

Changes to the basic gas terms and conditions and the electricity supply terms and conditions, etc. following the adoption of the FY2024 “Electricity and Gas Fee Burden Reduction Support Program”

December 25, 2024
Osaka Gas Co., Ltd.

Osaka Gas Co., Ltd. (President: Masataka Fujiwara, hereinafter, “the company”) has been adopted by the government for the FY2024 “Electricity and Gas Fee Burden Reduction Support Program.” Accordingly, on January 1, 2025, the company will amend its basic gas terms and conditions^{*1} and electricity supply terms and conditions^{*2}, and will reduce gas and electricity fees for customers eligible under the government’s program for the period from the February 2025 meter reading (for January usage) to the April 2025 meter reading (for March usage).

Please note that no special procedures are required from customers for this change.

*1 All supply conditions such as the basic gas terms and conditions

*2 All supply conditions such as the electricity supply terms and conditions

1. Discounts on gas and electricity fees

In order to reduce gas and electricity fees^{*3} based on the support unit price determined by the government’s FY2024 “Electricity and Gas Fee Burden Reduction Support Program,” the company will revise its calculation formulas for resource and fuel cost adjustments. Please refer to the attachment for specific changes.

*3 The gas fee will be discounted by the minimum value exceeding the government-supported unit price, based on the calculation formula described in the basic gas terms and conditions. The electricity fee will be discounted by the government-supported unit price, based on the calculation formula described in the electricity supply terms and conditions.

[Regarding government-supported unit price] (tax included)

	February 2025 meter reading to March 2025 meter reading (For usage in January and February 2025)	April 2025 meter reading (For usage in March 2025)
Gas	10 yen/m ³	5 yen/m ³
Electricity (low voltage)	2.5 yen/kWh	1.3 yen/kWh
Electricity (high voltage)	1.3 yen/kWh	0.7 yen/kWh

*For gas, customers with a contract volume of 10 million m³ or more, or those involved in gas sales for power generation, are not eligible for the support. For electricity, special high-voltage customers are not eligible for the support.

2. Applicable period

Gas and electricity fees from the February 2025 meter reading (for January usage) to the April 2025 meter reading (for March usage) will be eligible.

*Please note that the usage period and meter reading date may differ from the above depending on your meter reading schedule.

*The applicable period may vary depending on the customer. Please refer to the attached document for details.

*The period may change due to adjustments to the government's "Electricity and Gas Fee Burden Reduction Support Program."

3. The government's "Electricity and Gas Fee Burden Reduction Support Program"

Please refer to the URL below for an overview of the program.

Agency for Natural Resources and Energy website <URL> <https://denkigas-gekihenkanwa.go.jp/>

4. Contact information

0120-006-322

[Hours] Mon.–Sat.: 9 a.m.–7 p.m.; Sun. and holidays: 9 a.m.–5 p.m.; Closed Dec. 29–Jan. 3.

(No special procedures are required from customers on this notice.)

Gas fee discounts under the “Electricity and Gas Fee Burden Reduction Support Program”

- Under the government’s “Electricity and Gas Fee Burden Reduction Support Program,” discounts will be applied to gas charges from the February 2025 meter reading (for January usage) to the April 2025 meter reading (for March usage).
- No application is required from customers to receive the discount.

Eligible customers	Customers with a gas supply-and-demand contract with the company whose annual contract volume is less than 10 million m ³ . *Gas sales* ¹ for the power generation business are not covered.	
Period	From February 2025 meter reading (for January usage) to April 2025 meter reading (for March usage)	
Government-supported unit price (Tax included)	February 2025 meter reading (for January usage) March 2025 meter reading (for February usage)	10 yen/m ³
	April 2025 meter reading (for March usage)	5 yen/m ³
Discount method	Monthly gas resource costs will be adjusted based on the government-supported unit price.	
Other	No application is required from customers.	

*1 Gas used by customers engaged in power generation for their power generation activities is not eligible.

Gas fee discount method

- Gas fees will be discounted by lowering the adjusted rate based on adjustment of the gas resource cost
(Taking into account the government-supported unit price, the average LNG price will be reduced, which will in turn reduce the average resource price.)

1. Gas fee calculation method

$$\boxed{\text{Gas fee}} = \boxed{\text{Basic charge}} + \left(\boxed{\text{Reference unit rate}} \pm \boxed{\text{Adjusted rate based on adjustment of gas resource cost}} \right) \times \boxed{\text{Usage for the month}}$$

2. Discount method based on government support

$$\boxed{\text{Adjusted rate based on adjustment of gas resource cost}} = 0.081 \times \text{gas resource price change} \div 100 \text{ yen} \times (1 + \text{consumption tax rate})$$

*The formula for calculating the adjustment of the gas resource cost depends on the content of the contract.

Average gas resource price \geq Base average gas resource price: Gas resource price fluctuation amount (upward adjustment) = Average gas resource price - Base average gas resource price
 Average gas resource price $<$ Base average gas resource price: Gas resource price fluctuation amount (downward adjustment) = Base average gas resource price - Average gas resource price

*The average gas resource price is calculated on the basis of trade statistics on LNG and LPG issued by the Ministry of Finance.

- During the government support period, we will lower the average gas resource price by lowering the average LNG price based on the government-supported unit price, calculate the adjusted rate based on adjustment of the gas resource cost every month, and reduce gas charges.
- For details, please check the supply conditions for each rate.

Electricity fee discounts under the “Electricity and Gas Fee Burden Reduction Support Program”

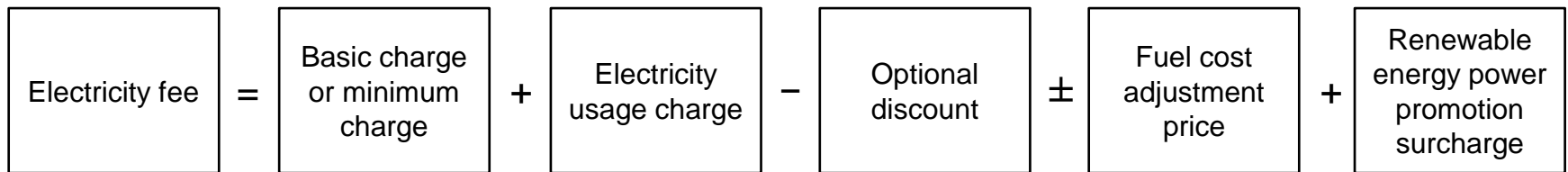
- Similar to gas fees, electricity fees will be discounted under the government's “Electricity and Gas Fee Burden Reduction Support Program” from the February 2025 meter reading (for January usage) to the April 2025 meter reading (for March usage).
- No application is required from customers to receive the discount.

Eligible customers	Customers with an electricity supply-and-demand contract with the company *Special high-voltage customers are not eligible.		
Period	From February 2025 meter reading (for January usage) to April 2025 meter reading (for March usage)		
Government-supported unit price (Tax included)	February 2025 meter reading (for January usage) March 2025 meter reading (for February usage)	Low-voltage customers	2.5 yen/kWh
		High-voltage customers	1.3 yen/kWh
	April 2025 meter reading (for March usage)	Low-voltage customers	1.3 yen/kWh
		High-voltage customers	0.7 yen/kWh
Discount method	The government-supported unit price will be reflected in the monthly fuel cost adjustment price.		
Other	No application is required from customers.		

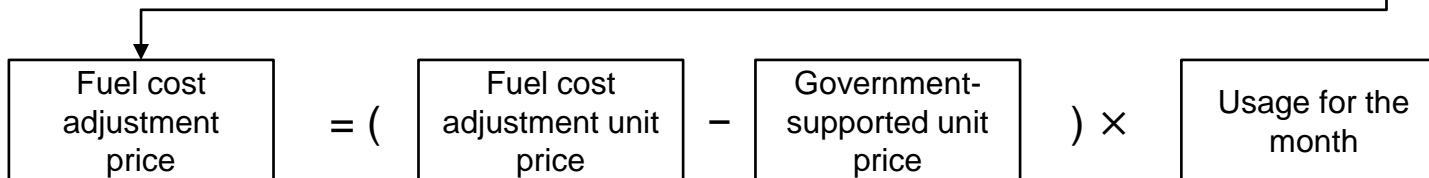
Electricity fee discount method

- Electricity fees will be reduced by deducting the government-supported unit price from the fuel cost adjustment unit price.

1. Electricity fee calculation method



2. Discount method based on government support



- During the government support period, the fuel cost adjustment price is calculated by subtracting the government-supported unit price from the “fuel cost adjustment unit price” every month.
- For example, if the fuel cost adjustment unit price for a low-voltage customer is 3.86 yen/kWh, the fuel cost adjustment price is calculated by subtracting the government-supported unit price of 2.5 yen/kWh from the unit price, resulting in 1.36 yen/kWh, and then multiplying the result by the monthly usage amount.

Discount period for gas and electricity fees

- The applicable period may vary depending on the customer. Please refer to the table below for details.

Category	Eligible customers	Usage period
Gas	Mainly household customers	From the day after the meter reading day in January to the meter reading day in April
	Mainly large contract customers	From February 1 to the end of April (meter reading on the last day of each month)
Electricity	Low-voltage/high-voltage customers	From the meter reading day in January to the day before the meter reading day in April
	Some high-voltage customers	From January 1 to the end of March (meter reading on the 1st of the following month)