

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

GAS COST RECOVERY RATE CALCULATION

38TH QUARTERLY

PARTICULARS	
EXPECTED GAS COST (EGC)	\$7.1630 /MCF
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	0.0000 /MCF
ACTUAL ADJUSTMENT (AA)	(0.1728) /MCF
BALANCE ADJUSTMENT (BA)	(0.0011) /MCF
GAS COST RECOVERY RATE (GCR) = EGC + RA + AA + BA	\$6.9891 /MCF

GAS COST RECOVERY RATE EFFECTIVE DATES: SEPTEMBER 1, 2004 THROUGH
NOVEMBER 30, 2004

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	
PRIMARY GAS SUPPLIERS EXPECTED GAS COST	\$7,820,539
UTILITY PRODUCTION EXPECTED GAS COST	0
INCLUDABLE PROPANE EXPECTED GAS COST	0
TOTAL ANNUAL EXPECTED GAS COST	\$7,820,539
TOTAL ANNUAL SALES	1,091,741 MCF
EXPECTED GAS COST (EGC) RATE	\$7.1630

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	
38th QUARTERLY ACTUAL ADJUSTMENT	\$0.0000 /MCF
37th QUARTERLY ACTUAL ADJUSTMENT	\$0.0000 /MCF
36th QUARTERLY ACTUAL ADJUSTMENT	\$0.0000 /MCF
35th QUARTERLY ACTUAL ADJUSTMENT	\$0.0000 /MCF
SUPPLIER REFUND & RECONCILIATION ADJUSTMENT (RA)	\$0.0000 /MCF

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	
38th QUARTERLY ACTUAL ADJUSTMENT	\$0.1440 /MCF
37th QUARTERLY ACTUAL ADJUSTMENT	\$0.0050 /MCF
36th QUARTERLY ACTUAL ADJUSTMENT	(\$0.3172) /MCF
35th QUARTERLY ACTUAL ADJUSTMENT	(\$0.0046) /MCF
ACTUAL ADJUSTMENT (AA)	(0.1728) /MCF

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	
BALANCE ADJUSTMENT AMOUNT	(\$173)
JURISDICTIONAL SALES FOR QUARTER	158,641 MCF
BALANCE ADJUSTMENT (BA)	(\$0.0011) /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: AUGUST 13, 2004

BY: STEPHANIE PATTON

TITLE: ACCOUNTING MANAGER

RECEIVED
AUG 17 2004
GAS & WATER DIVISION