

Calculation of Fuel Cost Adjusted Unit Price and Electricity Rates for October 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)	April - June 2014 (for September 2014)	May - July 2014 (for October 2014)			
			Average	May 2014	Jun 2014	Jul 2014
Crude Oil (JPY/kl)	57,802	70,397	70,738	70,115	70,551	71,423
LNG (JPY/ t)	67,548	87,336	85,788	86,801	85,579	85,129
Coal (JPY/ t)	11,452	10,120	9,919	10,065	9,921	9,812
Average Fuel Price(JPY/kl)	44,200	55,100		(fixed)	(fixed)	(flash)
(basic fuel price)				< Conversion Factor > Crude Oil Conversion Factor × Caloric Component Ratio		
Crude Oil Price		70,738 JPY/kl	×	0.1970 (α)		
LNG Price		85,788 JPY/ t	×	0.4435 (β)		
Coal Price		9,919 JPY/ t	×	0.2512 (γ)		
+)			(Maximum unit: 100 JPY) Rounded off to nearest 10			
Average Fuel Price			54,500 JPY/kl (compared with the previous period: - 600 Y/kl)			

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

$$\begin{aligned}
 \text{Fuel Cost Adjusted Unit Price} &= \left(\frac{\text{Average Fuel Price}}{54,500 \text{ ¥/kl}} - \frac{\text{Basic Fuel Price}}{44,200 \text{ ¥/kl}} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \frac{2.3484 \text{ JPY/kWh}}{\downarrow \text{(rounded off to the hundredth)}} \\
 &= \frac{2.35 \text{ JPY/kWh}}{\boxed{2.35 \text{ JPY/kWh}}}
 \end{aligned}$$

3. Electricity Rates Calculation for October 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		Energy 19.43 JPY/kWh × 120kWh 25.91 JPY/kWh × 170kWh + Fuel Cost Adjustment Fuel Cost Adjusted Unit Price × Consumption 2.35 JPY/kWh × 290kWh		Renewable Energy Promotion Surcharge 217 JPY		Account Transfer Discount 54 JPY		= 8,423 JPY/kl
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* The calculation above includes consumer taxes and other related costs.