

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for October 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)	Apr. 2017 - Jun. 2017 (for September 2017)	May. 2017- Jul. 2017 (for October 2017)			
			Average	May. 2017	Jun. 2017	Jul. 2017
Crude Oil (JPY/kl)	57,802	37,317	36,032	37,842	36,358	34,176
LNG (JPY/ t)	67,548	48,114	48,639	49,613	47,884	48,434
Coal (JPY/ t)	11,452	11,078	11,035	11,378	11,284	10,545
Average Fuel Price(JPY/kl)	44,200	31,500				

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

(basic fuel price)

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

Crude Oil Price	36,032	JPY/kl	×	0.1970	(α)
LNG Price	48,639	JPY/ t	×	0.4435	(β)
Coal Price	11,035	JPY/ t	×	0.2512	(γ)

+)

Average Fuel Price

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

31,400 JPY/kl

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\text{Average Fuel Price} - \text{Basic Fuel Price} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \left(31,400 \text{JPY/kl} - 44,200 \text{JPY/kl} \right) \times \frac{0.228 \text{JPY/kWh}}{1,000} \\
 &= -291.84 \text{JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 &= \mathbf{-2.92 \text{JPY/kWh}}
 \end{aligned}$$

3. The calculation of the Electricity Rates for October 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;">-2.92 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	-2.92 JPY/kWh	× 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount
Energy Charge																				
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-2.92 JPY/kWh	× 260kWh																			
842.40 JPY				686 JPY		54 JPY														
= 6,697 JPY																				

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