

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for July 2019 (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)	Jan. 2019 - Mar. 2019 (for Jun. 2019)	Feb. 2019- Apr. 2019 (for Jul. 2019)			
			Average	Feb. 2019	Mar. 2019	Apr. 2019
Crude Oil (JPY/kl)	57,802	43,984	45,772	42,934	45,935	48,078
LNG (JPY/ t)	67,548	62,662	60,394	63,336	61,032	55,722
Coal (JPY/ t)	11,452	13,092	13,042	12,850	13,092	13,194
Average Fuel Price(JPY/kl)	44,200	39,700				

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

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

Crude Oil Price	45,772 JPY/kl	×	0.1970 (α)
LNG Price	60,394 JPY/ t	×	0.4435 (β)
Coal Price	13,042 JPY/ t	×	0.2512 (γ)

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Average Fuel Price 39,100 JPY/kl (Maximum unit: 100 JPY) Rounded off to the nearest 10 (compared with the previous period: -600JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{1,000} - \text{Basic Fuel Price} \right) \times \text{Basic Unit Price} \\
 &= \left(\frac{39,100 \text{ JPY/kl}}{1,000} - 44,200 \text{ JPY/kl} \right) \times 0.228 \text{ JPY/kWh} \\
 &= -1.1628 \text{ JPY/kWh} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= -1.16 \text{ JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for July 2019 (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 -1.16 JPY/kWh × 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	
842.40 JPY				767 JPY		54 JPY	=
							7,236 JPY

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