

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for January 2024 (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)	Jul. 2023 - Sep. 2023 (for December 2023)	Aug. 2023 - Oct. 2023 (for January 2024)			
			Average	Aug. 2023	Sep. 2023	Oct. 2023
Crude Oil (JPY/kl)	82,572	75,015	79,720	73,569	79,754	86,808
LNG (JPY/t)	132,509	88,305	89,220	88,272	87,710	91,754
Coal (JPY/t)	53,189	27,709	27,303	27,417	26,087	28,377

	Average Fuel Price (JPY/kl)	86,100	52,400	
	(Basic Fuel Price)			
				(detailed data) (detailed date) (preliminary data)
				<Conversion Factor> Crude Oil Conversion Factor X Caloric Component Ratio
Crude Oil Price		79,720 JPY/kl	x	0.0048 (α)
LNG Price		89,220 JPY/t	x	0.3827 (β)
+) Coal Price		27,303 JPY/t	x	0.6584 (γ)
	Average Fuel Price	52,500 JPY/kl		(Maximum unit: 100 JPY) Rounded off to the nearest 10 (compared with the previous period: +100JPY/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.

$$\begin{aligned}
 \text{Basic Fuel Cost Adjustment Unit Price} &= \left( \text{Average Fuel Price} - \text{Basic Fuel Price} \right) \times \frac{\text{Basic Unit Price}}{1,000 \text{ JPY}} \\
 &= \left( 52,500 \text{ JPY/kl} - 86,100 \text{ JPY/kl} \right) \times \frac{0.183 \text{ JPY/kWh}}{1,000 \text{ JPY}} \\
 &= -6.1488 \text{ JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 \text{Fuel Cost Adjustment Unit Price} &= -6.15 \text{ JPY/kWh} - 3.50 \text{ JPY/kWh} \\
 &= -9.65 \text{ JPY/kWh}
 \end{aligned}$$

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 January 2024 (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	+	<p style="text-align: center;">Energy Charge</p> <p style="text-align: center;">30.00 JPY/kWh x 120 kWh</p> <p style="text-align: center;">36.60 JPY/kWh x 140 kWh</p> <p style="text-align: center;">+</p> <p style="text-align: center;">Fuel Cost Adjustment</p> <table style="width: 100%; border: 1px dashed black;"> <tr> <td style="text-align: center;">Fuel Cost Adjustment Unit Price</td> <td style="text-align: center;">Consumption</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;">-9.65 JPY/kWh</td> <td style="text-align: center;">x 260 kWh</td> </tr> </table>	Fuel Cost Adjustment Unit Price	Consumption	-9.65 JPY/kWh	x 260 kWh	+	<p style="text-align: center;">Renewable Energy Promotion Surcharge</p> <p style="text-align: center;">364 JPY</p>	=	7,464 JPY
Fuel Cost Adjustment Unit Price	Consumption									
-9.65 JPY/kWh	x 260 kWh									

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

\* Includes electricity consumption discount of [Used electricity volume (260 kWh)] x 3.50 JPY/kWh as a nationwide measure for mitigating sharp fluctuations in electricity rates.