

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for December 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)	June - Aug 2015 (for November 2015)	July - Sept 2015 (for December 2015)			
			Average	July 2015	Aug 2015	Sept 2015
Crude Oil (JPY/kl)	57,802	48,301	44,954	49,362	46,103	38,974
LNG (JPY/ t)	67,548	57,007	58,613	56,903	58,758	60,185
Coal (JPY/ t)	11,452	9,686	9,478	9,653	9,619	9,145
Average Fuel Price(JPY/kl)	44,200	37,200				

(detailed data) (detailed data) (preliminary data)

(basic fuel price)

< Conversion Factor >
Crude Oil Conversion Factor
× Caloric Component Ratio

Crude Oil Price	44,954 JPY/kl	×	0.1970 (α)
LNG Price	58,613 JPY/ t	×	0.4435 (β)
Coal Price	9,478 JPY/ t	×	0.2512 (γ)

+)

Average Fuel Price **37,200 JPY/kl** (Maximum unit: 100 JPY) Rounded off to the nearest 10 (compared with the previous period: ±0JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{37,200 \text{ JPY/kl}} - \frac{\text{Basic Fuel Price}}{44,200 \text{ JPY/kl}} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \frac{-1.5960 \text{ JPY/kWh}}{1,000} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= \frac{-1.60 \text{ JPY/kWh}}{1,000}
 \end{aligned}$$

3. The calculation of the Electricity Rates for December 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 × 120kWh</td> <td style="width: 5%; text-align: center;">+</td> <td style="width: 45%;">25.91 JPY/kWh × 170kWh</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;">-1.60 JPY/kWh</td> <td></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	-1.60 JPY/kWh		290kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount
19.43 JPY/kWh × 120kWh	+	25.91 JPY/kWh × 170kWh																
+ Fuel Cost Adjustment																		
Fuel Cost Adjustment Unit Price	×	Consumption																
-1.60 JPY/kWh		290kWh																
842.40 JPY				458 JPY		54 JPY												
= 7,518 JPY																		

• The calculated electricity rates above include a consumption tax and other costs.