

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for September 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)	Mar. 2019 - May 2019 (for Aug. 2019)	Apr. 2019- Jun. 2019 (for Sep. 2019)			
			Average	Apr. 2019	May 2019	Jun. 2019
Crude Oil (JPY/kl)	57,802	48,337	49,687	48,128	50,995	50,132
LNG (JPY/ t)	67,548	57,373	54,271	55,697	54,272	52,726
Coal (JPY/ t)	11,452	12,933	12,665	13,205	12,454	12,304
Average Fuel Price(JPY/kl)	44,200	38,200				

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

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

Crude Oil Price	49,687 JPY/kl	×	0.1970 (α)
LNG Price	54,271 JPY/ t	×	0.4435 (β)
Coal Price	12,665 JPY/ t	×	0.2512 (γ)

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Average Fuel Price 37,000 JPY/kl (Maximum unit: 100 JPY) Rounded off to the nearest 10
(compared with the previous period: -1,200JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{1,000} - \text{Basic Fuel Price} \right) \times \text{Basic Unit Price} \\
 &= \left(\frac{37,000 \text{ JPY/kl}}{1,000} - 44,200 \text{ JPY/kl} \right) \times 0.228 \text{ JPY/kWh} \\
 &= -1.6416 \text{ JPY/kWh} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= -1.64 \text{ JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for September 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 -1.64 JPY/kWh × 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	
842.40 JPY				767 JPY		54 JPY	=
							7,111 JPY

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