

Calculation of Fuel Cost Adjusted Unit Price and Electricity Rates for February 2014

1. Average Fuel Price Calculation

- ① Calculate a 3-month average fuel prices by fuel types (crude oil, LNG, and coal).
- ② Calculate average fuel price using above three figures and conversion factor.
(trade statistics prices published by Ministry of Finance Japan)

	Jan - Mar 2012 (Rate Revision)	Aug - Oct 2013 (for Jan 2014)	Sep - Nov 2013 (for February 2014)			
			Average	Sep 2013	Oct 2013	Nov 2013
Crude Oil (JPY/kl)	57,802	68,454	69,659	69,002	70,159	69,794
LNG (JPY/ t)	67,548	78,062	78,336	77,324	77,451	80,183
Coal (JPY/ t)	11,452	10,413	10,373	10,662	10,146	10,327
Average Fuel Price(JPY/kl)	44,200	50,700		(fixed)	(fixed)	(flash)

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

Crude Oil Price	69,659 JPY/kl	×	0.1970		(α)
LNG Price	78,336 JPY/ t	×	0.4435		(β)
+) Coal Price	10,373 JPY/ t	×	0.2512		(γ)

↓(Maximum unit: 100 JPY) Rounded off to nearest 10

Average Fuel Price 51,100 JPY/kl (compared with the previous period: -700Y/kl)

2. Fuel Cost Adjusted Unit Price Calculation (Low-Voltage Supply)

$$\begin{aligned}
 \text{Fuel Cost Adjusted Unit Price} &= \left(\text{Average Fuel Price} - \text{Basic Fuel Price} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \left(51,100 \text{ JPY/kl} - 44,200 \text{ JPY/kl} \right) \times \frac{0.222 \text{ JPY/kWh}}{1,000} \\
 &= 1.5318 \text{ JPY/kWh} \\
 &\quad \downarrow \text{(rounded off to the hundredth)} \\
 &= \boxed{1.53 \text{ JPY/kWh}}
 \end{aligned}$$

3. Electricity Rates Calculation for February 2014 (averaged model)

The fuel cost adjusted price, which is the fuel cost adjusted unit price multiplied by consumption, is added to calculate the electricity rate.

In case of 30A meter-rate lighting B and 290kWh of electricity consumption per month.

A reduction by automatic bank transfer discount included.

Demand Charge 819.00 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: center;">18.89 JPY/kWh</td> <td style="text-align: center;">× 120 kWh</td> </tr> <tr> <td style="text-align: center;">25.19 JPY/kWh</td> <td style="text-align: center;">× 170 kWh</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: center;">Fuel Cost Adjusted Unit Price 1.53 JPY/kWh</td> <td style="text-align: center;">× Consumption 290 kWh</td> </tr> </table>	Energy Charge		18.89 JPY/kWh	× 120 kWh	25.19 JPY/kWh	× 170 kWh	+		Fuel Cost Adjustment		Fuel Cost Adjusted Unit Price 1.53 JPY/kWh	× Consumption 290 kWh	+	Renewable Energy Promotion Surcharge 101 JPY	+	Solar Surcharge 14 JPY	-	Account Transfer Discount 53 JPY
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= 7,873 JPY/kl																				

* tax included