

PURCHASED GAS ADJUSTMENT

Brainard Gas Corp

GAS COST RECOVERY RATE CALCULATION

| DETAILS FOR THE EGC RATE IN EFFECT AS OF DECEMBER 1, 2007 | UNIT | AMOUNT |
|---|---------------|------------------|
| EXPECTED GAS COST (EGC) | \$/MCF | \$ 9.4810 |
| SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA) | \$/MCF | \$ - |
| ACTUAL ADJUSTMENT (AA) | \$/MCF | \$ 0.2545 |
| GAS COST RECOVERY RATE (GCR) = EGC + RA + AA | \$/MCF | \$ 9.7355 |

GAS COST RECOVERY RATE EFFECTIVE DATES: 12/01/07 - 12/31/07

EXPECTED GAS COST SUMMARY CALCULATION

| PARTICULARS | UNIT | AMOUNT |
|---|---------------|-------------------|
| PRIMARY GAS SUPPLIERS EXPECTED GAS COST | \$ | \$130,695 |
| UTILITY PRODUCTION EXPECTED GAS COST | \$ | \$ - |
| INCLUDABLE PROPANACE EXPECTED GAS COST | \$ | \$ - |
| TOTAL ANNUAL EXPECTED GAS COST | \$ | \$ 130,695 |
| TOTAL ANNUAL SALES | MCF | 13,785 |
| EXPECTED GAS COST (EGC) RATE | \$/MCF | \$ 9.4810 |

SUPPLIER REFUND & RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

| PARTICULARS | UNIT | AMOUNT |
|---|---------------|-------------|
| CURRENT QTRLY SUPPLIER RERUND & RECONCILIATION ADJUSTMENT | \$/MCF | \$ - |
| PREVIOUS QTRLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT | \$/MCF | \$ - |
| 2nd PREVIOUS QTRLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT | \$/MCF | \$ - |
| 3rd PREVIOUS QTRLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJUSTMENT | \$/MCF | \$ - |
| SUPPLIER REFUND & RECONCILIATION ADJUSTMENT (RA) | \$/MCF | \$ - |

ACTUAL ADJUSTMENT SUMMARY CALCULATION

| PARTICULARS | UNIT | AMOUNT |
|---|---------------|------------------|
| CURRENT QRTLY ACTUAL ADJUSTMENT | \$/MCF | \$ 0.0609 |
| PREVIOUS QRTLY REPORTED ACTUAL ADJUSTMENT | \$/MCF | \$ 0.0865 |
| 2nd PREVIOUS QRTLY REPORTED ACTUAL ADJUSTMENT | \$/MCF | \$ 0.3513 |
| 3rd PREVIOUS QRTLY REPORTED ACTUAL ADJUSTMENT | \$/MCF | \$ (0.2442) |
| ACTUAL ADJUSMENT (AA) | \$/MCF | \$ 0.2545 |

THIS MONTHLY REPORT FILED PURSUANT TO ORDER 07-206-GA-GCR OF THE
PUBLIC UTILITIES COMMISSION OF OHIO, DA OCTOBER 11, 1978

DATE FILED: 11/27/07 BY: Brian M. Wolcott