

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for December 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)	Jun. 2017 - Aug. 2017 (for December 2017)	Jul. 2017- Sept. 2017 (for December 2017)			
			Average	Jul. 2017	Aug. 2017	Sept. 2017
Crude Oil (JPY/kl)	57,802	34,803	34,571	34,189	34,132	35,472
LNG (JPY/ t)	67,548	47,979	47,574	48,434	47,633	46,494
Coal (JPY/ t)	11,452	10,865	10,747	10,545	10,797	10,936

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

Average Fuel Price(JPY/kl)	44,200	30,900
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(basic fuel price)

Crude Oil Price	34,571 JPY/kl	×	0.1970 (α)
LNG Price	47,574 JPY/ t	×	0.4435 (β)
Coal Price	10,747 JPY/ t	×	0.2512 (γ)

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

+ )

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Average Fuel Price 30,600 JPY/kl (Maximum unit: 100 JPY) Rounded off to the nearest 10 (compared with the previous period: -300JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left( \frac{\text{Average Fuel Price}}{1,000} - \frac{\text{Basic Fuel Price}}{1,000} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \left( \frac{30,600 \text{JPY/kl}}{1,000} - \frac{44,200 \text{JPY/kl}}{1,000} \right) \times \frac{0.228 \text{JPY/kWh}}{1,000} \\
 &= -310.08 \text{JPY/kWh} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= -3.10 \text{JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for December 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> <th colspan="2" style="text-align: center;">Energy Charge</th> </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;"><span style="border: 1px solid black; padding: 2px;">-3.10 JPY/kWh</span></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	<span style="border: 1px solid black; padding: 2px;">-3.10 JPY/kWh</span>	× 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount
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842.40 JPY				686 JPY		54 JPY														
=																				
6,650 JPY																				

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