

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for September 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)	Mar. 2018 - May 2018 (for Aug. 2018)	Apr. 2018- Jun. 2018 (for September 2018)			
			Average	Apr. 2018	May 2018	Jun. 2018
Crude Oil (JPY/kl)	57,802	45,746	48,081	44,267	48,561	52,731
LNG (JPY/ t)	67,548	53,110	54,424	52,762	54,655	55,838
Coal (JPY/ t)	11,452	12,165	12,451	12,148	12,559	12,657
Average Fuel Price(JPY/kl)	44,200	35,600				

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

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

Crude Oil Price	48,081 JPY/kl	×	0.1970 (α)
LNG Price	54,424 JPY/ t	×	0.4435 (β)
Coal Price	12,451 JPY/ t	×	0.2512 (γ)

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Average Fuel Price 36,700 JPY/kl (Maximum unit: 100 JPY) Rounded off to the nearest 10 (compared with the previous period: +1,100JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{1,000} - \text{Basic Fuel Price} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \left(\frac{36,700 \text{ JPY/kl}}{1,000} - 44,200 \text{ JPY/kl} \right) \times \frac{0.228 \text{ JPY/kWh}}{1,000} \\
 &= -171.00 \text{ JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 &= \boxed{-1.71 \text{ JPY/kWh}}
 \end{aligned}$$

3. The calculation of the Electricity Rates for September 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	+	<p style="text-align: center;">Energy Charge</p> <p style="text-align: center;">19.52 JPY/kWh × 120kWh</p> <p style="text-align: center;">26.00 JPY/kWh × 140kWh</p> <p style="text-align: center;">+ Fuel Cost Adjustment</p> <p style="text-align: center;">Fuel Cost Adjustment Unit Price × Consumption</p> <p style="text-align: center;">-1.71 JPY/kWh × 260kWh</p>	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	
842.40 JPY				754 JPY		54 JPY	=
							7,080 JPY

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