

Calculation of Fuel Cost Adjusted Unit Price and Electricity Rates for January 2013

1. Average Fuel Price Calculation

Calculate a 3-month average fuel prices by fuel types (crude oil, LNG, and coal).

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) | Jul. - Sep. 2012 (for Dec. 2012) | Aug. 2012 - Oct. 2012 (for January 2013) | | | |
|-----------------------------------|-----------------------------------|-------------------------------------|--|-----------|-----------|-----------|
| | | | Average | Aug. 2012 | Sep. 2012 | Oct. 2012 |
| Crude Oil (JPY/kl) | 57,802 | 52,519 | 54,040 | 50,886 | 55,104 | 56,919 |
| LNG (JPY/ t) | 67,548 | 71,841 | 68,158 | 72,658 | 68,433 | 62,878 |
| Coal (JPY/ t) | 11,452 | 10,039 | 9,906 | 9,905 | 9,990 | 9,818 |
| Average Fuel Price(JPY/kl) | 44,200 | 44,700 | | (fixed) | (fixed) | (flash) |

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

| | | | | |
|------------------------------|----------------------|--|--------------|--|
| Crude Oil Price | 54,040 JPY/kl | × | 0.1970 (α) | |
| LNG Price | 68,158 JPY/ t | × | 0.4435 (β) | |
| Coal Price | 9,906 JPY/ t | × | 0.2512 (γ) | |
| +) | | | | |
| ↓ (rounded off to 100 JPY) | | | | |
| Average Fuel Price | 43,400 JPY/kl | (compared with the previous period: -1300Y/kl) | | |

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

$$\begin{aligned}
 \text{Fuel Cost Adjusted Unit Price} &= (\text{Average Fuel Price} - \text{Basic Fuel Price}) \times \frac{\text{Basic Unit Price}}{1,000} \\
 &= (43,400 \text{ JPY/kl} - 44,200 \text{ JPY/kl}) \times \frac{0.222 \text{ JPY/kWh}}{1,000} \\
 &= -0.1776 \text{ JPY/kWh} \\
 &\downarrow \text{ (rounded off to the hundredth) } \\
 &= \boxed{-0.18 \text{ JPY/kWh}}
 \end{aligned}$$

3. Electricity Rates Calculation for January 2013 (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="border: 1px dashed black; text-align: center;">Fuel Cost Adjusted Unit Price -0.18 JPY/kWh</td> <td style="border: 1px dashed black; 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 -0.18 JPY/kWh | Consumption × 290 kWh | + | Renewable Energy Promotion Surcharge 63 JPY | + | Solar Surcharge 17 JPY | - | Account Transfer Discount 53 JPY |
| Energy Charge | | | | | | | | | | | | | | | | | | | | |
| 18.89 JPY/kWh | × 120 kWh | | | | | | | | | | | | | | | | | | | |
| 25.19 JPY/kWh | × 170 kWh | | | | | | | | | | | | | | | | | | | |
| + | | | | | | | | | | | | | | | | | | | | |
| Fuel Cost Adjustment | | | | | | | | | | | | | | | | | | | | |
| Fuel Cost Adjusted Unit Price -0.18 JPY/kWh | Consumption × 290 kWh | | | | | | | | | | | | | | | | | | | |
| = 7,342 JPY/kl | | | | | | | | | | | | | | | | | | | | |

* tax included

END