

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for May 2020 (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. 2019 - Jan. 2020 (for Apr. 2020)	Dec. 2019- Feb. 2020 (for May 2020)			
			Average	Dec. 2019	Jan. 2020	Feb. 2020
Crude Oil (JPY/kl)	57,802	46,241	47,558	46,076	48,354	48,627
LNG (JPY/ t)	67,548	52,990	52,907	53,338	52,514	52,909
Coal (JPY/ t)	11,452	10,302	10,147	10,172	10,212	10,048
Average Fuel Price(JPY/kl)	44,200	35,200				

(detailed data) (detailed data) (preliminary data)

< Conversion Factor >  
Crude Oil Conversion Factor  
× Caloric Component Ratio

Crude Oil Price	47,558 JPY/kl	×	0.1970 (α)
LNG Price	52,907 JPY/ t	×	0.4435 (β)
Coal Price	10,147 JPY/ t	×	0.2512 (γ)

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Average Fuel Price 35,400 JPY/kl (Maximum unit: 100 JPY) Rounded off to the nearest 10  
(compared with the previous period: +200JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left( \frac{\text{Average Fuel Price}}{1,000} - \text{Basic Fuel Price} \right) \times \text{Basic Unit Price} \\
 &= \left( \frac{35,400 \text{ JPY/kl}}{1,000} - 44,200 \text{ JPY/kl} \right) \times 0.232 \text{ JPY/kWh} \\
 &= -2.0416 \text{ JPY/kWh} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= \boxed{-2.04 \text{ JPY/kWh}}
 \end{aligned}$$

3. The calculation of the Electricity Rates for May 2020 (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 19.88 JPY/kWh × 120kWh 26.48 JPY/kWh × 140kWh + Fuel Cost Adjustment Fuel Cost Adjustment Unit Price × Consumption <span style="border: 1px dashed black; padding: 2px;">-2.04 JPY/kWh</span> × 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	
858.00 JPY				774 JPY		55 JPY	=
							7,139 JPY

• The calculated electricity rates above include a consumption tax and other costs.