

Gas rates for July 2010
based on fluctuation in gas resource cost and adjustment of gas rates
(Tokyo District)

Tokyo Gas Co., Ltd.

In accordance with the provisions for gas rate adjustment system, Tokyo Gas has set the unit commodity charge for meter readings in July 2010 upward by 1.09 yen per cubic meter (45MJ) relative to the corresponding charge for meter reading for June 2010.

The adjustments are made reflecting the increase in average resource costs in February - April 2010.

With this adjustment, for meter readings during July of the standard household consuming 34m³(45MJ/ month) in the Tokyo district etc., the monthly gas tariff will increase by 37 yen (tax included) from that of June (previous month).

1. Gas rates for the month July 2010

(1) Supply contract rate schedule

(Application of rate schedule A~F as appropriate for the amount of gas use in the month in question)

	Rate A	Rate B	Rate C	Rate D	Rate E	Rate F
Monthly consumption volume	0 to 20m ³	21 to 80 m ³	81 to 200 m ³	201 to 500 m ³	501 to 800 m ³	over 801 m ³
Basic charge (yen/month)	724.50	1,081.50	1,333.50	2,467.50	5,722.50	13,618.50
Commodity charge(yen/m ³)	140.80	123.95	120.80	115.13	108.62	98.75
<Reference> Commodity charge(yen/m ³) June 2010	140.71	122.86	119.71	114.04	107.53	97.66

(2) Effect on a standard customer in residential sector

yen/month

Monthly consumption volume of 34 cubic meters(45MJ/m ³)	Charge applied for June 2010	Charge applied for July 2010	Change
Including the national consumption tax	5,258	5,295	37

*The volume of standard customer is calculated based on the average of 5years (FY2001-2005) usage per household per month.

2. Fluctuation in gas resource prices

(1) Actual gas resource cost

	yen/ton		
	Jan. - Mar., 2010	Feb.-Apr., 2010	Difference
Standard average gas resource price (1)	53,810		
Average gas resource price (2)	48,890	50,190	1,300
LNG	48,170	49,470	1,300
LPG	66,740	68,180	1,440
Difference (2) - (1)	-4,900	-3,600	1,300

Note: Both LNG and LPG prices are based on customs clearance statistics.

(2) Calculation of unit charge

Calculation of unit charge adjustment for gas resource costs

● Calculation of average gas resource prices

Average LNG price (customs clearance statistics value)	49,470 yen/ton	x 0.9604
Average LPG price (customs clearance statistics value)	68,180 yen /ton	x 0.0393
+)		
	50,191.46	
		↓ (rounded to the nearest ten yen)
	50,190 yen/ton	

● Calculation of the amount of gas resource price fluctuation

50,190 yen/ton	-	53,810 yen/ton	=	-3,620 yen/ton
(omission of amounts less than 100 yen)				
↓				
border: 1px solid black; text-align: center;">-3,600 yen/ton				

● Calculation of the adjusted rate (charge per cubic meter)

Adjusted rate=	-3,600 yen	/	100 yen	x	0.084 (*)
(unit charge)					
=	-3.03 yen	(rounding up of amounts less than 0.01 yen)			

* The unit commodity charge is adjusted by 0.084(0.080×1.05) yen per cubic meter for every 100 yen of fluctuation

* Effect on a standard customer in residential sector

			yen/month
Monthly consumption volume of 34 cubic meters(45MJ/m ³)	Charge applied for June 2010	Charge applied for July 2010	Change
Including the national consumption tax	5,258	5,295	37

Omission of amounts less than one yen in the calculation of the charge inclusive of the national consumption tax

*Method of calculation for the standard gas rate in residential sector (including the national consumption tax)

$$\begin{aligned}
 &= \text{Standing charge (1,081.50 yen)} \\
 &+ \text{Commodity charge (126.98 yen + } \boxed{-3.03 \text{ yen}} \text{)} \times 34\text{m}^3 \\
 &\quad \quad \quad \uparrow \\
 &\quad \quad \quad \text{Commodity charge at the time of notification of the rate revision}
 \end{aligned}$$

Reference: Outline of the gas resource cost adjustment scheme

- * The scheme provides for adjustment of the unit commodity charge in gas rates (i.e., the charge per cubic meter of gas consumed) every month in correspondence with fluctuation in gas resource prices owing to factors such as exchange rates and crude oil prices.
- * The unit commodity charge is adjusted by 0.084 yen per cubic meter for each 100 yen of fluctuation in gas resource price, based on the difference between the standard average gas resource price (53,810 yen per ton) and average gas resource price (calculated on the basis of weighted average cost of LNG and LPG import prices in the previous 3-5 months).
- * The fluctuation in gas resource prices is calculated on the basis of actual values in customs clearance statistics for both LNG and LPG.
- * Arrangement has been made to avoid price hike.
Even if the average gas resource price exceeds the upper limit of 86,100 yen, the amount of 86,100 yen is applied in the calculation of the gas rate adjustment.