

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for November 2014

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)	May- July 2014 (for October 2014)	June - August 2014 (for November 2014)			
			Average	Jun 2014	Jul 2014	Aug 2014
Crude Oil (JPY/kl)	57,802	70,738	71,016	70,551	71,421	71,037
LNG (JPY/ t)	67,548	85,788	84,996	85,579	85,129	84,284
Coal (JPY/ t)	11,452	9,919	9,816	9,921	9,812	9,727
Average Fuel Price(JPY/kl)	44,200	54,500		(fixed)	(fixed)	(preliminary)
(basic fuel price)			< Conversion Factor > Crude Oil Conversion Factor × Caloric Component Ratio			
Crude Oil Price	71,016 JPY/kl	×	0.1970 (α)			
LNG Price	84,996 JPY/ t	×	0.4435 (β)			
Coal Price	9,816 JPY/ t	×	0.2512 (γ)			
+ )			(Maximum unit: 100 JPY) Rounded off to the nearest 10			
<b>Average Fuel Price</b>			<b>54,200 JPY/kl</b>	(compared with the previous period: - 300 Y/kl)		

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= ( \text{Average Fuel Price} - \text{Basic Fuel Price} ) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= ( 54,200\text{円/kl} - 44,200\text{円/kl} ) \times \frac{0.228 \text{ JPY/kWh}}{1,000} \\
 &= 2.2800 \text{ JPY/kWh} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= 2.28 \text{ JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for November 2014 (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 290kWh of electricity consumption per month.  
The automatic bank transfer discount included.

Demand	+	<table border="0" style="width: 100%;"> <tr> <td style="padding: 2px;">Energy</td> <td style="padding: 2px;">×</td> <td style="padding: 2px;">Consumption</td> </tr> <tr> <td style="padding: 2px;">19.43 JPY/kWh</td> <td style="padding: 2px;">×</td> <td style="padding: 2px;">120kWh</td> </tr> <tr> <td style="padding: 2px;">25.91 JPY/kWh</td> <td style="padding: 2px;">×</td> <td style="padding: 2px;">170kWh</td> </tr> <tr> <td colspan="3" style="text-align: center; padding: 2px;">+</td> </tr> <tr> <td colspan="3" style="text-align: center; padding: 2px;">Fuel Cost Adjustment</td> </tr> <tr> <td style="padding: 2px;">Fuel Cost Adjustment Unit Price</td> <td style="padding: 2px;">×</td> <td style="padding: 2px;">Consumption</td> </tr> <tr> <td style="padding: 2px;">2.28 JPY/kWh</td> <td style="padding: 2px;">×</td> <td style="padding: 2px;">290kWh</td> </tr> </table>	Energy	×	Consumption	19.43 JPY/kWh	×	120kWh	25.91 JPY/kWh	×	170kWh	+			Fuel Cost Adjustment			Fuel Cost Adjustment Unit Price	×	Consumption	2.28 JPY/kWh	×	290kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount
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842.40 JPY				217 JPY		54 JPY																					
= 8,402 JPY																											

\* The calculation above includes a consumption tax and other costs.