NORTHERN INDUSTRIAL ENERGY DEVELOPMENT, INC.

Purchased Gas Adjustment

Local Supply

4/1/2004 to 6/30/2004

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GAS & WATER DIVISION

Gas Cost Recover Rate Calculation

Particulars	Unit	Amount
Expected Gas Cost (EGC)	***$/MCF***	***$5.9204***
Supplier Refund and Reconciliation Adjustment (RA)	***$/MCF***	***$0.0000***
Actual Adjustment (AA)	***$/MCF***	***$0.9202***
Balance Adjustment (BA)	***$/MCF***	***$0.0188***
Gas Cost Recovery Rate (GCR) = EGC + RA + AA+ BA	**$/MCF**	**$6.8594**

Expected Gas Cost Summary Calculation

Particulars	Unit	Amount
Primary gas Suppliers Expected Gas Cost	$	$861,000.00
Utility Production Expected Gas Cost	$	$0.00
Total Annual Expected Gas Cost	$	$861,000.00
Total Annual Sales	MCF	145,428.7
Expected Gas Cost (EGC) Rate	***$/MCF***	***$5.9204***

Supplier Refund and Reconciliation Adjustment Summary Calculation

Particulars	Unit	Amount
Current Quarterly Supplier Refund & Reconciliation Adjustment	$/MCF	$0.0000
Previous Quarterly Reported Supplier Refund & Reconciliation Adjustment	$/MCF	$0.0000
Second Previous Quarterly Reported Supplier Refund & Reconciliation Adjustment	$/MCF	$0.0000
Third Previous Quarterly Reported Supplier Refund & Reconciliation Adjustment	$/MCF	$0.0000
Supplier Refund And Reconciliation Adjustment (RA)	***$/MCF***	***$0.0000***

Actual Adjustment Summary Calculation

Particulars	Unit	Amount
Current Quarterly Actual Adjustment	$/MCF	($0.0501)
Previous Quarterly Reported Actual Adjustment	$/MCF	$0.0914
Second Previous Reported Actual Adjustment	$/MCF	$0.0881
Third Previous Reported Actual Adjustment	$/MCF	$0.7908
Actual Adjustment (AA)	***$/MCF***	***$0.9202***

Balance Adjustment Summary Calculation

Particulars	Unit	Amount
Balance Adjustment Amount	$	$422.80
Jurisdictional Sales for Quarter	MCF	22,492.3
Balance Adjustment (BA)	***$/MCF***	***$0.0188***

This Quarterly Report Filed Pursuant to Order No. 76-5-15-GA-ORD of the Public Utilities Commission of Ohio (PUCO), Dated October 11, 1978

By Andrew Duckson **Title** Vice President, CFO **Date Signed** 2/23/04