

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for August 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)	Feb. 2020 - Apr. 2020 (for Jul. 2020)	Mar. 2020- May 2020 (for Aug. 2020)			
			Average	Mar. 2020	Apr. 2020	May 2020
Crude Oil (JPY/kl)	57,802	39,431	30,982	42,228	28,829	16,784
LNG (JPY/ t)	67,548	52,948	52,839	53,358	52,428	52,488
Coal (JPY/ t)	11,452	9,710	9,290	9,550	9,533	8,623
Average Fuel Price(JPY/kl)	44,200	33,700				

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

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

Crude Oil Price	30,982 JPY/kl	×	0.1970 (α)
LNG Price	52,839 JPY/ t	×	0.4435 (β)
Coal Price	9,290 JPY/ t	×	0.2512 (γ)

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Average Fuel Price 31,900 JPY/kl (Maximum unit: 100 JPY) Rounded off to the nearest 10 (compared with the previous period: -1,800JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{44,200 \text{ JPY/kl}} - \frac{\text{Basic Fuel Price}}{44,200 \text{ JPY/kl}} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \frac{-2.8536 \text{ JPY/kWh}}{1,000} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= \frac{-2.85 \text{ JPY/kWh}}{1,000}
 \end{aligned}$$

3. The calculation of the Electricity Rates for August 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 -2.85 JPY/kWh × 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	
858.00 JPY				774 JPY		55 JPY	=
							6,928 JPY

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