

## Revision of gas tariffs, etc. (Tokyo district, etc.)

January 31, 2012  
Tokyo Gas Co., Ltd.

Today, we at Tokyo Gas Co., Ltd. notified the Minister of Economy, Trade and Industry of changes in our service agreements, etc., effective on March 8, 2012. The main change is a reduction averaging 1.57 percent (relative to the existing levels) in our tariffs for the entire small-volume segment encompassing both service and optional agreements in the Tokyo and other districts.

These reductions are implemented to pass on to customers the benefits of cutting fixed costs achieved through business efficiencies. In addition, under the heightened expectations toward natural gas from customers and society at large, we will revise gas tariffs downward from the standpoint of disseminating environment-friendly residential cogeneration system furthermore, based on our long-term management vision “Challenge 2020 Vision”.

Tariffs under the service agreements are cut by an average of 1.63 percent, and tariffs under the optional agreements are cut by an average of 1.38 percent by reexamining tariffs for residential fuel cell “Ene-Farm”, tariffs for floor-heating system, and tariffs for commercial air-conditioning, etc.

The transmission service agreement has also been revised, cutting transmission service tariffs by an average of 4.84 percent.

Kumagaya district is integrated with Tokyo district by this tariff revision.

Uncertainty of global economy outlook, environmental change surrounding energy market, energy conservation initiative, and further expectation toward global warming prevention have all produced a harsh business climate for Tokyo Gas, but in addition to ongoing pursuit of efficiency, we are working to further enhance realization of primary energy shift to natural gas, establishment of solid base toward contribution on improved energy supply and demand in Tokyo metropolitan area, advancement of energy supply stability and security, and promotion of energy conservation and global warming prevention.

# Revision of gas tariffs, etc.

(Tokyo district, etc.)

January 2012

Tokyo Gas Co., Ltd.

## 1. Outline of tariff revisions

Tokyo Gas Co., Ltd. (hereinafter referred to as the "Company") shall make an average reduction of 1.57 percent relative to the existing levels in its tariffs (in both service and optional agreements) in the small-volume segment in the Tokyo and other districts, effective on March 8, 2012.

## 2. The service agreement

The Company shall reduce the existing service agreement tariffs by an average of 1.63 percent.

### (1) Average unit tariff in the notification (45MJ/m<sup>3</sup>) (tax exclusive)

	New tariffs	Existing tariffs	Amount of revision	Rate of revision
Service agreement average (yen/m <sup>3</sup> )	154.54	157.10	-2.56	-1.63%

\*Existing tariffs include gas resource cost adjustment based on the average resource cost from September to November, 2011.

### (2) Amount of revision for standard customer in residential sector (tax inclusive)

Monthly volume of use	New tariffs (yen)	Existing tariffs (yen)	Amount of revision (yen)	Rate of revision
32 m <sup>3</sup>	5,387	5,475	-88	-1.61%

\*The gas tariff for a standard customer in the residential sector is calculated based on the average monthly usage per home (5-year average: FY2006-FY2010).

\*Existing tariffs include gas resource cost adjustment based on the average resource cost from September to November, 2011.

### 3. The optional agreement

The Company shall reduce the existing optional agreement tariffs by an average of 1.38 percent.

Average unit tariff in the notification (45MJ/m<sup>3</sup>) (tax exclusive)

	New tariffs	Existing tariffs	Amount of revision	Rate of revision
Optional agreement average (yen/m <sup>3</sup> )	108.73	110.25	-1.52	-1.38%

\*Existing tariffs include gas resource cost adjustment based on the average resource cost from September to November, 2011.

The main optional tariff revisions are detailed below.

#### (1) Tariff for residential customers

Tariffs for residential customers using systems such as gas-fueled hot-water floor heating system or Ene-Farm, residential fuel cell, etc.

##### 1) Danran-plan (residential gas-fueled hot-water floor heating system contract) (tax inclusive)

Annual gas usage (Model demand)	New tariffs (yen)	Existing tariffs (yen)	Amount of revision (yen)	Rate of revision
931 m <sup>3</sup>	122,678	125,285	-2,607	-2.08%

\*Above tariffs are applying “package discount” .

\*Existing tariffs include gas resource cost adjustment based on the average resource cost from September to November, 2011.

##### 2) Hatsuden Eco Plan with Ene-Farm (Residential cogeneration system contract) (tax inclusive)

Annual gas usage (Model demand)	New tariffs (yen)	Existing tariffs (yen)	Amount of revision (yen)	Rate of revision
1,450 m <sup>3</sup>	164,884	170,037	-5,153	-3.03%

\*Above tariffs are applying “package discount” .

\*Existing tariffs include gas resource cost adjustment based on the average resource cost from September to November, 2011.

In addition to these tariffs, those tariffs are to be revised downward as “YU-tari Eco Plan” for residential customers using high-efficiency water heaters, and “Hatsuden Eco Plan with Ecowill” for residential customers using Ecowill, residential cogeneration system, etc.

(2) Tariff for commercial and industrial customers

The main tariffs for customers in the commercial and industrial sectors are given below.

1) Small air conditioner exclusive contract

Tariffs for customers using small air-conditioning appliances such as Gas Heat Pump, etc. (tax inclusive)

Annual gas usage (Model demand)	New tariffs (yen)	Existing tariffs (yen)	Amount of revision (yen)	Rate of revision
48,000m <sup>3</sup>	4,414,356	4,484,160	-69,804	-1.56%

\*Existing tariffs include gas resource cost adjustment based on the average resource cost from September to November, 2011.

2) Air conditioner A contract

Tariffs for customers using air conditioning equipment for long periods all year round. (tax inclusive)

Annual gas usage (Model demand)	New tariffs (yen)	Existing tariffs (yen)	Amount of revision (yen)	Rate of revision
96,000 m <sup>3</sup>	7,376,328	7,506,888	-130,560	-1.74%

\*Where Tariff Schedule C is applied.

\*Existing tariffs include gas resource cost adjustment based on the average resource cost from September to November, 2011.

3) Industrial A contract

Tariffs for customers using more than 30,000 m<sup>3</sup> of gas annually with little seasonal fluctuation of demand and using gas for long period of time. (tax inclusive)

Annual gas usage (Model demand)	New tariffs (yen)	Existing tariffs (yen)	Amount of revision (yen)	Rate of revision
84,000 m <sup>3</sup>	6,609,792	6,654,312	-44,520	-0.67%

\*Where Package discount for cogeneration systems, Type 2 is applied.

\*Existing tariffs include gas resource cost adjustment based on the average resource cost from September to November, 2011.

In addition to these tariffs, optional agreement tariffs for commercial and industrial customers are to be revised downward.

#### 4. Transmission service agreement tariffs

The Company shall make the following reductions in transmission service agreement tariffs.  
(in the Tokyo and other districts with supply of 45 MJ/ m<sup>3</sup> gas), effective on March 8, 2012.

● Average unit price (tax exclusive)

	New tariffs	Existing tariffs	Rate of revision
Average for transmission service agreement (yen/m <sup>3</sup> )	5.51	5.79	-4.84%

#### 5. Standard average gas resource cost, etc. based on the gas resource cost adjustment system.

The Company shall make the following revisions of standard average gas resource cost, etc. based on the gas resource cost adjustment system.

Standard average gas resource cost (yen)	66,180/t
Upper limit (yen) (160% of standard average gas resource cost)	105,890/t

\*Existing tariffs include gas resource cost adjustment based on the average resource cost from September to November, 2011.

LNG composition ratio	0.9658
LPG composition ratio	0.0336

Unit of tariff adjustment based on the fluctuation of gas resource cost (tax exclusive)

Per 100 yen fluctuation (yen/m <sup>3</sup> )	0.082
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## (Document 1) Service agreement tariff schedule

©Service agreement tariff (tax inclusive, 45MJ/ m<sup>3</sup>)

		Monthly volume of use	Basic tariff (Yen/month)	Unit tariffs (Yen/m <sup>3</sup> )
Tariff schedule A	New tariffs	0m <sup>3</sup> ~20m <sup>3</sup>	724.50	152.97
	Existing tariffs		724.50	155.16
Tariff schedule B	New tariffs	Over 20m <sup>3</sup> , up to 80m <sup>3</sup>	1,110.90	133.65
	Existing tariffs		1,081.50	137.31
Tariff schedule C	New tariffs	Over 80m <sup>3</sup> , up to 200m <sup>3</sup>	1,312.50	131.13
	Existing tariffs		1,333.50	134.16
Tariff schedule D	New tariffs	Over 200m <sup>3</sup> , up to 500m <sup>3</sup>	1,774.50	128.82
	Existing tariffs		2,467.50	128.49
Tariff schedule E	New tariffs	over 500m <sup>3</sup> , up to 800m <sup>3</sup>	6,709.50	118.95
	Existing tariffs		5,722.50	121.98
Tariff schedule F	New tariffs	over 800m <sup>3</sup>	12,589.50	111.60
	Existing tariffs		13,618.50	112.11

Note: – Tariffs A - F are applied in accordance with the monthly volume of use.

– Usage volumes for applying schedules A -- F have been unrevised.

– The unit tariffs are adjusted on a monthly basis under the provisions for adjustment for gas resource costs.

## (Document 2) Optional agreement tariff schedule

◎ Optional agreement tariffs (tax inclusive, 45MJ/m<sup>3</sup>)

				New tariffs	Existing tariffs	Amount of revision		
Residential-use high-efficiency heater contract	Discount rate (relative to the general tariff)			-3%	-3%	--		
	Discount ceiling		Yen/month	2,500.00	2,000.00	500.00		
Residential gas-fueled hot-water underfloor heater contract	Winter Season (December - April)	Schedule A: over 0 m <sup>3</sup> , up to 20 m <sup>3</sup>	Fixed tariff	Yen/contract/month	724.50	724.50	--	
			Unit tariff	Yen/m <sup>3</sup>	152.97	155.16	-2.19	
		Schedule B: over 20m <sup>3</sup> , up to 80m <sup>3</sup>	Fixed tariff	Yen/contract/month	1,291.50	1,270.50	21.00	
			Unit tariff	Yen/m <sup>3</sup>	124.62	127.86	-3.24	
		Schedule C: over 80m <sup>3</sup>	Fixed tariff	Yen/contract/month	2,030.70	2,026.50	4.20	
			Unit tariff	Yen/m <sup>3</sup>	115.38	118.41	-3.03	
	Other seasons (May – November)				Same as the general tariff	Same as the general tariff	--	
	Discounts for bathroom heaters and eco devices (relative to the Danran-plan)				-3%	-3%	--	
	Discount ceiling			Yen/month	2,500.00	2,000.00	500.00	
	Set discount (relative to the Danran-plan)				-6%	-6%	--	
	Discount ceiling			Yen/month	5,000.00	4,000.00	1,000.00	
Residential fuel cell contract	Discount rate (relative to the general tariff)			-3%	-3%	--		
	Ceiling on the billed amount		Yen/month	9,500.00	9,500.00	--		
Residential cogeneration system contract "Hatsuden Eco-plan with Ene-Farm"	Winter Season (December - April)	Schedule A: over 0 m <sup>3</sup> , up to 20 m <sup>3</sup>	Fixed tariff	Yen/contract/month	724.50	724.50	--	
			Unit tariff	Yen/m <sup>3</sup>	152.97	155.16	-2.19	
		Schedule B: over 20m <sup>3</sup> , up to 80m <sup>3</sup>	Fixed tariff	Yen/contract/month	1,497.30	1,497.30	--	
			Unit tariff	Yen/m <sup>3</sup>	114.33	116.52	-2.19	
		Schedule C: over 80m <sup>3</sup>	Fixed tariff	Yen/contract/month	1,833.30	1,833.30	--	
			Unit tariff	Yen/m <sup>3</sup>	110.13	112.32	-2.19	
		Discounts for bathroom heaters and eco devices (relative to "Hatsuden Eco-plan with Ene-Farm")				-3%	-3%	--
		Discount ceiling			Yen/month	2,500.00	2,000.00	500.00
		Discounts for floor heating system (relative to "Hatsuden Eco-plan with Ene-Farm")				-10%	-8%	-2point
		Discount ceiling			Yen/month	7,500.00	4,000.00	3,500.00
	Set discount (relative to "Hatsuden Eco-plan with Ene-Farm")				-13%	-11%	-2point	
	Discount ceiling			Yen/month	10,000.00	6,000.00	4,000.00	
	Other seasons (May - November)	Schedule A: over 0 m <sup>3</sup> , up to 20 m <sup>3</sup>	Fixed tariff	Yen/contract/month	724.50	724.50	--	
			Unit tariff	Yen/m <sup>3</sup>	152.97	155.16	-2.19	
		Schedule B: over 20m <sup>3</sup>	Fixed tariff	Yen/contract/month	1,497.30	1,497.30	--	
Unit tariff			Yen/m <sup>3</sup>	114.33	116.52	-2.19		
Discounts for bathroom heaters and eco devices, Set discount (relative to "Hatsuden Eco-plan with Ene-Farm")				-3%	-3%	--		
Discount ceiling			Yen/month	2,500.00	2,000.00	500.00		



Residential cogeneration system contract "Hatsuden Eco-plan with Ecowill"		Winter Season (December - April)	Schedule A: over 0 m <sup>3</sup> , up to 20 m <sup>3</sup>		Fixed tariff	Yen/contract/month	724.50	724.50	--		
					Unit tariff		Yen/m <sup>3</sup>	152.97	155.16	-2.19	
			Schedule B: over 20m <sup>3</sup> , up to 80m <sup>3</sup>		Fixed tariff	Yen/contract/month	1,270.50	1,270.50	--		
					Unit tariff		Yen/m <sup>3</sup>	125.67	127.86	-2.19	
			Schedule C: over 80m <sup>3</sup>		Fixed tariff	Yen/contract/month	2,194.50	2,177.70	16.80		
					Unit tariff		Yen/m <sup>3</sup>	114.12	116.52	-2.40	
			Other seasons (May – November)						Same as the general tariff	Same as the general tariff	--
			Discount (relative to "Hatsuden Eco-plan with Ecowill")						-8%	-8%	--
Discount ceiling						6,000.00	4,000.00	2,000.00			
Small air conditioner exclusive contract	A schedule	Fixed tariff			Yen/contract/month	735.00	735.00	--			
		Unit tariff		Other seasons	Yen/m <sup>3</sup>	108.08	108.92	-0.84			
				Winter	Yen/m <sup>3</sup>	123.32	124.16	-0.84			
	B schedule	Fixed tariff			Yen/contract/month	1,239.00	1,239.00	--			
		Unit tariff		Other seasons	Yen/m <sup>3</sup>	99.68	100.52	-0.84			
				Winter	Yen/m <sup>3</sup>	114.92	115.76	-0.84			
	C schedule	Fixed tariff			Yen/contract/month	2,583.00	2,520.00	63.00			
		Unit tariff		Other seasons	Yen/m <sup>3</sup>	86.24	87.71	-1.47			
				Winter	Yen/m <sup>3</sup>	101.48	102.95	-1.47			
Small air conditioner package contract		Fixed tariff			Yen/contract/month	3,150.00	3,150.00	--			
		Unit tariff		Summer	Yen/m <sup>3</sup>	107.55	107.65	-0.10			
				Other seasons	Yen/m <sup>3</sup>	134.84	134.94	-0.10			
Air conditioner summer contract	A schedule	Fixed tariff		Standing	Yen/contract/month	1,680.00	1,680.00	--			
				Flow-rate	Yen/m <sup>3</sup> /month	995.34	995.34	--			
		Unit tariff			Yen/m <sup>3</sup>	77.38	78.74	-1.36			
	B schedule	Fixed tariff		Standing	Yen/contract/month	10,500.00	10,500.00	--			
				Flow-rate	Yen/m <sup>3</sup> /month	995.34	995.34	--			
		Unit tariff			Yen/m <sup>3</sup>	68.56	69.92	-1.36			
	C schedule	Fixed tariff		Standing	Yen/contract/month	46,200.00	46,200.00	--			
				Flow-rate	Yen/m <sup>3</sup> /month	995.34	995.34	--			
		Unit tariff			Yen/m <sup>3</sup>	61.42	62.78	-1.36			
Steam boiler package contract		Fixed tariff		Standing	Yen/contract/month	2,520.00	2,520.00	--			
				Flow-rate	Yen/m <sup>3</sup> /month	923.51	923.51	--			
		Unit tariff		Other seasons	Yen/m <sup>3</sup>	78.86	79.38	-0.52			
				Winter	Yen/m <sup>3</sup>	89.12	89.64	-0.52			

Commercial seasonal contract	Fixed tariff	Standing	Yen/contract/month	18,585.00	18,585.00	--		
		Flow-rate	Yen/m <sup>3</sup> /month	420.71	420.71	--		
	Commodity unit price 1	Other seasons	Yen/m <sup>3</sup>	76.16	76.27	-0.11		
		Winter	Yen/m <sup>3</sup>	86.42	86.52	-0.10		
	Commodity unit price 2	Other seasons	Yen/m <sup>3</sup>	82.27	82.38	-0.11		
		Winter	Yen/m <sup>3</sup>	92.53	92.63	-0.10		
	Commodity unit price 3	Other seasons	Yen/m <sup>3</sup>	84.79	84.90	-0.11		
		Winter	Yen/m <sup>3</sup>	95.05	95.15	-0.10		
Commodity unit price 4	Other seasons	Yen/m <sup>3</sup>	87.31	87.42	-0.11			
	Winter	Yen/m <sup>3</sup>	97.57	97.67	-0.10			
Time-of-day A contract	Fixed tariff	Standing	Yen/contract/month	1,260.00	1,260.00	--		
		Flow-rate	Yen/m <sup>3</sup> /month	923.51	923.51	--		
	Unit tariff		Yen/m <sup>3</sup>	92.20	92.30	-0.10		
Industrial A contract	Fixed tariff	Standing	Yen/contract/month	13,860.00	13,860.00	--		
		Flow-rate	Yen/m <sup>3</sup> /month	420.71	420.71	--		
		Peak demand month	Yen/m <sup>3</sup> /month	5.78	5.78	--		
	Unit tariff		Yen/m <sup>3</sup>	72.80	73.33	-0.53		
Air conditioner A contract	A schedule	Fixed tariff	Standing	Other seasons	Yen/contract/month	1,680.00	1,680.00	--
			Flow-rate	Winter	Yen/contract/month	1,890.00	1,890.00	--
		Unit tariff	Other seasons	Yen/m <sup>3</sup> /month	995.34	995.34	--	
			Winter	Yen/m <sup>3</sup> /month	2,236.97	2,236.97	--	
		Unit tariff	Other seasons	Yen/m <sup>3</sup>	77.38	78.74	-1.36	
			Winter	Yen/m <sup>3</sup>	80.67	82.03	-1.36	
	B schedule	Fixed tariff	Standing	Other seasons	Yen/contract/month	10,500.00	10,500.00	--
			Flow-rate	Winter	Yen/contract/month	11,550.00	11,550.00	--
		Unit tariff	Other seasons	Yen/m <sup>3</sup> /month	995.34	995.34	--	
			Winter	Yen/m <sup>3</sup> /month	2,236.97	2,236.97	--	
		Unit tariff	Other seasons	Yen/m <sup>3</sup>	68.56	69.92	-1.36	
			Winter	Yen/m <sup>3</sup>	71.01	72.37	-1.36	
	C schedule	Fixed tariff	Standing	Other seasons	Yen/contract/month	46,200.00	46,200.00	--
			Flow-rate	Winter	Yen/contract/month	48,300.00	48,300.00	--
		Unit tariff	Other seasons	Yen/m <sup>3</sup> /month	995.34	995.34	--	
			Winter	Yen/m <sup>3</sup> /month	2,236.97	2,236.97	--	
Unit tariff		Other seasons	Yen/m <sup>3</sup>	61.42	62.78	-1.36		
		Winter	Yen/m <sup>3</sup>	63.66	65.02	-1.36		

Air conditioner B contract	Fixed tariff	Standing	Other seasons	Yen/contract/month	47,250.00	47,250.00	--
			Winter	Yen/contract/month	58,800.00	58,800.00	--
		Flow-rate	Other seasons	Yen/m <sup>3</sup> /month	420.71	420.71	--
			Winter	Yen/m <sup>3</sup> /month	2,308.80	2,308.80	--
	Unit tariff		Other seasons	Yen/m <sup>3</sup>	64.35	64.87	-0.52
			Winter	Yen/m <sup>3</sup>	66.20	66.72	-0.52
Small-scale cogeneration system package contract	Fixed tariff		Standing	Yen/contract/month	18,900.00	18,900.00	--
			Flow-rate	Yen/m <sup>3</sup> /month	974.83	974.83	--
			Peak demand month	Yen/m <sup>3</sup> /month	5.63	5.63	--
	Unit tariff			Yen/m <sup>3</sup>	65.39	65.91	-0.52
Transportation-use compressed natural gas A contract	Fixed tariff		Yen/contract/month	1,575.00	1,575.00	--	
	Unit tariff		Yen/m <sup>3</sup>	87.63	88.15	-0.52	
Transportation-use compressed natural gas B contract	Fixed tariff		Standing	Yen/contract/month	8,400.00	8,400.00	--
			Flow-rate	Yen/m <sup>3</sup> /month	256.53	256.53	--
	Unit tariff			Yen/m <sup>3</sup>	78.73	78.84	-0.11
Gas light contract	Fixed tariff		Yen/contract/month	787.50	787.50	--	
	Unit tariff		Yen/m <sup>3</sup>	84.55	84.65	-0.10	

◎Additional contract optional agreement tariffs (tax inclusive ・ 45MJ/m<sup>3</sup>)

				New tariff	Existing tariff	Amount of revision		
Long-term contract discount	Main contract: industrial A contract, etc.		Commodity discount	Yen/m <sup>3</sup>	0.52	0.52	--	
	Main contract: air conditioner A and B contracts		Fixed flow-rate discount	Yen/m <sup>3</sup> /month	61.58	61.58	--	
Commercial all-gas discount	Main contract: industrial A contract		Commodity discount	Yen/m <sup>3</sup>	3.61	3.61	--	
			Discount ceiling	Yen/month	42,000.00	42,000.00	--	
High load factor discount	Main contract: industrial A contract		Commodity discount	Yen/m <sup>3</sup>	1.03	1.03	--	
Package discount for cogeneration systems	Main contract: industrial A contract		Type 1	Fixed discount	Yen/m <sup>3</sup>	2.05	2.05	--
				Commodity discount	Yen/m <sup>3</sup>	6.16	6.16	--
			Type 2	Fixed discount	Yen/m <sup>3</sup>	2.05	2.05	--
				Commodity discount	Yen/m <sup>3</sup>	4.63	4.63	--
			Type 3	Fixed discount	Yen/m <sup>3</sup>	2.05	2.05	--
				Commodity discount	Yen/m <sup>3</sup>	4.63	4.63	--
Type 3 for Industrial A contract			Discount ceiling	Yen/month	54,600.00	54,600.00	--	

## (Document 3) Transmission service agreement tariff schedule

### ◆ Tariff schedule (tax exclusive)

[Retail transmission service tariff]

#### 1) Retail transmission service tariffs

	Type 1		Type 2	
	New tariffs	Existing tariffs	New tariffs	Existing tariffs
Fixed standing tariff (Yen/contract)	175,800	177,700	114,100	115,700
Fixed flow-rate tariff (Yen/m <sup>3</sup> )	690.00	720.00	690.00	720.70
Commodity tariff (Yen/m <sup>3</sup> )	2.54	2.74	2.91	3.11

#### 2) Seasonal retail transmission service tariffs

	Type 1		Type 2	
	New tariffs	Existing tariffs	New tariffs	Existing tariffs
Fixed standing tariff (Yen/contract)	175,800	177,700	114,100	115,700
Fixed flow-rate tariff (Yen/m <sup>3</sup> )	690.00	720.00	690.00	720.00
Commodity tariff (Yen/m <sup>3</sup> ) From April to November	2.45	2.65	2.81	3.01
Commodity tariff (Yen/m <sup>3</sup> ) From December to March	2.84	3.04	3.20	3.40

#### 3) High-multiplier retail transmission service tariff for air conditioning

	New tariffs	Existing tariffs
Fixed standing tariff (Yen/contract)	58,600	59,600
Fixed flow-rate tariff (Yen/m <sup>3</sup> )	1,270.00	1,290.00
Commodity tariff (Yen/m <sup>3</sup> )	3.80	3.95

#### 4) Additional amount of commodity unit price for use of low-pressure pipelines

	New tariffs	Existing tariffs
Retail transmission service tariffs / Seasonal retail transmission service tariffs (Yen/m <sup>3</sup> )	2.22	2.32
High-multiplier retail transmission service tariff for air conditioning (Yen/m <sup>3</sup> )	1.21	1.26

5) Reduction amount of commodity unit price for simple metering (New tariff common to 1), 2) and 3))

	New tariffs	Existing tariffs
When load measurement is not incorporated into any meter at delivery point (yen/m <sup>3</sup> )	0.16	0.16
When load measurement is incorporated into some meters at delivery point (yen/m <sup>3</sup> )	0.12	0.12
When load measurement is incorporated into all meters at delivery point (yen/m <sup>3</sup> )	0.09	0.09

\* With simple metering (transmission service where the calculated volume is regarded as the actual volume, eliminating the need for meters to calculate hourly flow, communications equipment, etc.), one of the "Reduction amount of commodity unit price for simple metering" amounts above is deducted from the transmission service tariff.

[Connection transmission service tariff]

	New tariffs	Existing tariffs
Fixed flow-rate tariff (Yen/m <sup>3</sup> )	1,380.00	1,400.00
Commodity tariff (Yen/m <sup>3</sup> )	2.75	2.90

◆ Gas cost settlement unit costs for gas surpluses or deficits (tax exclusive)

		New tariffs	Existing tariffs
Selling price (Yen/m <sup>3</sup> )	High / medium pressure	88.68	79.71
	Low pressure	112.66	102.02
Buying price (Yen/m <sup>3</sup> )	High / medium pressure and Low pressure	Average gas resource price (Yen/t) for the corresponding quarter ÷100×0.082	Average gas resource price (Yen/t) for the corresponding quarter ÷100×0.080

Note: The selling price is standard unit price for sale and revised quarterly on the basis of gas resource cost adjustment.

【Reference】 New Management Efficiency Targets

With this revision of gas tariffs, the Company set up new management efficiency targets as specified below.

Item	Content												
<p>1. Personnel downsizing through more efficient operations and improved productivity.</p>	<ul style="list-style-type: none"> <li>▪ The Company shall downsize its personnel at the pace of approx. 100 per year by increasing efficiency of every operation and improving productivity, through the promotion of business operation reform, further system integration, and personnel shift from indirect departments to sales and field operation departments, etc.</li> </ul> <table border="1" data-bbox="608 618 1430 763"> <thead> <tr> <th></th> <th>FY2011 Outlook</th> <th>FY2014 Target</th> <th>Change rate</th> </tr> </thead> <tbody> <tr> <td>No. of personnel at the end of fiscal year</td> <td>8,036</td> <td>7,700</td> <td>-4.2%</td> </tr> </tbody> </table>		FY2011 Outlook	FY2014 Target	Change rate	No. of personnel at the end of fiscal year	8,036	7,700	-4.2%				
	FY2011 Outlook	FY2014 Target	Change rate										
No. of personnel at the end of fiscal year	8,036	7,700	-4.2%										
<p>2. Establishment of safer and more secure supply infrastructure</p>	<ul style="list-style-type: none"> <li>▪ The Company shall establish secure supply infrastructure necessary to realize primary energy shift to natural gas by extending the total length of its pipeline from 54,772 km scheduled at the end of FY2011 to 56,825 km at the end of FY2014. In addition, the Company shall improve the supply stability by renovating the old pipelines.</li> <li>▪ The Company shall reinforce the initiative of its LNG terminals against quake and tsunami, and aim at prompt recovery of supply in case of earthquake by minimizing the supply suspension area, etc.</li> <li>▪ As for capital investments, the Company shall reduce fixed costs per m<sup>3</sup> by optimizing construction method and implementing thorough cost-down through competitive bidding, etc., developing demand aggressively at the same time.</li> </ul> <table border="1" data-bbox="608 1317 1430 1529"> <thead> <tr> <th></th> <th>FY2011 Outlook</th> <th>FY2014 Target</th> <th>Change rate</th> </tr> </thead> <tbody> <tr> <td>Total length of pipelines at the end of fiscal year</td> <td>54,772km</td> <td>56,825km</td> <td>3.7%</td> </tr> <tr> <td>Gas sales volume (45MJ/ m<sup>3</sup>) *</td> <td>13,371</td> <td>15,006</td> <td>12.2%</td> </tr> </tbody> </table> <p>*Unit: million cubic meters</p>		FY2011 Outlook	FY2014 Target	Change rate	Total length of pipelines at the end of fiscal year	54,772km	56,825km	3.7%	Gas sales volume (45MJ/ m <sup>3</sup> ) *	13,371	15,006	12.2%
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<p>3. Initiative aiming at energy conservation and global warming prevention</p>	<ul style="list-style-type: none"> <li>▪ The Company shall promote initiative aiming at energy conservation and global warming prevention by realizing the effective use of energy on the part of customers, through disseminating residential fuel cell “Ene-Farm”, high-efficiency water heater “Eco-Jose”, high-efficiency gas air-conditioners, etc. By acquiring the optimal demand contributing on the improvement of facility load factor through these initiatives, the Company shall also increase the operation rate of its own facilities.</li> <li>▪ The Company shall aggressively implement environment-related communication activity through the provision of energy conservation information, holding seminars on eco-cooking, etc.</li> </ul>												