

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for July 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)	Jan. 2017 - Mar. 2017 (for June 2017)	Feb. 2017- Apr. 2017 (for July 2017)			
			Average	Feb. 2017	Mar. 2017	Apr. 2017
Crude Oil (JPY/kl)	57,802	39,577	39,127	39,455	40,159	37,613
LNG (JPY/ t)	67,548	45,397	46,002	46,107	45,170	46,909
Coal (JPY/ t)	11,452	11,059	10,851	11,115	10,978	10,415
Average Fuel Price(JPY/kl)	44,200	30,700				

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

(basic fuel price)

Crude Oil Price	39,127 JPY/kl	×	0.1970 (α)
LNG Price	46,002 JPY/ t	×	0.4435 (β)
Coal Price	10,851 JPY/ t	×	0.2512 (γ)

+)

Average Fuel Price 30,800 JPY/kl (Maximum unit: 100 JPY) Rounded off to the nearest 10 (compared with the previous period: +100JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{<Average Fuel Price>}}{1,000} - \frac{\text{<Basic Fuel Price>}}{1,000} \right) \times \frac{\text{<Basic Unit Price>}}{1,000} \\
 &= \left(\frac{30,800 \text{JPY/kl}}{1,000} - \frac{44,200 \text{JPY/kl}}{1,000} \right) \times \frac{0.228 \text{ JPY/kWh}}{1,000} \\
 &= -305.52 \text{JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 &= \boxed{-3.06 \text{JPY/kWh}}
 \end{aligned}$$

3. The calculation of the Electricity Rates for July 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 dashed black; padding: 2px;">-3.06 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	-3.06 JPY/kWh	× 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount
Energy Charge																				
19.52 JPY/kWh	× 120kWh																			
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-3.06 JPY/kWh	× 260kWh																			
842.40 JPY				686 JPY		54 JPY														
= 6,661 JPY																				

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