

**NORTHEAST OHIO NATURAL GAS CORPORATION
PURCHASED GAS ADJUSTMENT**

GAS COST RECOVERY RATE CALCULATION

37TH QUARTERLY

PARTICULARS	
EXPECTED GAS COST (EGC)	\$6.3880 /MCF
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	0.0000 /MCF
ACTUAL ADJUSTMENT (AA)	0.0768 /MCF
BALANCE ADJUSTMENT (BA)	0.2565 /MCF
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA + BA	\$6.7213 /MCF

GAS COST RECOVERY RATE EFFECTIVE DATES: JUNE 1, 2004 THROUGH
AUGUST 31, 2004

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	
PRIMARY GAS SUPPLIERS EXPECTED GAS COST	\$6,843,478
UTILITY PRODUCTION EXPECTED GAS COST	0
INCLUDABLE PROPANE EXPECTED GAS COST	0
TOTAL ANNUAL EXPECTED GAS COST	\$6,843,478
TOTAL ANNUAL SALES	1,071,289 MCF
EXPECTED GAS COST (EGC) RATE	\$6.3880

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	
37th QUARTERLY ACTUAL ADJUSTMENT	\$0.0000 /MCF
36th QUARTERLY ACTUAL ADJUSTMENT	\$0.0000 /MCF
35th QUARTERLY ACTUAL ADJUSTMENT	\$0.0000 /MCF
34th QUARTERLY ACTUAL ADJUSTMENT	\$0.0000 /MCF
SUPPLIER REFUND & RECONCILIATION ADJUSTMENT (RA)	\$0.0000 /MCF

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	
37th QUARTERLY ACTUAL ADJUSTMENT	\$0.0045 /MCF
36th QUARTERLY ACTUAL ADJUSTMENT	(\$0.3172) /MCF
35th QUARTERLY ACTUAL ADJUSTMENT	(\$0.0046) /MCF
34th QUARTERLY ACTUAL ADJUSTMENT	\$0.3941 /MCF
ACTUAL ADJUSTMENT (AA)	0.0768 /MCF

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	
BALANCE ADJUSTMENT AMOUNT	\$26,209
JURISDICTIONAL SALES FOR QUARTER	102,198 MCF
BALANCE ADJUSTMENT (BA)	\$0.2565 /MCF

THIS QUARTERLY REPORT FILED PURSUANT TO ORDER NO 76-515-GA-ORD OF THE
PUBLIC UTILITIES COMMISSION OF OHIO, DATED JANUARY 16, 1980.

DATE FILED: MAY 10, 2004

BY: STEPHANIE PATTON

TITLE: ACCOUNTING MANAGER

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GAS & WATER DIVISION