

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for June 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)	Dec. 2017 - Feb. 2018 (for May 2018)	Jan. 2018- Mar. 2018 (for June 2018)			
			Average	Jan. 2018	Feb. 2018	Mar. 2018
Crude Oil (JPY/kl)	57,802	45,503	45,737	45,681	46,945	44,738
LNG (JPY/ t)	67,548	49,826	51,334	50,381	51,544	52,107
Coal (JPY/ t)	11,452	11,946	11,935	11,838	12,151	11,825
Average Fuel Price(JPY/kl)	44,200	34,100				

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

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

Crude Oil Price	45,737 JPY/kl	×	0.1970 (α)
LNG Price	51,334 JPY/ t	×	0.4435 (β)
Coal Price	11,935 JPY/ t	×	0.2512 (γ)

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Average Fuel Price 34,800 JPY/kl (Maximum unit: 100 JPY) Rounded off to the nearest 10
(compared with the previous period: +700JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{44,200 \text{ JPY/kl}} - \frac{\text{Basic Fuel Price}}{44,200 \text{ JPY/kl}} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \frac{-214.32 \text{ JPY/kWh}}{1,000} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= \frac{-2.14 \text{ JPY/kWh}}{1,000}
 \end{aligned}$$

3. The calculation of the Electricity Rates for June 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	+	Energy Charge 19.52 JPY/kWh × 120kWh 26.00 JPY/kWh × 140kWh + Fuel Cost Adjustment Fuel Cost Adjustment Unit Price × Consumption -2.14 JPY/kWh × 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	
842.40 JPY				754 JPY		54 JPY	=
							6,968 JPY

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