

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for November 2017 (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. 2017 - Jul. 2017 (for October 2017)	Jun. 2017- Aug. 2017 (for November 2017)			
			Average	Jun. 2017	Jul. 2017	Aug. 2017
Crude Oil (JPY/kl)	57,802	36,032	34,803	36,358	34,189	34,159
LNG (JPY/ t)	67,548	48,639	47,979	47,884	48,434	47,633
Coal (JPY/ t)	11,452	11,035	10,865	11,284	10,545	10,777
Average Fuel Price(JPY/kl)	44,200	31,400		(detailed data)	(detailed data)	(preliminary data)

(basic fuel price)

	↓	
Crude Oil Price	34,803 JPY/kl	× 0.1970 (α)
LNG Price	47,979 JPY/ t	× 0.4435 (β)
Coal Price	10,865 JPY/ t	× 0.2512 (γ)
+)		
Average Fuel Price	30,900 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)

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= (\text{Average Fuel Price} - \text{Basic Fuel Price}) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= (30,900 \text{JPY/kl} - 44,200 \text{JPY/kl}) \times \frac{0.228 \text{JPY/kWh}}{1,000} \\
 &= -303.24 \text{JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to two decimal places)} \\
 &= -3.03 \text{JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for November 2017 (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 842.40 JPY	+	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;">Energy Charge</td> </tr> <tr> <td style="text-align: right;">19.52 JPY/kWh</td> <td style="text-align: left;">× 120kWh</td> </tr> <tr> <td style="text-align: right;">26.00 JPY/kWh</td> <td style="text-align: left;">× 140kWh</td> </tr> <tr> <td colspan="2" style="text-align: center;">+</td> </tr> <tr> <td colspan="2" style="text-align: center;">Fuel Cost Adjustment</td> </tr> <tr> <td style="text-align: right;">Fuel Cost Adjustment Unit Price</td> <td style="text-align: left;">Consumption</td> </tr> <tr> <td style="text-align: right;">-3.03 JPY/kWh</td> <td style="text-align: left;">× 260kWh</td> </tr> </table>	Energy Charge		19.52 JPY/kWh	× 120kWh	26.00 JPY/kWh	× 140kWh	+		Fuel Cost Adjustment		Fuel Cost Adjustment Unit Price	Consumption	-3.03 JPY/kWh	× 260kWh	+	Renewable Energy Promotion Surcharge 686 JPY	-	Automated Bank Transfer Discount 54 JPY	
Energy Charge																					
19.52 JPY/kWh	× 120kWh																				
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Fuel Cost Adjustment Unit Price	Consumption																				
-3.03 JPY/kWh	× 260kWh																				
						=	6,669 JPY														

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