Gas Resource Cost Adjustment for September 2022 Gas Rates

July 28, 2022 Osaka Gas Co., Ltd.

Osaka Gas Co., Ltd. (President: Masataka Fujiwara) will raise its city gas unit rates, which will be applied to general charge for September 2022 meter reading, by 4.19 yen/m³ (tax included) from those for August 2022 meter reading. The increase reflects the adjustment of gas resource costs based on the average gas resource price between April 2022 to June 2022 (102,540 yen/ton). This adjustment will raise the monthly gas rate for the standard household by 125 yen (tax included).

September 2022 charges under the general charge contract (tax included)

(Depending on usage for the month, the amounts set for one of the groups A-H will be applied.)

Rate table	Usage for the month	Basic charge (for the month, per gas meter)	Unit rate (per m³)
Α	20 m ³ or less	759.00 yen	209.02 yen
В	more than 20 m³, up to 50 m³	1,364.81 yen	178.73 yen
С	more than 50 m ³ , up to 100 m ³	1,635.74 yen	173.31 yen
D	more than 100 m ³ , up to 200 m ³	2,074.72 yen	168.92 yen
Е	more than 200 m ³ , up to 350 m ³	3,506.75 yen	161.76 yen
F	more than 350 m ³ , up to 500 m ³	3,834.72 yen	160.83 yen
G	more than 500 m ³ , up to 1,000 m ³	6,981.94 yen	154.53 yen
Н	more than 1,000 m ³	7,307.87 yen	154.21 yen

Average gas resource price (yen/ton)

<u> 3 - 3</u>	<u> </u>	
	April 2022-June 2022	Base average gas resource
		price
LNG average import price (trade statistics)	101,840	63,310
LPG average import price (trade statistics)	110,290	72,040
Average gas resource price (converted into LNG)	102,780	64,090

(Average gas resource price = LNG average import price \times 0.9476*1 + LPG average import price \times 0.0569*2) (rounded off to the nearest 10-yen unit)

Impact on standard households (yen/month)

	September 2022	August 2022	Difference
Usage at standard household*3:	6,726	6,601	+125

^{*3} Average monthly usage per household (based on the five years from April 2017 to the end of March 2022). In reality, usage fluctuates every month, depending on the season and usage conditions.

^{*1} The ratio of LNG to total gas resources

^{*2} The ratio of LPG to total gas resources, adjusted for the factor for converting LPG into LNG

Exhibit

1. Calculation of the adjustment amount of the unit rate for the month 4

(Average gas resource price) (Base average gas resource price) (Difference)

$$102,540 \text{ yen/ton} - 64,090 \text{ yen/ton} = 38,450 \text{ yen/ton}$$

$$38,450 \text{ yen/ton} \div 100 \text{ yen/ton} = 384.5 \rightarrow 384 \text{ (Figures after the decimal fractions omitted)}$$

(Consumption tax) (Adjustment amount for the month)

$$384 \times 0.081 \times (1 + 0.1) = 34.2144 \rightarrow 34.21 \text{ yen/m}^3$$

(The third decimal place rounded down)

(Adjustment amount for the month)(Adjustment amount for the previous month) $34.21 \text{ yen/m}^3 - 30.02 \text{ yen/m}^3 = +4.19 \text{ yen/m}^3$

The adjustment amount of unit rates other than general charge (excluding some business customers) is 34.39 yen/m³.

2. Changes in gas tariff for the standard household (yen/month)

	2022 September	2022 August	2022 July	2022 June
Usage at standard household ¹⁵ : 30 m ³ (tax included)	6,726	6,601	6,512	6,360
Difference from the previous month	+125	+89	+152	+24

^{*5} Average monthly usage per household (based on the five years from April 2017 to the end of March 2022). In reality, usage fluctuates every month, depending on the season and usage conditions.

[September 2022 general gas rate (tax included) for the standard household is calculated as follows:]

Basic charge + (Base unit rate + Unit meter rate adjustment amount) × Average monthly usage at standard household 1,364.81 yen/month 144.52 yen/m³ 34.21yen/m³ 30 m³/month

= 6,726 yen/month * Figures after the decimal fractions omitted

^{*4} Since the average gas resource price (102,780 yen/ton) exceeded its upper limit (102,540 yen/ton), the adjustment amount of the unit rate for general charge is calculated based on the upper limit (102,540 yen/ton).