

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for December 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)	Jun. 2019 - Aug. 2019 (for Nov. 2019)	Jul. 2019- Sep. 2019 (for Dec. 2019)			
			Average	Jul. 2019	Aug. 2019	Sep. 2019
Crude Oil (JPY/kl)	57,802	46,865	44,793	45,731	45,428	43,123
LNG (JPY/ t)	67,548	54,068	54,051	53,262	56,083	52,961
Coal (JPY/ t)	11,452	11,680	11,220	11,501	11,322	10,802
Average Fuel Price(JPY/kl)	44,200	36,100				

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

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

Crude Oil Price	44,793 JPY/kl	×	0.1970 (α)
LNG Price	54,051 JPY/ t	×	0.4435 (β)
Coal Price	11,220 JPY/ t	×	0.2512 (γ)

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Average Fuel Price 35,600 JPY/kl (Maximum unit: 100 JPY) Rounded off to the nearest 10  
(compared with the previous period: -500JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left( \frac{\text{Average Fuel Price}}{1,000} - \text{Basic Fuel Price} \right) \times \text{Basic Unit Price} \\
 &= \left( \frac{35,600 \text{ JPY/kl}}{1,000} - 44,200 \text{ JPY/kl} \right) \times 0.232 \text{ JPY/kWh} \\
 &= -1.9952 \text{ JPY/kWh} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= \boxed{-2.00 \text{ JPY/kWh}}
 \end{aligned}$$

3. The calculation of the Electricity Rates for December 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 19.88 JPY/kWh × 120kWh 26.48 JPY/kWh × 140kWh + Fuel Cost Adjustment Fuel Cost Adjustment Unit Price × Consumption <span style="border: 1px dashed black; padding: 2px;">-2.00 JPY/kWh</span> × 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	
858.00 JPY				767 JPY		55 JPY	=
							7,142 JPY

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