

Calculation of Fuel Cost Adjusted Unit Price and Electricity Rates for August 2014

1. Average Fuel Price Calculation

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

(trade statistics prices published by Ministry of Finance Japan)

	Jan - Mar 2012 (Rate revision)	February - April 2014 (for June 2014)	February - April 2014 (for August 2014)			
			Average	Mar 2014	Apr 2014	May 2014
Crude Oil (JPY/kl)	57,802	71,039	71,549	70,891	70,495	70,080
LNG (JPY/ t)	67,548	88,842	88,169	88,098	89,479	86,801
Coal (JPY/ t)	11,452	10,708	10,469	10,818	10,417	10,067
Average Fuel Price(JPY/kl)	44,200	56,100		(fixed)	(fixed)	(flash)

	(basic fuel price)				< Conversion Factor > Crude Oil Conversion Factor × Caloric Component Ratio	
Crude Oil Price	70,549 JPY/kl	×	0.1970	(α)		
LNG Price	88,169 JPY/ t	×	0.4435	(β)		
Coal Price	10,469 JPY/ t	×	0.2512	(γ)		
+)						
Average Fuel Price			55,600 JPY/kl	(Maximum unit: 100 JPY) Rounded off to nearest 10 (compared with the previous period: + 400 Y/kl)		

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

$$\begin{aligned}
 \text{Fuel Cost Adjusted Unit Price} &= \left(\frac{\text{Average Fuel Price}}{55,600 \text{円/kl}} - \frac{\text{Basic Fuel Price}}{44,200 \text{円/kl}} \right) \times \frac{\text{Basic Unit Price}}{0.228 \text{ JPY/kWh}} \\
 &= \frac{11,400 \text{円/kl}}{1,000} \\
 &= 2.592 \text{ JPY/kWh} \\
 &\downarrow \text{(rounded off to the hundredth)} \\
 &= 2.60 \text{ JPY/kWh}
 \end{aligned}$$

3. Electricity Rates Calculation for August 2014 (Average 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 842.40 JPY	+	<table border="1" style="width: 100%;"> <tr> <td colspan="2" style="text-align: center;">Energy</td> </tr> <tr> <td style="text-align: center;">19.43 JPY/kWh</td> <td style="text-align: center;">× 120kWh</td> </tr> <tr> <td style="text-align: center;">25.91 JPY/kWh</td> <td style="text-align: center;">× 170kWh</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: center;">Fuel Cost Adjusted Unit Price</td> <td style="text-align: center;">Consumption</td> </tr> <tr> <td style="text-align: center;">2.60 JPY/kWh</td> <td style="text-align: center;">× 290kWh</td> </tr> </table>	Energy		19.43 JPY/kWh	× 120kWh	25.91 JPY/kWh	× 170kWh	+		Fuel Cost Adjustment		Fuel Cost Adjusted Unit Price	Consumption	2.60 JPY/kWh	× 290kWh	+	Renewable Energy Promotion Surcharge 217 JPY	+	Solar Surcharge 14 JPY	-	Account Transfer Discount 54 JPY
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* The calculation above includes consumer taxes and other related costs.