

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for March 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)	Sep. 2023 - Nov. 2023 (for February 2024)	Oct. 2023 - Dec. 2023 (for March 2024)			
			Average	Oct. 2023	Nov. 2023	Dec. 2023
Crude Oil (JPY/kl)	82,572	85,239	86,220	86,859	88,791	83,476
LNG (JPY/t)	132,509	90,704	95,661	91,852	92,941	101,068
Coal (JPY/t)	53,189	27,105	26,598	28,407	26,803	24,824

	Average Fuel Price (JPY/kl)	86,100	53,000	
	(Basic Fuel Price)			
				(detailed data) (detailed date) (preliminary data)
				<Conversion Factor> Crude Oil Conversion Factor X Caloric Component Ratio
Crude Oil Price		86,220 JPY/kl	x	0.0048 (α)
LNG Price		95,661 JPY/t	x	0.3827 (β)
+) Coal Price		26,598 JPY/t	x	0.6584 (γ)
↓ (Maximum unit: 100 JPY) Rounded off to the nearest 10				
<b>Average Fuel Price</b>		<b>54,500 JPY/kl</b>		(compared with the previous period: +1,500 JPY/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.

$$\begin{aligned}
 \text{Basic Fuel Cost Adjustment Unit Price} &= \left( \frac{\text{Average Fuel Price}}{1,000} - \frac{\text{Basic Fuel Price}}{1,000} \right) \times \text{Basic Unit Price} \\
 &= \left( \frac{54,500 \text{ JPY/kl}}{1,000} - \frac{86,100 \text{ JPY/kl}}{1,000} \right) \times 0.183 \text{ JPY/kWh} \\
 &= -5.7828 \text{ JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 \text{Fuel Cost Adjustment Unit Price} &= -5.78 \text{ JPY/kWh} - 3.50 \text{ JPY/kWh} \\
 &= -9.28 \text{ JPY/kWh}
 \end{aligned}$$

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 March 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	+	<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: center;">x 120 kWh</td> </tr> <tr> <td style="text-align: right;">36.60 JPY/kWh</td> <td style="text-align: center;">x 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: center;">x Consumption</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;">-9.28 JPY/kWh</td> <td style="text-align: center;">x 260 kWh</td> </tr> </table>	Energy Charge		30.00 JPY/kWh	x 120 kWh	36.60 JPY/kWh	x 140 kWh	+		Fuel Cost Adjustment		Fuel Cost Adjustment Unit Price	x Consumption	-9.28 JPY/kWh	x 260 kWh	+	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Renewable Energy Promotion Surcharge</td> </tr> <tr> <td style="text-align: center;">364 JPY</td> </tr> </table>	Renewable Energy Promotion Surcharge	364 JPY	=	7,560 JPY
Energy Charge																						
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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)] x 3.50 JPY/kWh as a nationwide measure for mitigating sharp fluctuations in electricity rates.