Unit Price	Consumption	-11.21 JPY/kWh	× 260 kWh	+	Renewable Energy Promotion Surcharge 364 JPY	=	7.059 JPY
Energy Charge																				
30.00 JPY/kWh	× 120 kWh																			
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* The calculated electricity rate above includes a consumption tax and other costs.

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