# Gas rates for March 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 March 2015 upward by 3.42 yen per cubic meter (45MJ, tax included) relative to the corresponding charge for meter readings in February 2015.

The adjustments are made based on average resource costs in Oct. 2014 – Dec. 2014.

With these adjustments, for meter readings during March 2015 of the standard household consuming 32m3(45MJ/ month) in the Tokyo district, etc., the monthly gas tariff will increase by 110 yen (tax included) from that of February 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	$20m^3$	$80 \text{ m}^3$	$200 \text{ m}^3$	$500 \text{ m}^3$	$800 \text{ m}^3$	$m^3$
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)	175.14	161.10	158.94	154.62	145.98	138.42
<reference> Commodity charge(yen/m3) February 2015</reference>	171.72	157.68	155.52	151.20	142.56	135.00

<sup>\*</sup>Calculated based on 8% tax

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

yen/month

Monthly consumption	Charge applied for	Charge applied for	
volume of 32 cubic	February 2015	March 2015	Change
meters(45MJ/m3)	(tax included)	(tax included)	
Including the national	6,071	6,181	110
consumption tax	0,071	0,101	110

<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

		Sep.2014-Nov.2014	Oct.2014-Dec.2014	Difference
Standard average gas resource price (1)		82,4		
Average gas resource price (2)		89,280	93,170	3,890
	LNG	89,330	93,570	4,240
	LPG	87,110	83,740	-3,370
Difference (2) - (1)		6,800	10,700	3,900

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

93,171.59

↓ (rounded to the nearest ten yen)

93,170 yen/ton

•Calculation of the amount of gas resource price fluctuation

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

<sup>: &</sup>quot;Difference(2)-(1)" are rounded down to the nearest hundred yen

<sup>\*</sup>Calculated based on 8% tax

<sup>\*:</sup>The unit commodity charge is adjusted by  $0.08748(0.081 \times 1.08)$  yen per cubic meter for every 100 yen of fluctuation

\* Effect on a standard customer in residential sector

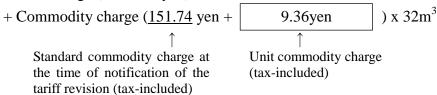
yen/month

Monthly consumption volume of 32 cubic meters(45MJ/m <sup>3</sup> )	Charge applied for January 2014	Charge applied for February 2015	Change
Including the national consumption tax	6,071	6,181	110

\*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)



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.