

FILE

June 30, 2008

Ms. Renee Jenkins
Secretary
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43266-0573

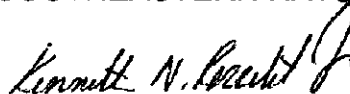
RE: Case Nos. 08-215-GA-GCR and 89-8025-GA-TRF

Dear Secretary Jenkins;

Southeastern Natural Gas Company ("Southeastern") herein submits the following:

1. For filing in Case No. 89-8025-GA-TRF, an original plus one (1) copy of its GCR tariff sheet effective for billing purposes on July 1, 2008, in compliance with amendments to Rule 4901:1-14, O.A.C.. The enclosed tariff, Thirty-Seventh Revised Sheet Number 25A supersedes existing tariff Thirty-Sixth Revised Sheet 25A, which is hereby withdrawn.
2. For filing in Case No. 08-215-GA-GCR, an original plus ten (10) copies of the GCR calculation for the GCR to be effective for billing purposes July 1, 2008.

Very truly yours
SOUTHEASTERN NATURAL GAS



Kenneth N. Rosselet, Jr.
Regulatory Compliance Officer

This is to certify that the images appearing are an accurate and complete reproduction of a case file document delivered in the regular course of business.
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6. 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).

Effective Rate from July 1, 2008 through July 31, 2008
\$ 1.38539 per Ccf

Issued: June 30, 2008

Effective: July 1, 2008

Filed Under Authority of Case No. 08-0215-GA-GCR
Issued by the Public Utilities Commission of Ohio

Issued by Brian R. Jonard, President

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

| PARTICULARS | UNIT | AMOUNT |
|--|-------------|---------------|
| Expected Gas Cost (EGC) | \$/MCF | \$ 14.2244 |
| Supplier Refund and Reconciliation Adjustment (RA) | \$/MCF | \$ 0.1210 |
| Actual Adjustment (AA) | \$/MCF | \$ (0.4915) |
| Gas Cost Recovery Rate (GCR) = EGC + RA + AA | \$/MCF | \$ 13.8539 |

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 | \$ | \$ 1,666,787 |
| Utility Production Expected Gas Cost | \$ | \$ - |
| Includable Propane Expected Gas costs | \$ | \$ - |
| Total Annual Expected Gas Costs | \$ | \$ 1,666,787 |
| Total Annual Sales | MCF | 117,178 |
| Expected Gas Costs (EGC) Rate | \$/MCF | \$ 14.2244 |

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

| PARTICULARS | UNIT | AMOUNT |
|---|-------------|---------------|
| Current Quarterly Supplier Refund & Reconciliation Adjustment | \$/MCF | \$ - |
| Previous Quarterly Supplier Refund & Reconciliation Adjustment | \$/MCF | \$ 0.1210 |
| Second Previous Quarter Supplier Refund & Reconciliation Adjustment | \$/MCF | \$ - |
| Third Previous Quarter Supplier Refund & Reconciliation Adjustment | \$/MCF | \$ - |
| Supplier Refund & Reconciliation Adjustment (RA) | \$/MCF | \$ 0.1210 |

ACTUAL ADJUSTMENT SUMMARY CALCULATION

| PARTICULARS | UNIT | AMOUNT |
|--|-------------|---------------|
| Current Quarterly Actual Adjustment | \$/MCF | \$ (0.1948) |
| Previous Quarterly Reported Actual Adjustment | \$/MCF | \$ (0.2835) |
| Second Previous Quarterly Reported Actual Adjustment | \$/MCF | \$ 0.0026 |
| Third Previous Quarterly Reported Actual Adjustment | \$/MCF | \$ (0.0158) |
| Actual Adjustment (AA) | \$/MCF | \$ (0.4915) |

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

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

Details for the EGC Rate In Effect As of July 1, 2008
Volume for the Twelve Month Period Ended May 31, 2008

| Supplier Name | Expected Gas Cost Amount (\$) | | | |
|---|-------------------------------|--------------|-------|--------------|
| | Demand | Commodity | Misc. | Total |
| Primary Gas Suppliers: | | | | |
| (A) Interstate Pipeline Suppliers (Sch 1-A) | \$ - | \$ - | \$ - | \$ - |
| | \$ - | \$ - | \$ - | \$ - |
| | \$ - | \$ - | \$ - | \$ - |
| Total Interstate Pipeline Suppliers | \$ - | \$ - | \$ - | \$ - |
| (B) Synthetic (Sch 1-A) | \$ - | | \$ - | \$ - |
| (C) Other Gas Companies (Sch 1-B) | \$ - | \$ 1,666,787 | \$ - | \$ 1,666,787 |
| (D) Ohio Producers (Sch 1-B) | \$ - | \$ - | \$ - | \$ - |
| (E) Self Help Arrangements (Sch 1-B) | \$ - | \$ - | \$ - | \$ - |
| (F) Special Purchases (Sch 1 -B) | \$ - | \$ - | \$ - | \$ - |
| Total Primary Gas Suppliers | \$ - | \$ 1,666,787 | \$ - | \$ 1,666,787 |
| Utility Production | | | | |
| Total Utility Production (Attach Details) | | | | \$ - |
| Includable Propane | | | | |
| (A) Peak Shaving (Attach Details) | | | | \$ - |
| (B) Volumetric (Attach Detail) | | | | \$ - |
| Total Includable Propane | | | | \$ - |
| Total Expected Gas Cost Amount | | | | \$ 1,666,787 |

**SOUTHEASTERN NATURAL GAS COMPANY
PURCHASED GAS ADJUSTMENT
OTHER PRIMARY SUPPLIERS**

Details for the EGC Rate In Effect As of July 1, 2008
Volume for the Twelve Month Period Ended May 31, 2008

| Supplier Name | Unit Rate (\$/MCF) | Twelve Month Volume (MCF) | Expected Gas Cost Amount (\$) |
|---------------|--------------------------|------------------------------------|--|
|---------------|--------------------------|------------------------------------|--|

Other Gas Companies:

| | | | |
|---------------------------|------------|---------|---------------------|
| M & B Services | \$ 14.2244 | 117,178 | \$ 1,666,787 |
| | \$ - | - | |
| | \$ - | - | |
| Total Other Gas Companies | | | <u>\$ 1,666,787</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> |

**SOUTHEASTERN NATURAL GAS COMPANY
PURCHASED GAS ADJUSTMENT
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT**

Details for the Three Months Ended March 31, 2008

| Particulars | Unit | Amount |
|---|--------|---------|
| Jurisdictional Sales for the Twelve Months Ended 03/31/2008 | MCF | 120,507 |
| Total Sales: Twelve Months Ended 03/31/2008 | MCF | 120,507 |
| 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 03/31/2008 | MCF | 120,507 |
| Current Supplier Refund and Reconciliation Adjustment | \$/MCF | \$ - |

**Details of Refunds/Adjustments
Received/Ordered During the Three Months Ended 03/31/2008**

| 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 Reconciliation Adjustments Ordered | \$ - |

**SOUTHEASTERN NATURAL GAS COMPANY
PURCHASED GAS ADJUSTMENT
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT
DETAILS OF SUPPLIER REFUNDS**

Details for the Three Months Ended March 31, 2008

| MM-YY | Amount |
|--------------|---------------|
| Jan-08 | \$ - |
| Feb-08 | \$ - |
| Mar-08 | \$ - |
| Total | \$ - |

**SOUTHEASTERN NATURAL GAS COMPANY
PURCHASED GAS ADJUSTMENT
ACTUAL ADJUSTMENT**

Details for the Three Months Ended March 31, 2008

| Particulars | Unit | Month Jan-08 | Month Feb-08 | Month Mar-08 |
|--|--------|-----------------|-----------------|-----------------|
| <u>Supply Volume Per Books</u> | | | | |
| Primary Supplies | MCF | 25,512 | 22,809 | 19,431 |
| Local Production | MCF | - | - | - |
| Special Production | MCF | - | - | - |
| Other Volumes - Specify | | | | |
| Storage (Net) = (In) Out | MCF | - | - | - |
| Storage Adjustment | MCF | - | - | - |
| Total Supply Volumes | MCF | 25,512 | 22,809 | 19,431 |
| <u>Supply Costs Per Books</u> | | | | |
| Primary Supplies | \$ | 236,966 | 232,111 | 217,312 |
| Local Production | \$ | - | - | - |
| Take or Pay | \$ | - | - | - |
| Allocated to S.C. @ 9.79% | \$ | - | - | - |
| Storage Costs | \$ | - | - | - |
| Storage Adjustment | \$ | - | - | - |
| Total Supply Costs | \$ | \$ 236,966 | \$ 232,111 | \$ 217,312 |
| <u>Sales Volumes</u> | | | | |
| Jurisdictional | MCF | 26,287 | 23,553 | 19,990 |
| Non-Jurisdictional | MCF | - | - | - |
| Other Volumes (Specify) | MCF | - | - | - |
| Total Sales Volumes | MCF | 26,287 | 23,553 | 19,990 |
| <u>Unit Book Cost of Gas</u> | | | | |
| (Supply \$ / Sales MCF) | \$/MCF | \$ 9.0146 | \$ 9.8548 | \$ 10.8710 |
| Less: EGC in Effect for Month | \$/MCF | \$ 9.9000 | \$ 10.9500 | \$ 11.0400 |
| Difference | \$/MCF | \$ (0.8854) | \$ (1.0952) | \$ (0.1690) |
| Times: Jurisdictional Sales | MCF | 15,614 | 8,873 | 2,479 |
| Monthly Cost Difference | \$ | \$ (13,825) | \$ (9,718) | \$ (419) |
| Other Credits (See Schs. III-A and III-B) | \$ | \$ - | \$ - | \$ - |
| | | | | |
| Particulars | Unit | Amount | | |
| Cost Difference for Three Month Period | | \$ | \$ | (23,962) |
| Balance Adjustment (See Sch. IV) | | | | 482 |
| Total | | | \$ | (23,480) |
| Twelve Month Jurisdictional Sales Ended 03/31/08 | MCF | | | 120,507 |
| Current Quarter Actual Adjustment | \$/MCF | | \$ | (0.1948) |

**SOUTHEASTERN NATURAL GAS COMPANY
PURCHASED GAS ADJUSTMENT
BALANCE ADJUSTMENT**

Details for the Three Months Ended March 31, 2008

| 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 | \$ (10,014) |
| Less: Dollar amount resulting from the AA of (\$0.0871) \$/Mcf as used to compute the GCR in effect four quarters prior to the current effective GCR times the jurisdictional sales of 120,507 Mcf for the period between the effective date of the GCR rate in effect approximately one year prior to the current rate. | \$ (10,496) |
| Balance Adjustment for the AA | <u>\$ 482</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>\$ 482</u></u> |