

Revision of gas tariffs

(Tokyo District etc.)

October 2015

Tokyo Gas Co., Ltd.

1. Outline of the tariff revision

Tokyo Gas Co., Ltd. (hereinafter referred to as "the Company") shall revise tariffs in the small-volume segment (in both service and optional agreements) downward from existing levels by an average of 0.71 percent. This revision will go into effect on December 10, 2015.

2. Service agreement

The Company shall reduce the existing service agreement tariffs by an average of 0.73 percent.

(1) Average unit tariff in the notification (45 MJ/m³) (tax-exclusive)

	New tariff	Existing tariff	Amount of revision	Rate of revision
Service agreement average (yen/m ³)	145.90 yen	146.97 yen	- 1.07 yen	- 0.73 %

* The figure for the existing tariff includes the amount of adjustment for gas resource costs applied to meter readings for November 2015.

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

1) Standard customer in residential sector

Monthly volume of gas consumption	New tariff	Existing tariff	Amount of revision	Rate of revision
32 m ³	5,135 yen	5,173 yen	- 38 yen	- 0.73 %

* The gas tariff for a standard customer in the residential sector is calculated based on the average monthly usage per household (over the five-year period FY2006 - 2010).

* The figure for the existing tariff includes the amount of adjustment for gas resource costs applied to meter readings for November 2015.

2) Standard customer in residential sector (in the case of contracting for payment by account transfer)

Monthly volume of use	New tariff	Existing tariff	Amount of revision	Rate of revision
32 m ³	5,081 yen	5,119 yen	- 38 yen	- 0.74 %

* The gas tariff for a standard customer in the residential sector is calculated based on the average monthly usage per household (over the five-year period FY2006 - 2010).

* The figure for the existing tariff includes the amount of adjustment for gas resource costs applied to meter readings for November 2015.

* The figure for the new tariff includes the account transfer discount (54 yen).

3. Optional agreements

For optional agreement tariffs, the Company shall make reductions averaging 0.68 percent.

Average unit tariff in the notification (45 MJ/m³) (tax-exclusive)

	New tariff	Existing tariff	Amount of revision	Rate of revision
Optional agreement average (yen/m ³)	103.65 yen	104.36 yen	- 0.71 yen	- 0.68 %

* The figure for the existing tariff includes the amount of adjustment for gas resource costs applied to meter readings for November 2015.

* The figure for the new tariff includes the account transfer discount (54 yen).

(1) Tariff for residential customers

The Company shall reduce tariffs for customers using Ene-Farm (residential fuel cell contracts) and in various other contracts.

Residential fuel cell contract “Hatsuden Eco Plan with Ene-Farm” (tax-inclusive)

Annual gas usage (Model demand)	New tariff	Existing tariff	Amount of revision	Rate of revision
1,208 m ³	132,090 yen	133,169 yen	- 1,079 yen	- 0.81 %

* This is an example in the case of use of the package discount.

* The figure for the new tariff includes the account transfer discount (54 yen)

* The figure for the existing tariff includes the amount of adjustment for gas resource costs applied to meter readings for November 2015.

(2) Tariff for commercial and industrial customers

The Company shall reduce tariffs in various tariff contracts.

4. Transmission service agreement tariffs

The Company shall make the following reductions in transmission service agreement tariffs.
The reduction shall go into effect on December 10, 2015.

Average unit tariff (Tokyo District etc.) (tax-exclusive)

	New tariff	Existing tariff	Rate of revision
Average for transmission service agreement (yen/m ³)	4.90 yen	5.49 yen	- 10.75 %

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

The Company shall review the standard average gas resource cost etc. based on the gas resource cost adjustment system.

Standard average gas resource cost	57,250 yen/t
Ceiling band (160% of the standard average resource price)	91,600 yen/t

* The calculation of the standard average gas resource cost is based on the resource prices appearing in trade statistics from June to August, 2015.

LNG composition ratio	0.9479
LPG composition ratio	0.0546

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

Amount of adjustment per 100 yen of fluctuation (yen/m ³)	0.081
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Document 1 - Service agreement tariff schedules

© Service agreement tariffs (tax-inclusive, 45 MJ/m³)

	Monthly volume of use		Fixed tariffs (yen/month)	Unit tariffs (yen/m ³)
Tariff Schedule A	From 0 m ³ to 20 m ³	New tariff	745.20	142.66
		Existing tariff	745.20	143.64
Tariff Schedule B	From over 20 m ³ to 80 m ³	New tariff	1,036.80	128.08
		Existing tariff	1,026.00	129.60
Tariff Schedule C	From over 80 m ³ to 200 m ³	New tariff	1,209.60	125.92
		Existing tariff	1,198.80	127.44
Tariff Schedule D	From over 200 m ³ to 500 m ³	New tariff	1,857.60	122.68
		Existing tariff	2,062.80	123.12
Tariff Schedule E	From over 500 m ³ to 800 m ³	New tariff	6,177.60	114.04
		Existing tariff	6,382.80	114.48
Tariff Schedule F	From over 800 m ³	New tariff	12,225.60	106.48
		Existing tariff	12,430.80	106.92

- Tariffs A - F are applied in accordance with the monthly volume of use.
- Unit tariffs shall be adjusted each month under the provisions for adjustment for gas resource costs.

Document 2 - Optional agreement tariff schedules

				New tariffs	Existing tariffs	Amount of revision		
Residential high-efficiency water heater contract	Discount rate (relative to the general tariff)			-3%	-3%	--		
	Discount ceiling		Yen/month	2,571.00	2,571.00	--		
Residential gas-fueled hot-water floor heating system contract (Danran Plan)	Winter (December - April)	Schedule A: from over 0 m ³ to 20 m ³	Fixed tariff	Yen/contract/month	745.20	745.20	--	
			Unit tariff	Yen/m ³	142.66	143.64	- 0.98	
		Schedule B: from over 20 m ³ to 80 m ³	Fixed tariff	Yen/contract/month	1,242.00	1,242.00	--	
			Unit tariff	Yen/m ³	117.82	118.80	- 0.98	
		Schedule C: from over 80 m ³	Fixed tariff	Yen/contract/month	2,106.00	2,106.00	--	
			Unit tariff	Yen/m ³	107.02	108.00	- 0.98	
	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	2,571.00	2,571.00	--	
	Set discount (relative to the Danran Plan)				- 6 %	- 6 %	--	
Discount ceiling			Yen/month	5,142.00	5,142.00	--		
Residential fuel cell contracts (Hatsuden Eco Plan with Ene-Farm)	Winter (December - April)	Schedule A: from over 0 m ³ to 20 m ³	Fixed tariff	Yen/contract/month	745.20	745.20	--	
			Unit tariff	Yen/m ³	142.66	143.64	- 0.98	
		Schedule B: from over 20 m ³ to 80 m ³	Fixed tariff	Yen/contract/month	1,458.00	1,458.00	--	
			Unit tariff	Yen/m ³	107.02	108.00	- 0.98	
		Schedule C: from over 80 m ³	Fixed tariff	Yen/contract/month	1,890.00	1,890.00	--	
			Unit tariff	Yen/m ³	101.62	102.60	- 0.98	
		Discount for bathroom heaters (relative to the Hatsuden Eco Plan with Ene-Farm)				- 3 %	- 3 %	--
		Discount ceiling			Yen/month	2,571.00	2,571.00	--
	Discount for floor heating (relative to the Hatsuden Eco Plan with Ene-Farm)				- 10 %	- 10 %	--	
	Discount ceiling			Yen/month	7,714.00	7,714.00	--	
	Package discount (relative to the Hatsuden Eco Plan with Ene-Farm)				- 13 %	- 13 %	--	
	Discount ceiling			Yen/month	10,285.00	10,285.00	--	
	Other seasons (May - November)	Schedule A: over 0 m ³ , up to 20 m ³	Fixed tariff	Yen/contract/month	745.20	745.20	--	
			Unit tariff	Yen/m ³	142.66	143.64	- 0.98	
Schedule B: over 20 m ³		Fixed tariff	Yen/contract/month	1,458.00	1,458.00	--		
		Unit tariff	Yen/m ³	107.02	108.00	- 0.98		
Discounts for bathroom heaters and set discount (relative to the Hatsuden Eco Plan with Ene-Farm)				- 3 %	- 3 %	--		
Discount ceiling			Yen/month	2,571.00	2,571.00	--		

* The figure for the existing tariff includes the amount of adjustment for gas resource costs applied to meter readings for November 2015.

					New tariffs	Existing tariffs	Amount of revision	
Residential cogeneration system contract (Hatsuden Eco Plan with Ecowill)	Winter (December - April)	Schedule A: over 0 m ³ , up to 20 m ³	Fixed tariff	Yen/contract/month	745.20	745.20	--	
			Unit tariff	Yen/m ³	142.66	143.64	- 0.98	
		Schedule B: over 20m ³ , up to 80m ³	Fixed tariff	Yen/contract/month	1,242.00	1,242.00	--	
			Unit tariff	Yen/m ³	117.82	118.80	- 0.98	
		Schedule C: over 80 m ³	Fixed tariff	Yen/contract/month	2,192.40	2,192.40	--	
			Unit tariff	Yen/m ³	105.94	106.92	- 0.98	
	Other seasons (May - November)					Same as the general tariff	Same as the general tariff	--
	Discount rate (relative to the Hatsuden Eco Plan with Ecowill)					- 8 %	- 8 %	--
Discount ceiling					6,172.00	6,172.00	--	
Small air conditioner exclusive contract	Schedule A	Fixed tariff		Yen/contract/month	756.00	756.00	--	
		Unit tariff	Other seasons	Yen/m ³	101.88	102.21	- 0.33	
			Winter	Yen/m ³	117.55	117.88	- 0.33	
	Schedule B	Fixed tariff		Yen/contract/month	1,274.40	1,274.40	--	
		Unit tariff	Other seasons	Yen/m ³	93.24	93.57	- 0.33	
			Winter	Yen/m ³	108.91	109.24	- 0.33	
	Schedule C	Fixed tariff		Yen/contract/month	2,678.40	2,678.40	--	
		Unit tariff	Other seasons	Yen/m ³	79.20	79.53	- 0.33	
			Winter	Yen/m ³	94.87	95.20	- 0.33	
Small air conditioner package contract	Fixed tariff		Yen/contract/month	3,240.00	3,240.00	--		
	Unit tariff	Summer	Yen/m ³	101.76	101.87	- 0.11		
		Other seasons	Yen/m ³	129.83	129.94	- 0.11		
Air conditioner summer contract	Schedule A	Fixed tariff	Standing	Yen/contract/month	1,728.00	1,728.00	--	
			Flow-rate	Yen/m ³ /month	1,023.78	1,023.78	--	
		Unit tariff		Yen/m ³	71.28	71.60	- 0.32	
	Schedule B	Fixed tariff	Standing	Yen/contract/month	11,448.00	11,448.00	--	
			Flow-rate	Yen/m ³ /month	1,023.78	1,023.78	--	
		Unit tariff		Yen/m ³	61.56	61.88	- 0.32	
	Schedule C	Fixed tariff	Standing	Yen/contract/month	49,248.00	49,248.00	--	
			Flow-rate	Yen/m ³ /month	1,023.78	1,023.78	--	
		Unit tariff		Yen/m ³	54.00	54.32	- 0.32	
Steam boiler package contract	Fixed tariff	Sanding	Yen/contract/month	2,592.00	2,592.00	--		
		Flow-rate	Yen/m ³ /month	949.90	949.90	--		
	Unit tariff	Other seasons	Yen/m ³	73.23	73.34	- 0.11		
		Winter	Yen/m ³	83.78	83.89	- 0.11		
Small-scale cogeneration system package contract	Fixed tariff	Standing	Yen/contract/month	19,440.00	19,440.00	--		
		Flow-rate	Yen/m ³ /month	1,002.68	1,002.68	--		
		Peak demand month	Yen/m ³ /month	5.79	5.79	--		
	Unit tariff		Yen/m ³	59.16	59.48	- 0.32		

* The figure for the existing tariff includes the amount of adjustment for gas resource costs applied to meter readings for November 2015.

				New tariffs	Existing tariffs	Amount of revision		
Commercial seasonal contract	Fixed tariff		Standing	Yen/ contract/month	19,116.00	19,116.00	--	
			Flow-rate	Yen/m ³ /month	432.73	432.73	--	
	Unit tariff	S	Other seasons	Yen/m ³	66.58	66.69	- 0.11	
			Winter	Yen/m ³	76.86	76.97	- 0.11	
		1	Other seasons	Yen/m ³	70.45	70.56	- 0.11	
			Winter	Yen/m ³	81.00	81.11	- 0.11	
		2	Other seasons	Yen/m ³	74.80	76.85	- 2.05	
			Winter	Yen/m ³	85.35	87.40	- 2.05	
		3	Other seasons	Yen/m ³	77.39	79.44	- 2.05	
			Winter	Yen/m ³	87.94	89.99	- 2.05	
4	Other seasons	Yen/m ³	80.53	82.03	- 1.50			
	Winter	Yen/m ³	91.08	92.58	- 1.50			
Time-of-day A contract	Fixed tariff		Standing	Yen/ contract/month	1,296.00	1,296.00	--	
			Flow-rate	Yen/m ³ /month	949.90	949.90	--	
	Unit tariff			Yen/m ³	86.95	87.05	- 0.10	
Cogeneration system package contract	Fixed tariff		Standing	Yen/ contract/month	14,256.00	14,256.00	--	
			Flow-rate	Yen/m ³ /month	432.73	432.73	--	
			Peak demand month	Yen/m ³ /month	5.95	5.95	--	
	Unit tariff	Type 1		Yen/m ³	57.67	58.67	- 1.00	
		Type 2		Yen/m ³	58.74	60.24	- 1.50	
Commercial multi-use gas package contract	Fixed tariff		Type 3, No. 1 tariff		Yen/m ³	58.74	60.24	- 1.50
			Type 3, No. 2 tariff		Yen/m ³	62.76	63.76	- 1.00
Unit tariff			No. 1 tariff		Yen/m ³	62.32	62.75	- 0.43
	No. 2 tariff		Yen/m ³	63.00	63.43	- 0.43		

* The figure for the existing tariff includes the amount of adjustment for gas resource costs applied to meter readings for November 2015.

						New tariffs	Existing tariffs	Amount of revision
Air conditioner A contract	Schedule A	Fixed tariff	Standing	Other seasons	Yen/ contract/month	1,728.00	1,728.00	--
				Winter	Yen/ contract/month	1,944.00	1,944.00	--
			Flow-rate	Other seasons	Yen/m ³ /month	1,023.78	1,023.78	--
				Winter	Yen/m ³ /month	2,300.88	2,300.88	--
		Unit tariff		Other seasons	Yen/m ³	71.28	71.60	- 0.32
				Winter	Yen/m ³	74.66	74.98	- 0.32
	Schedule B	Fixed tariff	Standing	Other seasons	Yen/ contract/month	11,448.00	11,448.00	--
				Winter	Yen/ contract/month	12,744.00	12,744.00	--
			Flow-rate	Other seasons	Yen/m ³ /month	1,023.78	1,023.78	--
				Winter	Yen/m ³ /month	2,300.88	2,300.88	--
		Unit tariff		Other seasons	Yen/m ³	61.56	61.88	- 0.32
				Winter	Yen/m ³	63.86	64.18	- 0.32
	Schedule C	Fixed tariff	Standing	Other seasons	Yen/ contract/month	49,248.00	49,248.00	--
				Winter	Yen/ contract/month	50,544.00	50,544.00	--
			Flow-rate	Other seasons	Yen/m ³ /month	1,023.78	1,023.78	--
				Winter	Yen/m ³ /month	2,300.88	2,300.88	--
		Unit tariff		Other seasons	Yen/m ³	54.00	54.32	- 0.32
				Winter	Yen/m ³	56.30	56.62	- 0.32
Air conditioner B contract	Fixed tariff	Standing	Other seasons	Yen/ contract/month	48,600.00	48,600.00	--	
			Winter	Yen/ contract/month	60,480.00	60,480.00	--	
		Flow-rate	Other seasons	Yen/m ³ /month	432.73	432.73	--	
			Winter	Yen/m ³ /month	2,374.76	2,374.76	--	
	Unit tariff		Other seasons	Yen/m ³	58.29	58.41	- 0.12	
			Winter	Yen/m ³	60.19	60.31	- 0.12	
Transportation-use compressed natural gas A contract	Fixed tariff				Yen/ contract/month	1,620.00	1,620.00	--
	Unit tariff				Yen/m ³	81.28	81.38	- 0.10
Transportation-use compressed natural gas B contract	Fixed tariff		Standing	Yen/ contract/month	8,640.00	8,640.00	--	
			Flow-rate	Yen/m ³ /month	263.86	263.86	--	
	Unit tariff			Yen/m ³	72.13	72.24	- 0.11	
Gaslight contract	Fixed tariff				Yen/ contract/month	810.00	810.00	--
	Unit tariff				Yen/m ³	79.08	79.19	- 0.11

* The figure for the existing tariff includes the amount of adjustment for gas resource costs applied to meter readings for November 2015.

© Additional contract optional agreement tariffs (tax-inclusive, 45 MJ/m³)

				New tariffs	Existing tariffs	Amount of revision
Long-term contract discount	Main contract: Cogeneration package contract etc.	Commodity discount	yen/m ³	0.53	0.53	--
	Main contract: Air conditioner A or B contract	Fixed flow-rate discount	yen/m ³ /month	63.34	63.34	--
Account transfer discount	Discount on the tariff under the eligible main contract			54.00	54.00	--

Document 3 - Transmission service agreement tariff schedule

Transmission service agreement tariffs (tax-exclusive, 45 MJ/m³)

(1) Retail transmission service tariffs

1) Retail transmission service tariffs

	Type 1		Type 2	
	New tariffs	Existing tariffs	New tariffs	Existing tariffs
Fixed standing tariff (yen/contract)	227,570 yen	174,610 yen	105,840 yen	112,910 yen
Fixed flow-rate tariff (yen/m ³)	675.00 yen	685.00 yen	675.00 yen	685.00 yen
Commodity tariff (yen/m ³)	1.85 yen	2.47 yen	2.58 yen	2.84 yen

2) Seasonal retail transmission service tariffs

	Type 1		Type 2	
	New tariffs	Existing tariffs	New tariffs	Existing tariffs
Fixed standing tariff (yen/contract)	227,570 yen	174,610 yen	105,840 yen	112,910 yen
Fixed flow-rate tariff (yen/m ³)	675.00 yen	685.00 yen	675.00 yen	685.00 yen
Commodity tariff (yen/m ³) (From April to November)	1.76 yen	2.38 yen	2.48 yen	2.74 yen
Commodity tariff (yen/m ³) (From December to March)	2.15 yen	2.77 yen	2.87 yen	3.13 yen

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

	New tariffs	Existing tariffs
Fixed standing tariff (yen/contract)	52,360 yen	57,730 yen
Fixed flow-rate tariff (yen/m ³)	1,250.00 yen	1,260.00 yen
Commodity tariff (yen/m ³)	3.00 yen	3.73 yen

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 ³)	2.19 yen	2.21 yen
High-multiplier for air conditioning retail transmission service tariff (yen/m ³)	1.18 yen	1.20 yen

- 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 ³)	0.14 yen	0.14 yen
When load measurement is incorporated into some meters at delivery point (yen/m ³)	0.11 yen	0.11 yen
When load measurement is incorporated into all meters at delivery point (yen/m ³)	0.08 yen	0.08 yen

* 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.

- (2) Connection transmission service tariff

	New tariffs	Existing tariffs
Fixed standing tariff (yen/contract)	50,000.00 yen	50,000.00 yen
Fixed flow-rate tariff (yen/m ³)	1,340.00 yen	1,350.00 yen
Commodity tariff (yen/m ³)	2.09 yen	2.66 yen

(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"> The Company shall endeavor to reduce staffing requirements by pursuing a rigorous improvement of efficiency and productivity in all operations through various approaches. These include promotion of business process re-engineering, more extensive use of information systems, and a shift in personnel allocations from indirect departments to sales and field operation departments, etc. <table border="1" data-bbox="469 645 1442 792"> <thead> <tr> <th></th> <th>Projection for the end of FY2015</th> <th>Target for the end of FY2018</th> <th>Change rate</th> </tr> </thead> <tbody> <tr> <td>No. of personnel at the end of fiscal year</td> <td>7,531</td> <td>7,224</td> <td>- 4.1 %</td> </tr> </tbody> </table>		Projection for the end of FY2015	Target for the end of FY2018	Change rate	No. of personnel at the end of fiscal year	7,531	7,224	- 4.1 %				
	Projection for the end of FY2015	Target for the end of FY2018	Change rate										
No. of personnel at the end of fiscal year	7,531	7,224	- 4.1 %										
<p>2. Establishment of safer and more secure supply infrastructure</p>	<ul style="list-style-type: none"> 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 57,496 km scheduled at the end of FY2015 to 59,458 km at the end of FY2018. In addition, the Company shall improve the supply stability by renovating the old pipelines. The Company shall reinforce the initiative of its LNG terminals against quake and aim at prompt recovery of supply in case of earthquake by minimizing the supply suspension area, etc. As for capital investments, the Company shall reduce fixed costs per m³ by optimizing construction method and implementing thorough cost-down through competitive bidding, etc., developing demand aggressively at the same time. <table border="1" data-bbox="469 1312 1442 1576"> <thead> <tr> <th></th> <th>Projection for the end of FY2015</th> <th>Target for the end of FY2018</th> <th>Change rate</th> </tr> </thead> <tbody> <tr> <td>Total extended length of pipeline at the end of fiscal year</td> <td>57,496 km</td> <td>59,458 km</td> <td>3.4 %</td> </tr> <tr> <td>Gas sales volume (45 MJ)</td> <td>15,238 million m³</td> <td>16,588 million m³</td> <td>8.8 %</td> </tr> </tbody> </table>		Projection for the end of FY2015	Target for the end of FY2018	Change rate	Total extended length of pipeline at the end of fiscal year	57,496 km	59,458 km	3.4 %	Gas sales volume (45 MJ)	15,238 million m ³	16,588 million m ³	8.8 %
	Projection for the end of FY2015	Target for the end of FY2018	Change rate										
Total extended length of pipeline at the end of fiscal year	57,496 km	59,458 km	3.4 %										
Gas sales volume (45 MJ)	15,238 million m ³	16,588 million m ³	8.8 %										
<p>3. Initiative aiming at energy conservation and global warming prevention</p>	<ul style="list-style-type: none"> 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. The Company shall actively develop activities of environmental communication such as the provision of information for energy conservation and the holding of eco cooking classes. 												