

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for August 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)	Feb. 2017 - Apr. 2017 (for July 2017)	Mar. 2017- May. 2017 (for August 2017)			
			Average	Mar. 2017	Apr. 2017	May. 2017
Crude Oil (JPY/kl)	57,802	39,127	39,598	40,159	37,617	37,760
LNG (JPY/ t)	67,548	46,002	47,038	45,170	46,908	49,613
Coal (JPY/ t)	11,452	10,851	10,936	10,978	10,404	11,451
Average Fuel Price(JPY/kl)	44,200	30,800				

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

(basic fuel price)

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

Crude Oil Price	38,598 JPY/kl	×	0.1970 (α)
LNG Price	47,038 JPY/ t	×	0.4435 (β)
Coal Price	10,936 JPY/ t	×	0.2512 (γ)

+)

Average Fuel Price

31,200 JPY/kl

(Maximum unit: 100 JPY) Rounded off to the nearest 10
(compared with the previous period: +400JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{1,000} - \frac{\text{Basic Fuel Price}}{1,000} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \left(\frac{31,200 \text{ JPY/kl}}{1,000} - \frac{44,200 \text{ JPY/kl}}{1,000} \right) \times \frac{0.228 \text{ JPY/kWh}}{1,000} \\
 &= -296.40 \text{ JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 &= -2.96 \text{ JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for August 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="text-align: right;">19.52 JPY/kWh</td> <td style="text-align: left;">× 120kWh</td> </tr> <tr> <td style="text-align: right;">26.00 JPY/kWh</td> <td style="text-align: left;">× 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="text-align: right;">Fuel Cost Adjustment Unit Price</td> <td style="text-align: left;">Consumption</td> </tr> <tr> <td style="text-align: right;">-2.96 JPY/kWh</td> <td style="text-align: left;">× 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	-2.96 JPY/kWh	× 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount
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-2.96 JPY/kWh	× 260kWh																			
842.40 JPY				686 JPY		54 JPY														
= 6,687 JPY																				

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