

The Calculation of the Fuel Cost Adjustment Unit Price and the Electricity Rates for June 2016 (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)	Dec. 2015 - Feb. 2016 (for May 2016)	Jan. - Mar. 2016 (for June 2016)			
			Average	Jan. 2016	Feb. 2016	Mar. 2016
Crude Oil (JPY/kl)	57,802	27,994	24,242	27,779	22,479	22,781
LNG (JPY/ t)	67,548	50,040	46,038	48,288	47,765	42,462
Coal (JPY/ t)	11,452	8,527	8,135	8,490	8,241	7,655
Average Fuel Price(JPY/kl)	44,200	29,800				

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

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

Crude Oil Price	24,242 JPY/kl	×	0.1970 (α)
LNG Price	46,038 JPY/ t	×	0.4435 (β)
Coal Price	8,135 JPY/ t	×	0.2512 (γ)

+)

Average Fuel Price 27,200 JPY/kl (Maximum unit: 100 JPY) Rounded off to the nearest 10
(compared with the previous period: -2,600JPY/kl)

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

$$\begin{aligned}
 \text{Fuel Cost Adjustment Unit Price} &= \left(\frac{\text{Average Fuel Price}}{1,000} - \frac{\text{Basic Fuel Price}}{1,000} \right) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= \left(\frac{27,200 \text{ JPY/kl}}{1,000} - \frac{44,200 \text{ JPY/kl}}{1,000} \right) \times \frac{0.228 \text{ JPY/kWh}}{1,000} \\
 &= -3.8760 \text{ JPY/kWh} \\
 &\downarrow \text{(rounded off to two decimal places)} \\
 &= \boxed{-3.88 \text{ JPY/kWh}}
 \end{aligned}$$

3. The calculation of the Electricity Rates for June 2016 (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> <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;">-3.88 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	-3.88 JPY/kWh	× 260kWh	+	Renewable Energy Promotion Surcharge	-	Automated Bank Transfer Discount
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842.40 JPY				585 JPY		54 JPY														
= 6,347 JPY																				

- The calculated electricity rates above include a consumption tax and other costs.
- The rate is calculated using the new electricity unit prices throughout a month.