

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for May 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)	Nov. 2016 - Jan. 2017 (for April. 2017)	Dec. 2016- Feb. 2017 (for May 2017)			
			Average	Dec. 2016	Jan. 2017	Feb. 2017
Crude Oil (JPY/kl)	57,802	34,876	37,112	33,245	39,087	39,416
LNG (JPY/ t)	67,548	42,648	44,657	42,836	44,951	46,107
Coal (JPY/ t)	11,452	10,092	10,821	10,249	11,087	11,110

Average Fuel Price(JPY/kl)	44,200	28,300				
	(basic fuel price)					

Crude Oil Price	37,112	JPY/kl	×	0.1970	(α)
LNG Price	44,657	JPY/ t	×	0.4435	(β)
Coal Price	10,821	JPY/ t	×	0.2512	(γ)

(detailed data) (detailed data) (preliminary data)
< Conversion Factor >
Crude Oil Conversion Factor
× Caloric Component Ratio

Average Fuel Price	29,800	JPY/kl			
				(Maximum unit: 100 JPY) Rounded off to the nearest 10	(compared with the previous period: +1,500JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{<Average Fuel Price>}}{1,000} - \frac{\text{<Basic Fuel Price>}}{1,000} \right) \times \frac{\text{<Basic Unit Price>}}{1,000} \\
 &= \left(\frac{29,800 \text{ JPY/kl}}{1,000} - \frac{44,200 \text{ JPY/kl}}{1,000} \right) \times \frac{0.228 \text{ JPY/kWh}}{1,000} \\
 &= -328.32 \text{ JPY/kWh} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= -3.28 \text{ JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for May 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	+	Energy Charge	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	=	
842.40 JPY		19.52 JPY/kWh × 120kWh 26.00 JPY/kWh × 140kWh + Fuel Cost Adjustment Fuel Cost Adjustment Unit Price × Consumption -3.28 JPY/kWh × 260kWh		686 JPY		54 JPY		6,604 JPY

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