Gas rates for December 2015 based on fluctuation in gas resource cost and adjustment of gas rates (Tokyo District, etc.)

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 December 2015 upward by 1.23 yen per cubic meter (45MJ, tax included) relative to the corresponding charge for meter readings in November 2015.

The adjustments are made based on average resource costs in July 2015 – September 2015.

With these adjustments, for meter readings during December 2015 of the standard household consuming 32m3(45MJ/ month) in the Tokyo district, etc., the monthly gas tariff will increase by 39 yen (tax included) from that of November 2015(previous month).

1. Supply contract rate

(Application of rate schedule $A \sim F$ 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	0 to	21 to	81 to	201 to	501 to	over 801
volume	20m^3	80 m^3	200 m^3	500 m^3	800 m^3	m^3
Basic charge (yen/month)	745.20	1,026.00	1,198.80	2,062.80	6,382.80	12,430.80
Commodity charge(yen/m3)	144.87	130.83	128.67	124.35	115.71	108.15
<reference> Commodity charge(yen/m3) November 2015</reference>	143.64	129.60	127.44	123.12	114.48	106.92

^{*}Calculated based on 8% tax

2. Effect on a standard customer in residential sector

ven/month

Monthly consumption volume of 32 cubic	Charge applied for November 2015	Charge applied for December 2015	Change
meters(45MJ/m3)	(tax included)	(tax included)	
Including the national consumption tax	5,173	5,212	39

^{*}The volume of standard household is calculated based on the average of 5years (FY2006-2010) usage per household per month.

3. Fluctuation in gas resource prices

yen/ton

		June.2015-August.2015	July.2015-September.	Difference
			2015	
Standard average gas resource price (1)		82,4		
Average gas resource price (2)		57,130	58,490	1,360
	LNG	57,010	58,610	1,600
	LPG	58,860	55,330	-3,530
Difference (2) - (1)		-25,300	-23,900	1,400

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

4. Calculation of unit charge adjustment

Calculation of unit charge adjustment for gas resource costs

Calculation of average gas resource prices

58,493.95

↓ (rounded to the nearest ten yen)

58,490yen/ton

•Calculation of the amount of gas resource price fluctuation

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

^{: &}quot;Difference(2)-(1)" are rounded down to the nearest hundred yen

^{*}Calculated based on 8% tax

^{*:}The unit commodity charge is adjusted by $0.08748(0.081\times1.08)$ yen per cubic meter for every 100 yen of fluctuation

* Effect on a standard customer in residential sector

yen/month

Monthly consumption volume of 32 cubic meters(45MJ/m ³)	Charge applied for November 2015	Charge applied for December 2015	Change
Including the national consumption tax	5,173	5,212	39

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

Gas rate (Tokyo district, etc., tax included, rounded down to the nearest yen)

= Basic charge (1,026.00 yen)

+ Commodity charge (151.74 yen + -20.91 yen) x 32m³

Standard commodity charge at the time of notification of the tariff revision (tax-included)

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 0.08748 yen per cubic meter (0.081 multiplied by 1.08(consumption tax)) for each 100 yen of fluctuation in gas resource price, based on the difference between the standard average gas resource price (82,470 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 131,950 yen, the amount of 131,950 yen is applied in the calculation of the gas rate adjustment.