

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for August 2016 (Kanto Area)

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)	Feb. 2016 - Apr. 2016 (for Jul. 2016)	Mar. - May 2016 (for August 2016)			
			Average	Mar. 2016	Apr. 2016	May 2016
Crude Oil (JPY/kl)	57,802	23,549	25,287	22,892	25,880	27,830
LNG (JPY/ t)	67,548	42,479	37,961	42,462	36,344	33,191
Coal (JPY/ t)	11,452	7,888	7,626	7,657	7,747	7,486
Average Fuel Price(JPY/kl)	44,200	25,500				

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

(basic fuel price)

Crude Oil Price	25,287 JPY/kl	×	0.1970 (α)
LNG Price	37,961 JPY/ t	×	0.4435 (β)
Coal Price	7,626 JPY/ t	×	0.2512 (γ)

+)

Average Fuel Price

↓ (Maximum unit: 100 JPY) Rounded off to the nearest 10
(compared with the previous period: -1,800JPY/kl)

23,700 JPY/kl

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\text{Average Fuel Price} - \text{Basic Fuel Price} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \left(23,700 \text{JPY/kl} - 44,200 \text{JPY/kl} \right) \times \frac{0.228 \text{JPY/kWh}}{1,000} \\
 &= -4.6740 \text{JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 &= \mathbf{-4.67 \text{JPY/kWh}}
 \end{aligned}$$

3. The calculation of the Electricity Rates for August 2016 (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 260kWh of electricity consumption per month.

Automatic bank transfer discount included.

Demand Charge	+	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;">Energy Charge</td> </tr> <tr> <td style="padding: 2px;">19.52 JPY/kWh</td> <td style="padding: 2px;">× 120kWh</td> </tr> <tr> <td style="padding: 2px;">26.00 JPY/kWh</td> <td style="padding: 2px;">× 140kWh</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="border: 1px dashed black; padding: 2px;">Fuel Cost Adjustment Unit Price</td> <td style="border: 1px dashed black; padding: 2px;">Consumption</td> </tr> <tr> <td style="border: 1px dashed black; padding: 2px;">-4.67 JPY/kWh</td> <td style="border: 1px dashed black; padding: 2px;">× 260kWh</td> </tr> </table>	Energy Charge		19.52 JPY/kWh	× 120kWh	26.00 JPY/kWh	× 140kWh	+		Fuel Cost Adjustment		Fuel Cost Adjustment Unit Price	Consumption	-4.67 JPY/kWh	× 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount
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19.52 JPY/kWh	× 120kWh																			
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842.40 JPY				585 JPY		54 JPY														
= 6,141 JPY																				

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