Gas Resource Cost Adjustment for December 2022 Gas Rates

October 28, 2022 Osaka Gas Co., Ltd.

Osaka Gas Co., Ltd. (President: Masataka Fujiwara) will revise its city gas unit rates as follows, which will be applied to general charges for the December 2022 meter reading, on the basis of the average gas resource price between July 2022 and September 2022.

This adjustment will raise the monthly gas rate for the standard household by 337 yen (tax included).

Please also note that the average gas resource price has exceeded its ceiling price (115,090 yen/ton), which is applied to the December 2022 meter reading. Therefore, the adjustment is made on the basis of the average gas resource price of 115,090 yen/ton.

Rate table for general charge contract for December (tax included)

| Rate table | Usage for the month | Basic charge (per contract) | Unit rate (per m³) |
|---------------|---|--------------------------------|-----------------------|
| А | 20 m³ or less | 759.00 yen | 220.25 yen |
| В | more than 20 m ³ , up to 50 m ³ | 1,364.81 yen | 189.96 yen |
| С | more than 50 m³, up to 100 m³ | 1,635.74 yen | 184.54 yen |
| D | more than100 m3, up to 200 m ³ | 2,074.72 yen | 180.15 yen |
| E | more than 200 m3, up to 350 m ³ | 3,506.75 yen | 172.99 yen |
| F | more than 350 m3, up to 500 m ³ | 3,834.72 yen | 172.06 yen |
| G | more than 500 m3, up to 1,000 m^3 | 6,981.94 yen | 165.76 yen |
| Н | more than 1,000 m ³ | 7,307.87 yen | 165.44 yen |

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

Monthly gas rate for the standard household (*1) (tax included)

| December 2022 | November 2022 | Difference |
|---------------|---------------|------------|
| 7,063 yen | 6,726 yen | +337 yen |

^(*1) Calculated based on the average usage of 30 m³/month by household customers. In reality, usage fluctuates every month, depending on the season and usage conditions.

[Reference] Effects of the revised ceiling price on the standard household (tax included)

Effects on general charges due to the revision of the ceiling price implemented on November 1, 2022 are as follows.

| Before the revision | 6,726 yen |
|--|-----------|
| After the revision | 7,063 yen |
| Difference before and after the revision | +337 yen |

Appendix

1. Average gas resource price (yen/ton)

| | July 2022 to September 2022 | Base average gas resource price |
|----------------------------|-----------------------------|---------------------------------|
| LNG average import price | 142,800 | 63,310 |
| LPG average import price | 101,820 | 72,040 |
| Average gas resource price | 141,110 | 64,090 |

(Average gas resource price = LNG average import price*1 × 0.9476*2 + LPG average import price*1 × 0.0569*3) (rounded off to the nearest 10-yen unit)

"1Figures from Trade Statistics; "2The ratio of LNG to total gas resources; "3The ratio of LPG to total gas resources, adjusted for the factor for converting LPG into LNG.

2. Calculation of the adjustment amount of the unit rate for the month's general charge*4

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(Average gas resource price) (Base average gas resource price) (Difference) 115,090 \text{ yen/ton} - 64,090 \text{ yen/ton} = 51,000 \text{ yen/ton}
51,000 \text{ yen/ton} \div 100 \text{ yen/ton} = 510.0 \rightarrow 510 \text{ (Decimal fractions omitted)}
(Consumption tax) \qquad (Adjustment amount for the month)
510 \times 0.081 \times (1 + 0.1) = 45.441 \rightarrow 45.44 \text{ yen/m}^3 \text{ (Rounded down to two decimal places)}
(Adjustment amount for the month) \qquad (Adjustment amount for the previous month) \qquad (Difference from the previous month)
45.44 \text{ yen/m}^3 - 34.21 \text{ yen/m}^3 = 11.23 \text{ yen/m}^3
^4 \text{ The average gas resource price (141,110 yen/ton) has exceeded its upper limit (115,090 yen/ton), which is applied to the December 2022 meter reading.}
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3. The gas rate for the standard household for December (tax included) is calculated as follows.

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Basic charge + (Base unit rate + adjustment amount) × Average monthly usage at standard household

1,364.81 yen/month + (144.52 yen/m³ + 45.44 yen/m³) × 30 m³/month = 7,063 yen/month

[Rounded down to the nearest yen]
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4. Changes in general charges for the standard household (tax included)

Therefore, the adjustment is made on the basis of the average gas resource price of 115,090 yen/ton.

| | December 2022 | November 2022 | October 2022 | September 2022 |
|------------------------------------|---------------|---------------|--------------|----------------|
| Gas fee | 7,063 yen | 6,726 yen | 6,726 yen | 6,726 yen |
| Difference from the previous month | +337 yen | 0 yen | 0 yen | +125 yen |

5. Revised unit rates for main gas rate plans, excluding general charge plan (tax included)

| Gas rate plan | Revised rate (per m³) |
|---|-----------------------|
| Smart Power Generation Plan; Floor Heating and Discount Plan; Less Household Labor and More Discount Plan; Package Deal Discount Plan/More Package Deal Discount Plan, Akinaiwari (Business) Discount Plan | 68.60 |
| House Air Conditioning; Co-generation System for Multi-unit Housing Contract; Co-generation System Contract (A, B, C); Small Air Conditioning Contract; Summer Air Conditioning Contract; Air Conditioning Contract (A, B); Time Zone Contract (A, B); Commercial Seasonal Contract; Compact-size Commercial Seasonal Contract; Compressed Natural Gas for Transport Contract (A, B); Gas Lighting Contract | 64.06 |

6. Revised unit rates for gas rate plans for which new applications have been closed (tax included)

| Gas rate plan | Revised rate (per m³) |
|---|--------------------------|
| More Discount | 68.60 |
| My Home Power Generation; Floor Heating; and Eco-Jozu | 64.06 |