

**PURCHASED GAS ADJUSTMENT
SOUTHEASTERN NATURAL GAS COMPANY
GAS COST RECOVERY RATE CALCULATION**

| PARTICULARS | UNIT | AMOUNT |
|--|--------|-----------|
| EXPECTED GAS COST (EGC) | \$/MCF | \$13.8956 |
| SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA) | \$/MCF | 0.0000 |
| ACTUAL ADJUSTMENT (AA) | \$/MCF | 0.0000 |
| BALANCE ADJUSTMENT (BA) | \$/MCF | 0.0000 |
| GAS COST RECOVERY RATE (GCR) = EGC + RA + AA + BA | \$/MCF | \$13.8956 |

GAS COST RECOVERY RATE EFFECTIVE DATES: November 1, 2005 to January 31, 2006

EXPECTED GAS COST SUMMARY CALCULATION

| PARTICULARS | UNIT | AMOUNT |
|---|--------|-------------|
| PRIMARY GAS SUPPLIERS EXPECTED GAS COST | \$ | \$2,210,373 |
| UTILITY PRODUCTION EXPECTED GAS COST | \$ | 0 |
| INCLUDABLE PROPANE EXPECTED GAS COST | \$ | 0 |
| TOTAL ANNUAL EXPECTED GAS COST | \$ | \$2,210,373 |
| TOTAL ANNUAL SALES | MCF | 159,070 |
| EXPECTED GAS COST (EGC) RATE | \$/MCF | \$13.8956 |

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

| PARTICULARS | UNIT | AMOUNT |
|---|--------|----------|
| CURRENT QUARTERLY SUPPLIER REFUND & RECONCILIATION ADJ | \$/MCF | \$0.0000 |
| PREVIOUS QUARTERLY SUPPLIER REFUND & RECONCILIATION ADJ | \$/MCF | 0.0000 |
| SECOND PREVIOUS QUARTERLY SUPPLIER REFUND & RECONCILIATION | \$/MCF | 0.0000 |
| THIRD PREVIOUS QUARTERLY SUPPLIER REFUND & RECONCILIATION ADJ | \$/MCF | 0.0000 |
| SUPPLIER REFUND & RECONCILIATION ADJUSTMENT (RA) | \$/MCF | \$0.0000 |

ACTUAL ADJUSTMENT SUMMARY CALCULATION

| PARTICULARS | UNIT | AMOUNT |
|--|--------|----------|
| CURRENT QUARTERLY ACTUAL ADJUSTMENT | \$/MCF | \$0.0000 |
| PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT | \$/MCF | 0.0000 |
| SECOND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT | \$/MCF | 0.0000 |
| THIRD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT | \$/MCF | 0.0000 |
| ACTUAL ADJUSTMENT (AA) | \$/MCF | \$0.0000 |

BALANCE ADJUSTMENT SUMMARY CALCULATION

| PARTICULARS | UNIT | AMOUNT |
|----------------------------------|--------|----------|
| BALANCE ADJUSTMENT AMOUNT | \$ | \$0 |
| JURISDICTIONAL SALES FOR QUARTER | MCF | 0 |
| BALANCE ADJUSTMENT (BA) | \$/MCF | \$0.0000 |

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: October 21, 2005

BY: Brian Jonard
TITLE: President