

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for January 2018 (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)	Jul. 2017 - Sept. 2017 (for December 2017)	Aug. 2017- Oct. 2017 (for January 2018)			
			Average	Aug. 2017	Sept. 2017	Oct. 2017
Crude Oil (JPY/kl)	57,802	34,571	36,035	34,132	35,473	38,719
LNG (JPY/ t)	67,548	47,574	46,648	47,633	46,494	45,630
Coal (JPY/ t)	11,452	10,747	11,089	10,797	10,931	11,523
Average Fuel Price(JPY/kl)	44,200	30,600	(detailed data) (detailed data) (preliminary data)			

(basic fuel price)

	↓	
Crude Oil Price	36,035 JPY/kl	× 0.1970 (α)
LNG Price	46,648 JPY/ t	× 0.4435 (β)
Coal Price	11,089 JPY/ t	× 0.2512 (γ)
+)		
Average Fuel Price	30,600 JPY/kl	(Maximum unit: 100 JPY) Rounded off to the nearest 10 (compared with the previous period: ±0JPY/kl)

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

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

3. The calculation of the Electricity Rates for January 2018 (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 842.40 JPY	+	<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;">-3.10 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	-3.10 JPY/kWh	× 260kWh	+	Renewable Energy Promotion Surcharge 686 JPY	-	Automated Bank Transfer Discount 54 JPY	
Energy Charge																					
19.52 JPY/kWh	× 120kWh																				
26.00 JPY/kWh	× 140kWh																				
+																					
Fuel Cost Adjustment																					
Fuel Cost Adjustment Unit Price	Consumption																				
-3.10 JPY/kWh	× 260kWh																				
							=	6,650 JPY													

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