

Calculation of Fuel Cost Adjusted Unit Price and Electricity Rates for March 2014 (with the 5-percent tax rate)
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## 1. Average Fuel Price Calculation

- ① Calculate a 3-month average fuel prices by fuel types (crude oil, LNG, and coal).
- ② Calculate average fuel price using above three figures and conversion factor.

(trade statistics prices published by Ministry of Finance Japan)

	Jan - Mar 2012 (Rate Revision)	Oct - Dec 2013 (for Mar 2014)	Nov 2013 - Jan 2014 (for April 2014)			
			Average	Nov 2013	Dec 2013	Jan 2014
Crude Oil (JPY/kl)	57,802	70,681	72,153	69,823	71,910	74,600
LNG (JPY/ t)	67,548	81,084	85,373	80,183	85,277	90,049
Coal (JPY/ t)	11,452	10,430	10,682	10,343	10,793	10,900
Average Fuel Price(JPY/kl)	44,200	52,500		(fixed)	(flash)	(flash)
	(basic fuel price)			< Conversion Factor > Crude Oil Conversion Factor × Caloric Component Ratio		
Crude Oil Price		72,153 JPY/kl	×	0.1970	(α)	
LNG Price		85,373 JPY/ t	×	0.4435	(β)	
Coal Price		10,682 JPY/ t	×	0.2512	(γ)	
+ )			(Maximum unit: 100 JPY) Rounded off to nearest 10			
<b>Average Fuel Price</b>			<b>54,800 JPY/kl</b> (compared with the previous period: +2,300Y/kl)			

## 2. Fuel Cost Adjusted Unit Price Calculation (Low-Voltage Supply)

$$\begin{aligned}
 \text{Fuel Cost Adjusted Unit Price} &= \left( \frac{\text{Average Fuel Price}}{54,800 \text{ JPY/kl}} - \frac{\text{Basic Fuel Price}}{44,200 \text{ JPY/kl}} \right) \times \frac{\text{Basic Unit Price}}{0.222 \text{ JPY/kWh}} \\
 &= \frac{2.3532 \text{ JPY/kWh}}{1,000} \\
 &\downarrow \text{(rounded off to the hundredth)} \\
 &= \boxed{2.35 \text{ JPY/kWh}}
 \end{aligned}$$

## 3. Electricity Rates Calculation for April 2014 (Averaged Model)

The fuel cost adjusted price, which is the fuel cost adjusted unit price multiplied by consumption, is added to calculate the electricity rate.

In case of 30A meter-rate lighting B and 290kWh of electricity consumption per month.

A reduction by automatic bank transfer discount included.

Demand	+	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Energy</td> <td style="width: 50%;"></td> </tr> <tr> <td>18.89 JPY/kWh × 120kWh</td> <td></td> </tr> <tr> <td>25.19 JPY/kWh × 170kWh</td> <td></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="border: 1px dashed black; padding: 2px;">Fuel Cost Adjusted Unit Price</td> <td style="border: 1px dashed black; padding: 2px;">Consumption</td> </tr> <tr> <td style="border: 1px dashed black; padding: 2px;">2.35 JPY/kWh</td> <td style="border: 1px dashed black; padding: 2px;">× 290kWh</td> </tr> </table>	Energy		18.89 JPY/kWh × 120kWh		25.19 JPY/kWh × 170kWh		+		Fuel Cost Adjustment		Fuel Cost Adjusted Unit Price	Consumption	2.35 JPY/kWh	× 290kWh	+	Renewable Energy Promotion Surcharge	+	Solar Surcharge	-	Account Transfer Discount
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819.00 JPY				101 JPY		14 JPY		53 JPY														
= 8,111 JPY/kl																						

\* Tax included

\* Tax rate will be raised from 5 to 8 percent since April 1, 2014. The tax rate applied to electricity rate for April 2014 remains, however, 5 percent, if a customer's contract with TEPCO has been continuously effective since before March 31, 2014, based on a transitional measure of Consumption Tax Act. The calculation above adopts the 5-percent tax rate.

Ends