

Example for calculating the total unit price (per kWh)

In calculating the total unit price (per kWh), the unit price based on a fuel price of €200 per Metric Tonne (M.T.) is added to the Fuel Cost Adjustment, which arises from any increase or decrease in the cost of fuel, as determined by the Fuel Adjustment Clause.

The following example shows how the adjusted unit price (per kWh) is calculated.

In accordance with the Fuel Adjustment Clause, the unit price (kWh) will increase or decrease by €0,00140 for every 5 cents increase or decrease in the basic fuel cost of €200/ Metric Tonne.

The following example shows how the total unit price (per kWh) was calculated for the Single Rate Tariff for Domestic Use (Code 05) and for the Two Rate Tariff for Domestic Use (Code 06) for January 2010.

For bimonthly bills for January 2010, the Weighted Average Fuel Price was €332,98 per M.T.

This price was €132,98 € (332,98 - 200) higher than €200 or 13298 cents higher than €200.

Consequently, the Fuel Cost Adjustment per unit (per kWh) on bimonthly bills in January 2010 was = $\frac{13298}{5} \times 0,0014 = 3,7234$ cent.

This adjustment (3,7234 cents) was then added to the basic per unit prices (per kWh) on bimonthly bills which correspond to a current fuel price of €200 per M.T., **in order to calculate the corresponding total unit price (kWh) for January 2010,**

e.g. the Single Rate Tariff for Domestic Use (Code 05) for January 2010 was adjusted as follows:

Per Unit Charge				Fixed Charge based on total consumption	
Units	Basic price in cents per kWh	Fuel Adjustment Charge in cents per kWh	Total price in cents per kWh	Total Units	€/2 months
First 120 units	10,50	3,7234	14,2234	0-120	1,84
Next 200 units	11,29	3,7234	15,0134	121-320	1,90
Next 180 units	11,73	3,7234	15,4534	321-500	3,12
Next 500 units	12,15	3,7234	15,8734	501-1000	4,75
Additional units	12,32	3,7234	16,0434	1001+	5,98

Similarly, the Two Rate Tariff for Domestic Use (Code 06) for January 2010 was adjusted as follows:

(i) Fixed bimonthly charge		€4,00		
		Basic price in cents per kWh	Fuel Cost Adjustment in cents per kWh	Total price in cents per kWh
(ii)	Per unit charge during off-peak hours (23:00-7:00)	6,25	3,7234	9,9734
	Per unit charge during peak hours (7:00-23:00)	12,77	3,7234	16,4934

In the same way, the Fuel Adjustment Charge is added to the basic per unit prices (kWh) and other charges in order to calculate the total unit cost (per kWh) for each tariff.