

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for January 2020 (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)	Jul. 2019 - Sep. 2019 (for Dec. 2019)	Aug. 2019- Oct. 2019 (for Jan. 2020)			
			Average	Aug. 2019	Sep. 2019	Oct. 2019
Crude Oil (JPY/kl)	57,802	44,793	44,242	45,428	43,130	44,097
LNG (JPY/ t)	67,548	54,051	53,804	56,083	52,961	52,460
Coal (JPY/ t)	11,452	11,220	10,980	11,322	10,805	10,821
Average Fuel Price(JPY/kl)	44,200	35,600				

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

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

Crude Oil Price	44,242 JPY/kl	×	0.1970 (α)
LNG Price	53,804 JPY/ t	×	0.4435 (β)
Coal Price	10,980 JPY/ t	×	0.2512 (γ)

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Average Fuel Price 35,300 JPY/kl (Maximum unit: 100 JPY) Rounded off to the nearest 10
(compared with the previous period: -300JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{1,000} - \text{Basic Fuel Price} \right) \times \text{Basic Unit Price} \\
 &= \left(\frac{35,300 \text{ JPY/kl}}{1,000} - 44,200 \text{ JPY/kl} \right) \times 0.232 \text{ JPY/kWh} \\
 &= -2.0648 \text{ JPY/kWh} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= -2.06 \text{ JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for January 2020 (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 -2.06 JPY/kWh × 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount	
858.00 JPY				767 JPY		55 JPY	=
							7,127 JPY

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