

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for March 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)	Sept. 2017 - Nov. 2017 (for February 2018)	Oct. 2017- Dec. 2017 (for March 2018)			
			Average	Oct. 2017	Nov. 2017	Dec. 2017
Crude Oil (JPY/kl)	57,802	38,508	41,541	38,748	41,250	44,155
LNG (JPY/ t)	67,548	46,152	46,561	45,630	46,340	47,459
Coal (JPY/ t)	11,452	11,415	11,715	11,545	11,718	11,874
Average Fuel Price(JPY/kl)	44,200	30,900				

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

(basic fuel price)

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

Crude Oil Price	41,541 JPY/kl	×	0.1970	(α)
LNG Price	46,561 JPY/ t	×	0.4435	(β)
Coal Price	11,715 JPY/ t	×	0.2512	(γ)

(Maximum unit: 100 JPY) Rounded off to the nearest 10
(compared with the previous period: +900JPY/kl)

Average Fuel Price 31,800 JPY/kl

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\text{Average Fuel Price} - \text{Basic Fuel Price} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \left(31,800 \text{JPY/kl} - 44,200 \text{JPY/kl} \right) \times \frac{0.228 \text{ JPY/kWh}}{1,000} \\
 &= -282.72 \text{JPY/kWh} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= -2.83 \text{JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for March 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	+	<table style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="2" style="text-align: center;">Energy Charge</th> </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;">-2.83JPY/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	-2.83JPY/kWh	× 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount
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842.40 JPY				686 JPY		54 JPY														
= 6,721 JPY																				

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