

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for October 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)	Apr. 2018 - Jun. 2018 (for Sept. 2018)	May 2018- Jul. 2018 (for October 2018)			
			Average	May 2018	Jun. 2018	Jul. 2018
Crude Oil (JPY/kl)	57,802	48,081	51,505	48,561	52,783	53,420
LNG (JPY/ t)	67,548	54,424	55,701	54,655	55,838	56,573
Coal (JPY/ t)	11,452	12,451	12,769	12,559	12,674	13,034
Average Fuel Price(JPY/kl)	44,200	36,700				

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

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

Crude Oil Price	51,505 JPY/kl	×	0.1970 (α)
LNG Price	55,701 JPY/ t	×	0.4435 (β)
Coal Price	12,769 JPY/ t	×	0.2512 (γ)

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Average Fuel Price 38,100 JPY/kl (Maximum unit: 100 JPY) Rounded off to the nearest 10
(compared with the previous period: +1,400JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{38,100 \text{ JPY/kl}} - \frac{\text{Basic Fuel Price}}{44,200 \text{ JPY/kl}} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \frac{-139.08 \text{ JPY/kWh}}{1,000} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= \frac{-1.39 \text{ JPY/kWh}}{1,000}
 \end{aligned}$$

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	+	Energy Charge 19.52 JPY/kWh × 120kWh 26.00 JPY/kWh × 140kWh + Fuel Cost Adjustment Fuel Cost Adjustment Unit Price × Consumption -1.39 JPY/kWh × 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	
842.40 JPY				754 JPY		54 JPY	=
							7,163 JPY

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