# Gas rates for December 2013 (Dec.1-Dec.9) 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 2013(Dec.1-Dec.9) downward by 1.72 yen per cubic meter (45MJ, tax included) relative to the corresponding charge for meter readings in November 2013.

The adjustments are made based on average resource costs in July 2013– September 2013.

With these adjustments, for meter readings during December of the standard household consuming 32m3(45MJ/ month) in the Tokyo district, etc., the monthly gas tariff will decrease by 55 yen (tax included) from that of November (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	$20m^3$	$80 \text{ m}^3$	$200 \text{ m}^3$	$500 \text{ m}^3$	$800 \text{ m}^3$	$m^3$
Basic charge (yen/month)	724.50	1,110.90	1,312.50	1,774.50	6,709.50	12,589.50
Commodity charge(yen/m3)	165.32	146.00	143.48	141.17	131.30	123.95
<reference> Commodity charge(yen/m3) November 2013</reference>	167.04	147.72	145.20	142.89	133.02	125.67

### 2. Effect on a standard customer in residential sector

yen/month

Monthly consumption volume of 32 cubic meters(45MJ/m3)	Charge applied for November 2013	Charge applied for December 2013	Change
Including the national consumption tax	5,837	5,782	<b>▲</b> 55

<sup>\*</sup>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-August, 2013	July-Sept.,2013	Difference
Standard average gas resource price (1)		66,180		
Average gas resource price (2)		82,370	80,370	<b>▲</b> 2,000
	LNG	82,410	80,280	<b>▲</b> 2,130
	LPG	82,710	84,390	1,680
Difference (2) - (1)		16,100	14,100	<b>▲</b> 2,000

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)

Average LPG price

(customs clearance statistics value)

(customs clearance statistics value)

+)

80,280 yen/ton

x 0.9658(\*1)

x 0.0336(\*1)

• Calculation of the amount of gas resource price fluctuation

80,370yen/ton - 66,180 yen/ton = 14,190 yen/ton

(omission of amounts less than 100 yen)

14,100 yen/ton

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

Adjusted rate= 14,100 yen / 100 yen x 0.0861 (\*)

(unit charge) = 12.14yen (rounding down of amounts less than 0.01 yen)

<sup>\*:</sup>The unit commodity charge is adjusted by  $0.0861(0.082 \times 1.05)$  yen per cubic meter for every 100 yen of fluctuation

\* Effect on a standard customer in residential sector

yen/month

Monthly consumption volume of 32 cubic meters(45MJ/m <sup>3</sup> )	Charge applied for November 2013	Charge applied for December 2013	Change
Including the national consumption tax	5,837	5,782	▲55

\*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 (1,110.90 yen)

+ Commodity charge (
$$\underline{133.86}$$
 yen +  $\boxed{12.14 \text{yen}}$  ) x  $32\text{m}^3$ 

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 0.0861 yen per cubic meter (0.082 multiplied by 1.05(consumption tax)) for each 100 yen of fluctuation in gas resource price, based on the difference between the standard average gas resource price (66,180 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 105,890 yen, the amount of 105,890 yen is applied in the calculation of the gas rate adjustment.