

Gas rates for November 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 November 2010 downward by 1.10 yen per cubic meter (45MJ) relative to the corresponding charge for meter reading for October 2010.

The adjustments are made reflecting the increase in average resource costs in June - August 2010.

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

1. Supply contract rate

(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)	142.47	124.62	121.47	115.80	109.29	99.42
<Reference> Commodity charge(yen/m ³) October 2010	143.57	125.72	122.57	116.90	110.39	100.52

2. Effect on a standard customer in residential sector

Monthly consumption volume of 34 cubic meters(45MJ/m ³)	yen/month		
	Charge applied for October 2010	Charge applied for November 2010	Change
Including the national consumption tax	5,355	5,318	-37

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

3. Fluctuation in gas resource prices

	yen/ton		
	May-Jul., 2010	Apr.-Jun., 2010	Difference
Standard average gas resource price (1)	53,810		/
Average gas resource price (2)	52,280	50,940	-1,340
LNG	51,740	50,540	-1,200
LPG	65,930	60,990	-4,940
Difference (2) - (1)	-1,500	-2,800	-1,300

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

: "Difference(2)-(1)" are rounded down to the nearest hundred yen

4. Calculation of unit charge adjustment

Calculation of unit charge adjustment for gas resource costs

● Calculation of average gas resource prices

Average LNG price (customs clearance statistics value)	50,540 yen/ton		x 0.9604
Average LPG price (customs clearance statistics value)	60,990 yen /ton		x 0.0393
+)			
	50,935.52		
		↓ (rounded to the nearest ten yen)	
	50,940 yen/ton		

● Calculation of the amount of gas resource price fluctuation

50,940 yen/ton	-	53,810 yen/ton	=	-2,870 yen/ton
(omission of amounts less than 100 yen)				
↓				
-2,800 yen/ton				

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

Adjusted rate=	-2,800 yen	/	100 yen	x	0.084 (*)
(unit charge)					
=	-2.36 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

Monthly consumption volume of 34 cubic meters(45MJ/m ³)	yen/month		
	Charge applied for October 2010	Charge applied for November 2010	Change
Including the national consumption tax	5,355	5,318	-37

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

= Standing charge (1,081.50 yen)

+ Commodity charge (126.98 yen + -2.36 yen) x 34m³

↑

Commodity charge at the time of notification of the rate revision

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.