

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for May 2015

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)	Nov 2014- Jan 2015 (for April 2015)	December 2014 - February 2015 (for May 2015)			
			Average	Dec 2014	Jan 2015	Feb 2015
Crude Oil (JPY/kl)	57,802	56,567	48,389	58,788	47,541	36,718
LNG (JPY/ t)	67,548	94,649	90,717	96,535	93,028	81,981
Coal (JPY/ t)	11,452	10,382	10,256	10,475	10,441	9,797
Average Fuel Price(JPY/kl)	44,200	55,700	52,300	(fixed)	(fixed)	(preliminary)

(basic fuel price)

Crude Oil Price

48,389	JPY/kl
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×

0.1970 (α)

LNG Price

90,717	JPY/ t
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×

0.4435 (β)

Coal Price

10,256	JPY/ t
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×

0.2512 (γ)

+)

Average Fuel Price

(Maximum unit: 100 JPY) Rounded off to the nearest 10

52,300	JPY/kl
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(compared with the previous period: -3,400JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{52,300 \text{ JPY/kl}} - \frac{\text{Basic Fuel Price}}{44,200 \text{ JPY/kl}} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \frac{1.8468 \text{ JPY/kWh}}{\text{rounded off to two decimal places}} \\
 &= \boxed{1.85 \text{ JPY/kWh}}
 \end{aligned}$$

3. The calculation of the Electricity Rates for May 2015 (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.

Automatic bank transfer discount included.

Demand Charge	+	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">19.43 JPY/kWh</td> <td style="width: 5%; text-align: center;">×</td> <td style="width: 45%;">120kWh</td> </tr> <tr> <td>25.91 JPY/kWh</td> <td style="text-align: center;">×</td> <td>170kWh</td> </tr> <tr> <td colspan="3" style="text-align: center;">+</td> </tr> <tr> <td colspan="3" style="text-align: center;">Fuel Cost Adjustment</td> </tr> <tr> <td style="border: 1px dashed black; padding: 2px;">Fuel Cost Adjustment Unit Price</td> <td style="text-align: center;">×</td> <td style="border: 1px dashed black; padding: 2px;">Consumption</td> </tr> <tr> <td style="border: 1px dashed black; padding: 2px;">1.85 JPY/kWh</td> <td style="text-align: center;">×</td> <td style="border: 1px dashed black; padding: 2px;">290kWh</td> </tr> </table>	19.43 JPY/kWh	×	120kWh	25.91 JPY/kWh	×	170kWh	+			Fuel Cost Adjustment			Fuel Cost Adjustment Unit Price	×	Consumption	1.85 JPY/kWh	×	290kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount
19.43 JPY/kWh	×	120kWh																						
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- The calculated electricity rates above include a consumption tax and other costs.
- The renewable energy power promotion surcharge is calculated based on its unit price, 1.58JPY/kWh, the price announced by the Ministry of Economy, Trade and Industry on March 19, 2015. The unit price will be used from May 2015 to April 2016.