

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for June 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)	Dec. 2016 - Feb. 2017 (for May 2017)	Jan. 2017- Mar. 2017 (for June 2017)			
			Average	Jan. 2017	Feb. 2017	Mar. 2017
Crude Oil (JPY/kl)	57,802	37,112	39,577	39,087	39,455	40,166
LNG (JPY/ t)	67,548	44,657	45,397	44,951	46,107	45,172
Coal (JPY/ t)	11,452	10,821	11,059	11,087	11,115	10,977
Average Fuel Price(JPY/kl)	44,200	29,800				

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

(basic fuel price)

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

Crude Oil Price	39,577 JPY/kl	×	0.1970 (α)
LNG Price	45,397 JPY/ t	×	0.4435 (β)
Coal Price	11,059 JPY/ t	×	0.2512 (γ)

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Average Fuel Price

30,700 JPY/kl

(Maximum unit: 100 JPY) Rounded off to the nearest 10
(compared with the previous period: +900JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{1,000} - \frac{\text{Basic Fuel Price}}{1,000} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \left(\frac{30,700 \text{JPY/kl}}{1,000} - \frac{44,200 \text{JPY/kl}}{1,000} \right) \times \frac{0.228 \text{JPY/kWh}}{1,000} \\
 &= -307.80 \text{JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 &= -3.08 \text{JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for June 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 19.52 JPY/kWh × 120kWh 26.00 JPY/kWh × 140kWh + Fuel Cost Adjustment Fuel Cost Adjustment Unit Price × Consumption -3.08 JPY/kWh × 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount		
842.40 JPY				686 JPY		54 JPY		
							=	6,656 JPY

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