

8. Gas Cost Recovery (GCR)

Applicability. To all sales customers subject to the Gas Cost Recovery (GCR) as determined in accordance with Chapter 4901:1-14, Ohio Administrative Code, (GCR Regulations).

- a. Rates for natural gas consumption in accordance with PUCO Case No. 04-1338-GA-UNC
 - i. Hillsboro Division
 - 1. Effective rate from December 1, 2006 through December 31, 2006
\$.98519 per Ccf
 - ii. Waverly Division
 - 1. Effective rate from December 1, 2006 through December 31, 2006
\$1.06811 per Ccf

Issued: November 30, 2006

Effective: December 1, 2006

Filed Under Authority of Case No. 06-0214-GA-GCR
Issued by the Public Utilities Commission of Ohio

Issued by Brian R. Jonard, President

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

PARTICULARS	UNIT	AMOUNT
Expected Gas Cost (EGC)	\$/MCF	\$ 9.5000
Supplier Refund and Reconciliation Adjustment (RA)	\$/MCF	\$ (0.0000)
Actual Adjustment (AA)	\$/MCF	\$ 0.3519
Gas Cost Recovery Rate (GCR) = EGC + RA + AA	\$/MCF	\$ 9.8519

Gas Cost Recovery Rate Effective Dates: December 1, 2006 to December 31, 2006.

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
Primary Gas Suppliers Expected Gas Cost	\$	\$ 4,199,751
Utility Production Expected Gas Cost	\$	\$ -
Includable Propane Expected Gas costs	\$	\$ -
Total Annual Expected Gas Costs	\$	\$ 4,199,751
Total Annual Sales	MCF	442,079
Expected Gas Costs (EGC) Rate	\$/MCF	\$ 9.5000

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
Current Quarterly Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ (0.00)
Previous Quarterly Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ -
Second Previous Quarter Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ -
Third Previous Quarter Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ -
Supplier Refund & Reconciliation Adjustment (RA)	\$/MCF	\$ (0.00)

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
Current Quarterly Actual Adjustment	\$/MCF	\$ (0.6018)
Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ (0.8707)
Second Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ 1.8244
Third Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ -
Actual Adjustment (AA)	\$/MCF	\$ 0.3519

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 30, 2006

BY: Brian Jonard
TITLE: President

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

Details for the EGC Rate In Effect As of December 1, 2006
Volume for the Twelve Month Period Ended June 30, 2006

Supplier Name	Expected Gas Cost Amount (\$)			
	Demand	Commodity	Misc.	Total
<u>Primary Gas Suppliers:</u>				
(A) Interstate Pipeline Suppliers (Sch 1-A)	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
Total Interstate Pipeline Suppliers	\$ -	\$ -	\$ -	\$ -
(B) Synthetic (Sch 1-A)	\$ -		\$ -	\$ -
(C) Other Gas Companies (Sch 1-B)	\$ -	\$ 4,199,751	\$ -	\$ 4,199,751
(D) Ohio Producers (Sch 1-B)	\$ -	\$ -	\$ -	\$ -
(E) Self Help Arrangements (Sch 1-B)	\$ -	\$ -	\$ -	\$ -
(F) Special Purchases (Sch 1 -B)	\$ -	\$ -	\$ -	\$ -
Total Primary Gas Suppliers	\$ -	\$ 4,199,751	\$ -	\$ 4,199,751
<u>Utility Production</u>				
Total Utility Production (Attach Details)				\$ -
<u>Includable Propane</u>				
(A) Peak Shaving (Attach Details)				\$ -
(B) Volumetric (Attach Detail)				\$ -
Total Includable Propane				\$ -
Total Expected Gas Cost Amount				\$ 4,199,751

**PIKE NATURAL GAS COMPANY - HILLSBORO DIVISION
PURCHASED GAS ADJUSTMENT
OTHER PRIMARY SUPPLIERS**

Details for the EGC Rate In Effect As of December 1, 2006
Volume for the Twelve Month Period Ended June 30, 2006

Supplier Name	Unit Rate (\$/MCF)	Twelve Month Volume (MCF)	Expected Gas Cost Amount (\$)
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Other Gas Companies:

Atmos Energy Marketing	\$ 9.5000	442,079	\$ 4,199,751
	\$ -	-	
	\$ -	-	
Total Other Gas Companies			<u>\$ 4,199,751</u>

Ohio Producers

East Ohio Gas	\$ -	-	\$ -
	\$ -	-	
	\$ -	-	
Total Other Gas Companies			<u>\$ -</u>

Self-Help Arrangement

	\$ -	-	\$ -
	\$ -	-	
	\$ -	-	
Total Self-Help Arrangement			<u>\$ -</u>

Special Purchases

Various Sources Price	\$ -	-	\$ -
Includes Transportation	\$ -	-	
	\$ -	-	
Total Other Gas Companies			<u>\$ -</u>

**PIKE NATURAL GAS COMPANY - HILLSBORO DIVISION
PURCHASED GAS ADJUSTMENT
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT**

Details for the Three Months Ended June 30, 2006

Particulars	Unit	Amount
Jurisdictional Sales for the Twelve Months Ended 06/30/2006	MCF	438,314
Total Sales: Twelve Months Ended 06/30/2006	MCF	438,314
Ratio Jurisdictional Sales to Total Sales	Ratio	1:1
Supplier Refunds Received During Three Month Period		\$ (18)
Jurisdictional Share of Refunds Received		\$ (18)
Reconciliation Adjustments Ordered During Quarter BA over 12 Months		\$ -
Total Jurisdictional Refund and Reconciliation Adjustment		\$ (18)
Interest Factor		1.0550
Refunds and Reconciliation Adjustment Including Interest		\$ (19)
Jurisdictional Sales Twelve Months Ending 06/30/2006	MCF	438,314
Current Supplier Refund and Reconciliation Adjustment	\$/MCF	\$ (0.0000)

Details of Refunds/Adjustments Received/Ordered During the Three Months Ended 06/30/2006.
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Particulars (Specify)	Amount (\$)
<u>Supplier Refunds Received During Quarter</u>	See Sch. II-1
	\$ -
	\$ -
Total Supplier Refunds	\$ -
<u>Reconciliation Adjustments Ordered During Quarter</u>	
	\$ -
	\$ -
Total Supplier Refunds	\$ -

**PIKE NATURAL GAS COMPANY - HILLSBORO DIVISION
PURCHASED GAS ADJUSTMENT
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT
DETAILS OF SUPPLIER REFUNDS**

Details for the Three Months Ended June 30, 2006.

MM-YY	Amount
Apr-06	\$ -
May-06	\$ -
Jun-06	\$ -
Total	<u><u>\$ -</u></u>

**PIKE NATURAL GAS COMPANY - HILLSBORO DIVISION
PURCHASED GAS ADJUSTMENT
ACTUAL ADJUSTMENT**

Details for the Three Months Ended June 30, 2006.

Particulars	Unit	Month Apr-06	Month May-06	Month Jun-06
<u>Supply Volume Per Books</u>				
Primary Supplies	MCF	25,680	13,233	6,249
Local Production	MCF	-	-	-
Special Production	MCF	-	-	-
Other Volumes - Specify				
Storage (Net) = (In) Out	MCF	-	-	-
Storage Adjustment	MCF	-	-	-
Total Supply Volumes	MCF	<u>25,680</u>	<u>13,233</u>	<u>6,249</u>
<u>Supply Costs Per Books</u>				
Primary Supplies	\$	\$ 240,164	\$ 123,147	\$ 49,583
Local Production	\$	-	-	-
Take or Pay	\$	-	-	-
Allocated to S.C. @ 9.79%	\$	-	-	-
Storage Costs	\$	-	-	-
Storage Adjustment	\$	-	-	-
	\$	-	-	-
	\$	-	-	-
Total Supply Costs	\$	<u>\$ 240,164</u>	<u>\$ 123,147</u>	<u>\$ 49,583</u>
<u>Sales Volumes</u>				
Jurisdictional	MCF	49,566	17,036	13,247
Non-Jurisdictional	MCF	-	-	-
Other Volumes (Specify)	MCF	-	-	-
Total Sales Volumes	MCF	<u>49,566</u>	<u>17,036</u>	<u>13,247</u>
<u>Unit Book Cost of Gas</u>				
(Supply \$ / Sales MCF)	\$/MCF	\$ 4.8453	\$ 7.2286	\$ 3.7430
Less: EGC In Effect for Month	\$/MCF	\$ 8.3945	\$ 8.7406	\$ 8.4306
Difference	\$/MCF	\$ (3.5492)	\$ (1.5120)	\$ (4.6876)
Times: Jurisdictional Sales	MCF	49,566	17,036	13,247
Monthly Cost Difference	\$	<u>\$ (175,920)</u>	<u>\$ (25,758)</u>	<u>\$ (62,097)</u>
Other Credits	\$	\$ -	\$ -	\$ -
Balance Adjustment (Sch. IV)	\$	\$ -	\$ -	\$ -
<u>Summary</u>				
Cost Difference for Three Month Period			\$	\$ (263,775)
Twelve Month Jurisdictional Sales Ended 06/30/2006			MCF	438,314
Current Quarter Actual Adjustment			\$/MCF	<u>\$ (0.6018)</u>

**PIKE NATURAL GAS COMPANY - HILLSBORO DIVISION
PURCHASED GAS ADJUSTMENT
BALANCE ADJUSTMENT**

Details for the Three Months Ended June 30, 2006

Particulars	Amount
<u>Balance Adjustment for the AA</u>	
Cost: Difference between book and effective EGC as used to compute AA of the GCR in effect four quarters prior to the current effective GCR	\$ -
Less: Dollar amount resulting from the AA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the current effective GCR times the jurisdictional sales of _____ Mcf for the period between the effective date of the GCR rate in effect approximately one year prior to the current rate.	\$ -
Balance Adjustment for the AA	<u>\$ -</u>
<u>Balance Adjustment for the RA</u>	
Costs: Dollar amount of supplier and Commission ordered reconciliation adjustments as used to compute RA of the GCR in effect four quarters prior to the currently effective GCR	\$ -
Less: Dollar amount resulting from the unit rate for supplier refunds and reconciliation adjustments of _____ \$/Mcf as used to compute RA of the GCR in effect four quarters prior to the currently effective GCR times the jurisdictional sales of _____ Mcf for the period between the effective date of the current GCR rate and the effective date of the GCR rate in effect approximately one year prior to the current rate.	\$ -
Balance Adjustment for the RA	<u>\$ -</u>
<u>Balance Adjustment for the BA</u>	
Costs: Dollar amount of balance adjustment as used to compute BA of the GCR in effect one quarter prior to the currently effective GCR.	\$ -
Less: Dollar amount resulting from the BA of _____ \$/Mcf as used to compute the GCR in effect one quarter prior to the currently effective GCR times the jurisdictional sales of _____ Mcf for the period between the effective date of the current GCR rate and effective date of the GCR rate in effect immediately prior to the current rate.	\$ -
Balance Adjustment for the BA	<u>\$ -</u>
Total Balance Adjustment	<u><u>\$ -</u></u>

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

PARTICULARS	UNIT	AMOUNT
Expected Gas Cost (EGC)	\$/MCF	\$ 9.4400
Supplier Refund and Reconciliation Adjustment (RA)	\$/MCF	\$ -
Actual Adjustment (AA)	\$/MCF	\$ 1.2411
Gas Cost Recovery Rate (GCR) = EGC + RA + AA	\$/MCF	\$ 10.6811

Gas Cost Recovery Rate Effective Dates: December 1, 2006 to December 31, 2006.

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
Primary Gas Suppliers Expected Gas Cost	\$	\$ 3,463,545
Utility Production Expected Gas Cost	\$	\$ -
Includable Propane Expected Gas costs	\$	\$ -
Total Annual Expected Gas Costs	\$	\$ 3,463,545
Total Annual Sales	MCF	366,901
Expected Gas Costs (EGC) Rate	\$/MCF	\$ 9.4400

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	\$ -
Third Previous Quarter Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ -
Supplier Refund & Reconciliation Adjustment (RA)	\$/MCF	\$ -

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
Current Quarterly Actual Adjustment	\$/MCF	\$ (0.3343)
Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ (1.0591)
Second Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ 2.6345
Third Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ -
Actual Adjustment (AA)	\$/MCF	\$ 1.2411

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 30, 2006

BY: Brian Jonard
TITLE: President

**PIKE NATURAL GAS COMPANY - WAVERLY DIVISION
PURCHASED GAS ADJUSTMENT
EXPECTED GAS COST RATE CALCULATION**

Details for the EGC Rate In Effect As of December 1, 2006
Volume for the Twelve Month Period Ended June 30, 2006.

Supplier Name	Expected Gas Cost Amount (\$)			
	Demand	Commodity	Misc.	Total
<u>Primary Gas Suppliers:</u>				
(A) Interstate Pipeline Suppliers (Sch 1-A)	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -
Total Interstate Pipeline Suppliers	\$ -	\$ -	\$ -	\$ -
(B) Synthetic (Sch 1-A)	\$ -		\$ -	\$ -
(C) Other Gas Companies (Sch 1-B)	\$ -	\$ 3,463,545	\$ -	\$ 3,463,545
(D) Ohio Producers (Sch 1-B)	\$ -	\$ -	\$ -	\$ -
(E) Self Help Arrangements (Sch 1-B)	\$ -	\$ -	\$ -	\$ -
(F) Special Purchases (Sch 1 -B)	\$ -	\$ -	\$ -	\$ -
Total Primary Gas Suppliers	\$ -	\$ 3,463,545	\$ -	\$ 3,463,545
<u>Utility Production</u>				
Total Utility Production (Attach Details)				\$ -
<u>Includable Propane</u>				
(A) Peak Shaving (Attach Details)				\$ -
(B) Volumetric (Attach Detail)				\$ -
Total Includable Propane				\$ -
Total Expected Gas Cost Amount				\$ 3,463,545

**PIKE NATURAL GAS COMPANY - WAVERLY DIVISION
PURCHASED GAS ADJUSTMENT
OTHER PRIMARY SUPPLIERS**

Details for the EGC Rate In Effect As of December 1, 2006
Volume for the Twelve Month Period Ended June 30, 2006.

Supplier Name	Unit Rate (\$/MCF)	Twelve Month Volume (MCF)	Expected Gas Cost Amount (\$)
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Other Gas Companies:

Atmos Energy Marketing	\$ 9.4400	366,901	\$ 3,463,545
	\$ -	-	
	\$ -	-	
Total Other Gas Companies			<u><u>\$ 3,463,545</u></u>

Ohio Producers

	\$ -	-	\$ -
	\$ -	-	
	\$ -	-	
Total Other Gas Companies			<u><u>\$ -</u></u>

Self-Help Arrangement

	\$ -	-	\$ -
	\$ -	-	
	\$ -	-	
Total Self-Help Arrangement			<u><u>\$ -</u></u>

Special Purchases

Various Sources Price	\$ -	-	\$ -
Includes Transportation	\$ -	-	
	\$ -	-	
Total Other Gas Companies			<u><u>\$ -</u></u>

**PIKE NATURAL GAS COMPANY - WAVERLY DIVISION
PURCHASED GAS ADJUSTMENT
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT**

Details for the Three Months Ended June 30, 2006.

Particulars	Unit	Amount
Jurisdictional Sales for the Twelve Months Ended 06/30/2006	MCF	363,928
Total Sales: Twelve Months Ended 06/30/2006	MCF	363,928
Ratio Jurisdictional Sales to Total Sales	Ratio	1:1
Supplier Refunds Received During Three Month Period		\$ -
Jurisdictional Share of Refunds Received		\$ -
Reconciliation Adjustments Ordered During Quarter BA over 12 Months		\$ -
Total Jurisdictional Refund and Reconciliation Adjustment		\$ -
Interest Factor		1.0550
Refunds and Reconciliation Adjustment Including Interest		\$ -
Jurisdictional Sales Twelve Months Ending 06/30/2006	MCF	363,928
Current Supplier Refund and Reconciliation Adjustment	\$/MCF	\$ -

Details of Refunds/Adjustments Received/Ordered During the Three Months Ended 06/30/2006

Particulars (Specify)	Amount (\$)
<u>Supplier Refunds Received During Quarter</u>	See Sch. II-1
	\$ -
	\$ -
Total Supplier Refunds	\$ -
<u>Reconciliation Adjustments Ordered During Quarter</u>	
	\$ -
	\$ -
Total Supplier Refunds	\$ -

**PIKE NATURAL GAS COMPANY - WAVERLY DIVISION
 PURCHASED GAS ADJUSTMENT
 SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT
 DETAILS OF SUPPLIER REFUNDS**

Details for the Three Months Ended June 30, 2006

MM-YY	Amount
Apr-06	\$ -
May-06	\$ -
Jun-06	\$ -
Total	<u>\$ -</u>

PIKE NATURAL GAS COMPANY - WAVERLY DIVISION
PURCHASED GAS ADJUSTMENT
ACTUAL ADJUSTMENT

Details for the Three Months Ended June 30, 2006.

Particulars	Unit	Month Apr-06	Month May-06	Month Jun-06
<u>Supply Volume Per Books</u>				
Primary Supplies	MCF	21,026	22,313	7,714
Local Production	MCF	-	-	-
Special Production	MCF	-	-	-
Other Volumes - Specify				
Storage (Net) = (In) Out	MCF	-	-	-
Storage Adjustment	MCF	-	-	-
Total Supply Volumes	MCF	21,026	22,313	7,714
<u>Supply Costs Per Books</u>				
Primary Supplies	\$	\$ 197,512	\$ 208,746	\$ 61,510
Local Production	\$	-	-	-
Take or Pay	\$	-	-	-
Allocated to S.C. @ 9.79%	\$	-	-	-
Storage Costs	\$	-	-	-
Storage Adjustment	\$	-	-	-
Nov. 05 Local Production Filed	\$	-	-	-
Nov. 05 Local Production Actual	\$	-	-	-
Total Supply Costs	\$	\$ 197,512	\$ 208,746	\$ 61,510
<u>Sales Volumes</u>				
Jurisdictional	MCF	40,399	15,333	13,264
Non-Jurisdictional	MCF	-	-	-
Other Volumes (Specify)	MCF	-	-	-
Total Sales Volumes	MCF	40,399	15,333	13,264
<u>Unit Book Cost of Gas</u>				
(Supply \$ / Sales MCF)	\$/MCF	\$ 4.8890	\$ 13.6141	\$ 4.6374
Less: EGC In Effect for Month	\$/MCF	\$ 8.5074	\$ 8.6259	\$ 8.5541
Difference	\$/MCF	\$ (3.6184)	\$ 4.9882	\$ (3.9167)
Times: Jurisdictional Sales	MCF	40,399	15,333	13,264
Monthly Cost Difference	\$	\$ (146,180)	\$ 76,484	\$ (51,951)
Other Credits	\$	\$ -	\$ -	\$ -
Balance Adjustment (Sch. IV)	\$	\$ -	\$ -	\$ -
<u>Summary</u>				
Particulars	Unit	Amount		
Cost Difference for Three Month Period	\$	\$ (121,647)		
Twelve Month Jurisdictional Sales Ended 06/30/2006	MCF	363,928		
Current Quarter Actual Adjustment	\$/MCF	\$ (0.3343)		

**PIKE NATURAL GAS COMPANY - WAVERLY DIVISION
PURCHASED GAS ADJUSTMENT
BALANCE ADJUSTMENT**

Details for the Three Months Ended June 30, 2006

Particulars	Amount
<u>Balance Adjustment for the AA</u>	
Cost: Difference between book and effective EGC as used to compute AA of the GCR in effect four quarters prior to the current effective GCR	\$ -
Less: Dollar amount resulting from the AA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the current effective GCR times the jurisdictional sales of _____ Mcf for the period between the effective date of the GCR rate in effect approximately one year prior to the current rate.	\$ -
Balance Adjustment for the AA	<u>\$ -</u>
<u>Balance Adjustment for the RA</u>	
Costs: Dollar amount of supplier and Commission ordered reconciliation adjustments as used to compute RA of the GCR in effect four quarters prior to the currently effective GCR	\$ -
Less: Dollar amount resulting from the unit rate for supplier refunds and reconciliation adjustments of _____ \$/Mcf as used to compute RA of the GCR in effect four quarters prior to the currently effective GCR times the jurisdictional sales of _____ Mcf for the period between the effective date of the current GCR rate and the effective date of the GCR rate in effect approximately one year prior to the current rate.	\$ -
Balance Adjustment for the RA	<u>\$ -</u>
<u>Balance Adjustment for the BA</u>	
Costs: Dollar amount of balance adjustment as used to compute BA of the GCR in effect one quarter prior to the currently effective GCR.	\$ -
Less: Dollar amount resulting from the BA of _____ \$/Mcf as used to compute the GCR in effect one quarter prior to the currently effective GCR times the jurisdictional sales of _____ Mcf for the period between the effective date of the current GCR rate and effective date of the GCR rate in effect immediately prior to the current rate.	\$ -
Balance Adjustment for the BA	<u>\$ -</u>
Total Balance Adjustment	<u><u>\$ -</u></u>