

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

PARTICULARS	UNIT	AMOUNT
Expected Gas Cost (EGC)	\$/MCF	\$ 11.4500
Supplier Refund and Reconciliation Adjustment (RA)	\$/MCF	\$ 0.0038
Actual Adjustment (AA)	\$/MCF	\$ (0.5076)
Gas Cost Recovery Rate (GCR) = EGC + RA + AA	\$/MCF	\$ 10.9462

Gas Cost Recovery Rate Effective Dates: December 1, 2008 to December31, 2008.

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
Primary Gas Suppliers Expected Gas Cost	\$	\$ 5,142,069
Utility Production Expected Gas Cost	\$	\$ -
Includable Propane Expected Gas costs	\$	\$ -
Total Annual Expected Gas Costs	\$	\$ 5,142,069
Total Annual Sales	MCF	449,089
Expected Gas Costs (EGC) Rate	\$/MCF	\$ 11.4500

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
Current Quarterly Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ -
Previous Quarterly Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ -
Second Previous Quarter Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ 0.0038
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	\$ (0.7196)
Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ (0.4459)
Second Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ 0.6084
Third Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ 0.0495
Actual Adjustment (AA)	\$/MCF	\$ (0.5076)

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: November 26, 2008

BY: Brian Jonard
TITLE: President