

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for April 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)	Oct. 2017-Dec. 2017 (for March 2018)	Nov. 2017- Jan. 2018 (for April 2018)			
			Average	Nov. 2017	Dec. 2017	Jan. 2018
Crude Oil (JPY/kl)	57,802	41,541	43,713	41,250	44,155	45,652
LNG (JPY/ t)	67,548	46,561	48,207	46,340	47,459	50,377
Coal (JPY/ t)	11,452	11,715	11,811	11,718	11,874	11,835
Average Fuel Price(JPY/kl)	44,200	31,800				

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

(basic fuel price)

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

Crude Oil Price	43,713 JPY/kl	×	0.1970 (α)
LNG Price	48,207 JPY/ t	×	0.4435 (β)
Coal Price	11,811 JPY/ t	×	0.2512 (γ)

+)

Average Fuel Price 33,000 JPY/kl

(Maximum unit: 100 JPY) Rounded off to the nearest 10
(compared with the previous period: +1,200JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\text{Average Fuel Price} - \text{Basic Fuel Price} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \left(33,000 \text{JPY/kl} - 44,200 \text{JPY/kl} \right) \times \frac{0.228 \text{JPY/kWh}}{1,000} \\
 &= -255.36 \text{JPY/kWh} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= -2.55 \text{JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for April 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;">-2.55 JPY/kWh</td> <td style="border: 1px dashed black; padding: 2px;">× 260 kWh</td> </tr> </table>	Energy Charge		19.52 JPY/kWh	× 120kWh	26.00 JPY/kWh	× 140kWh	+		Fuel Cost Adjustment		Fuel Cost Adjustment Unit Price	Consumption	-2.55 JPY/kWh	× 260 kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	
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842.40 JPY				686 JPY		54 JPY															
							=	6,793 JPY													

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