

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for November 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)	May 2018 - Jul. 2018 (for Oct. 2018)	Jun. 2018- Aug. 2018 (for November 2018)			
			Average	Jun. 2018	Jul. 2018	Aug. 2018
Crude Oil (JPY/kl)	57,802	51,505	53,435	52,783	53,418	53,874
LNG (JPY/ t)	67,548	55,701	57,172	55,838	55,573	58,687
Coal (JPY/ t)	11,452	12,769	13,133	12,674	13,072	13,523
Average Fuel Price(JPY/kl)	44,200	38,100				

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

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

Crude Oil Price	53,435 JPY/kl	×	0.1970 (α)
LNG Price	57,172 JPY/ t	×	0.4435 (β)
Coal Price	13,133 JPY/ t	×	0.2512 (γ)

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Average Fuel Price 39,200 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)

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{1,000} - \frac{\text{Basic Fuel Price}}{1,000} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \left(\frac{39,200 \text{ JPY/kl}}{1,000} - \frac{44,200 \text{ JPY/kl}}{1,000} \right) \times \frac{0.228 \text{ JPY/kWh}}{1,000} \\
 &= -114.00 \text{ JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 &= \boxed{-1.14 \text{ JPY/kWh}}
 \end{aligned}$$

3. The calculation of the Electricity Rates for November 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 -1.14 JPY/kWh × 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	
842.40 JPY				754 JPY		54 JPY	=
							7,228 JPY

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