

**PIKE NATURAL GAS COMPANY - HILLSBORO DIVISION
PURCHASED GAS ADJUSTMENT
GAS COST RECOVERY RATE CALCULATION**

PARTICULARS	UNIT	AMOUNT
Expected Gas Cost (EGC)	\$/MCF	\$ 14.2250
Supplier Refund and Reconciliation Adjustment (RA)	\$/MCF	\$ 0.0038
Actual Adjustment (AA)	\$/MCF	\$ (0.0012)
Gas Cost Recovery Rate (GCR) = EGC + RA + AA	\$/MCF	\$ 14.2276

Gas Cost Recovery Rate Effective Dates: July 1, 2008 to July 31, 2008.

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
Primary Gas Suppliers Expected Gas Cost	\$	\$ 6,352,643
Utility Production Expected Gas Cost	\$	-
Includable Propane Expected Gas costs	\$	-
Total Annual Expected Gas Costs	\$	\$ 6,352,643
Total Annual Sales	MCF	446,583
Expected Gas Costs (EGC) Rate	\$/MCF	\$ 14.2250

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
Current Quarterly Supplier Refund & Reconciliation Adjustment	\$/MCF	-
Previous Quarterly Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ 0.0038
Second Previous Quarter Supplier Refund & Reconciliation Adjustment	\$/MCF	-
Third Previous Quarter Supplier Refund & Reconciliation Adjustment	\$/MCF	-
Supplier Refund & Reconciliation Adjustment (RA)	\$/MCF	\$ 0.0038

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
Current Quarterly Actual Adjustment	\$/MCF	\$ (0.4459)
Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ 0.6084
Second Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ 0.0495
Third Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ (0.2132)
Actual Adjustment (AA)	\$/MCF	\$ (0.0012)

THIS QUARTERLY REPORT FILED PURSUANT TO ORDER NO 76-515-GA-ORD OF
THE PUBLIC UTILITIES COMMISSION OF OHIO, DATED OCTOBER 18, 1979.

DATE FILED: June 30, 2008

BY: Brian Jonard
TITLE: President