

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for August 2018 (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)	Feb. 2018-Apr. 2018 (for July 2018)	Mar. 2018- May. 2018 (for August 2018)			
			Average	Mar. 2018	Apr. 2018	May. 2018
Crude Oil (JPY/kl)	57,802	45,254	45,746	44,764	44,267	48,461
LNG (JPY/ t)	67,548	52,062	53,110	52,108	52,762	54,655
Coal (JPY/ t)	11,452	12,034	12,165	11,821	12,148	12,566
Average Fuel Price(JPY/kl)	44,200	35,000				

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

(basic fuel price)

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

Crude Oil Price	45,746 JPY/kl	×	0.1970 (α)
LNG Price	53,110 JPY/ t	×	0.4435 (β)
Coal Price	12,165 JPY/ t	×	0.2512 (γ)

+)

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

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\text{Average Fuel Price} - \text{Basic Fuel Price} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \left(35,600 \text{JPY/kl} - 44,200 \text{JPY/kl} \right) \times \frac{0.228 \text{JPY/kWh}}{1,000} \\
 &= -196.08 \text{JPY/kWh} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= -1.96 \text{JPY/kWh}
 \end{aligned}$$

3. The calculation of the Electricity Rates for August 2018 (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	+	<table style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="2" style="text-align: center;">Energy Charge</th> </tr> <tr> <td style="padding: 2px;">19.52 JPY/kWh</td> <td style="padding: 2px;">× 120kWh</td> </tr> <tr> <td style="padding: 2px;">26.00 JPY/kWh</td> <td style="padding: 2px;">× 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="border: 1px dashed black; padding: 2px;">Fuel Cost Adjustment Unit Price</td> <td style="border: 1px dashed black; padding: 2px;">Consumption</td> </tr> <tr> <td style="border: 1px dashed black; padding: 2px;">-1.96 JPY/kWh</td> <td style="border: 1px dashed black; padding: 2px;">× 260 kWh</td> </tr> </table>	Energy Charge		19.52 JPY/kWh	× 120kWh	26.00 JPY/kWh	× 140kWh	+		Fuel Cost Adjustment		Fuel Cost Adjustment Unit Price	Consumption	-1.96 JPY/kWh	× 260 kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount
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842.40 JPY				754 JPY		54 JPY														
= 7,015 JPY																				

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