

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for January 2017 (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)	Jul. 2016 - Sep. 2016 (for Dec. 2016)	Aug. - Oct. 2016 (for January 2017)			
			Average	Aug. 2016	Sep. 2016	Oct. 2016
Crude Oil (JPY/kl)	57,802	29,881	29,275	29,515	29,170	29,101
LNG (JPY/ t)	67,548	35,536	36,896	35,128	37,340	38,599
Coal (JPY/ t)	11,452	7,205	7,385	7,063	7,380	7,653
Average Fuel Price(JPY/kl)	44,200	23,500				

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

(basic fuel price)

Crude Oil Price	29,275	JPY/kl	×	0.1970	(α)
LNG Price	36,896	JPY/ t	×	0.4435	(β)
Coal Price	7,385	JPY/ t	×	0.2512	(γ)

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

+)

Average Fuel Price

24,000

JPY/kl

(Maximum unit: 100 JPY) Rounded off to the nearest 10
(compared with the previous period: +500JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{<Average Fuel Price>}}{1,000} - \frac{\text{<Basic Fuel Price>}}{1,000} \right) \times \frac{\text{<Basic Unit Price>}}{1,000} \\
 &= \left(\frac{24,000 \text{ JPY/kl}}{1,000} - \frac{44,200 \text{ JPY/kl}}{1,000} \right) \times \frac{0.228 \text{ JPY/kWh}}{1,000} \\
 &= -4.6056 \text{ JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 &= -4.61 \text{ JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for January 2017 (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 solid black; padding: 2px;">-4.61 JPY/kWh</td> <td style="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	-4.61 JPY/kWh	× 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount
Energy Charge																				
19.52 JPY/kWh	× 120kWh																			
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Fuel Cost Adjustment Unit Price	Consumption																			
-4.61 JPY/kWh	× 260kWh																			
842.40 JPY				585 JPY		54 JPY														
= 6,157 JPY																				

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