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July 28, 2008

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PUCO

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

**RE: Case Nos. 08-207-GA-GCR and 89-8007-GA-TRF**

Dear Secretary Jenkins;

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

1. For filing in Case No. 89-8007-GA-TRF, an original plus one (1) copy of its GCR tariff sheet effective for billing purposes on August 1, 2008, in compliance with amendments to Rule 4901:1-14, O.A.C.. The enclosed tariff, Thirty-First Revised Sheet Number 30 supersedes existing tariff Thirtieth Revised Sheet 30, which is hereby withdrawn.
2. For filing in Case No. 08-207-GA-GCR, an original plus ten (10) copies of the GCR calculation for the GCR to be effective for billing purposes August 1, 2008.

Very truly yours  
EASTERN 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.  
Technician   Tm   Date Processed   7/28/2008

7. 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).

Rates for natural gas consumption in accordance with PUCO Case No. 01-1523-GA-UNC

Effective rate from August 1, 2008 through August 31, 2008  
\$ 1.32882 per Ccf

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Issued: July 28, 2008

Effective: August 1, 2008

Filed Under Authority of Case No. 08-0207-GA-GCR  
Issued by the Public Utilities Commission of Ohio

Issued by Brian R. Jonard, President

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

| PARTICULARS  | UNIT   | AMOUNT     |
|--|--------|------------|
| Expected Gas Cost (EGC)                            | \$/MCF | \$ 12.2015 |
| Supplier Refund and Reconciliation Adjustment (RA) | \$/MCF | \$ -       |
| Actual Adjustment (AA)                             | \$/MCF | \$ 1.0867  |
| Gas Cost Recovery Rate (GCR) = EGC + RA + AA       | \$/MCF | \$ 13.2882 |

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

**EXPECTED GAS COST SUMMARY CALCULATION**

| PARTICULARS                             | UNIT   | AMOUNT       |
|---|--------|--------------|
| Primary Gas Suppliers Expected Gas Cost | \$     | \$ 9,183,483 |
| Utility Production Expected Gas Cost    | \$     | \$ -         |
| Includable Propane Expected Gas costs   | \$     | \$ -         |
| Total Annual Expected Gas Costs         | \$     | \$ 9,183,483 |
| Total Annual Sales                      | MCF    | 752,652      |
| Expected Gas Costs (EGC) Rate           | \$/MCF | \$ 12.2015   |

**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 | \$ 0.3220   |
| Previous Quarterly Reported Actual Adjustment        | \$/MCF | \$ 0.9574   |
| Second Previous Quarterly Reported Actual Adjustment | \$/MCF | \$ (0.0882) |
| Third Previous Quarterly Reported Actual Adjustment  | \$/MCF | \$ (0.1045) |
| Actual Adjustment (AA)                               | \$/MCF | \$ 1.0867   |

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: July 28, 2008

BY: Brian Jonard  
TITLE: President

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

Details for the EGC Rate In Effect As of August 1, 2008  
Volumes for the Twelve Month Period Ended June 30, 2008.

| 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)           | \$ -                          | \$ 8,441,034 | \$ -  | \$ 8,441,034 |
| (D) Ohio Producers (Sch. 1-B)                | \$ -                          | \$ 742,449   | \$ -  | \$ 742,449   |
| (E) Self Help Arrangements (Sch. 1-B)        | \$ -                          | \$ -         | \$ -  | \$ -         |
| (F) Special Purchases (Sch. 1 -B)            | \$ -                          | \$ -         | \$ -  | \$ -         |
| Total Primary Gas Suppliers                  | \$ -                          | \$ 9,183,483 | \$ -  | \$ 9,183,483 |
| <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               |                               |              |       | \$ 9,183,483 |

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

Details for the EGC Rate In Effect As of August 1, 2008  
Volumes for the Twelve Month Period Ended June 30, 2008.

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

Other Gas Companies:

|                                  |            |         |                     |
|----------------------------------|------------|---------|---------------------|
| Atmos Energy Marketing           | \$ 12.2015 | 691,803 | \$ 8,441,034        |
|                                  | \$ -       | -       |                     |
|                                  | \$ -       | -       |                     |
| <b>Total Other Gas Companies</b> |            |         | <b>\$ 8,441,034</b> |

Ohio Producers

|                                  |            |        |                   |
|----------------------------------|------------|--------|-------------------|
| East Ohio Gas                    | \$ 12.2015 | 60,849 | \$ 742,449        |
|                                  | \$ -       | -      |                   |
|                                  | \$ -       | -      |                   |
| <b>Total Other Gas Companies</b> |            |        | <b>\$ 742,449</b> |

Self-Help Arrangement

|                                    |      |   |             |
|------------------------------------|------|---|-------------|
|                                    | \$ - | - | \$ -        |
|                                    | \$ - | - |             |
|                                    | \$ - | - |             |
| <b>Total Self-Help Arrangement</b> |      |   | <b>\$ -</b> |

Special Purchases

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

**EASTERN 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    | 749,799 |
| Total Sales: Twelve Months Ended 03/31/2008                         | MCF    | 749,799 |
| 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    | 749,799 |
| Current Supplier Refund and Reconciliation Adjustment               | \$/MCF | \$ -    |

|   |
|---|
| <b>Details of Refunds/Adjustments<br/>Received/Ordered During the Three Months Ended 03/31/2008</b> |
|---|

| 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                 | \$ -          |

**EASTERN 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  | \$ -   |

**EASTERN NATURAL GAS COMPANY  
PURCHASED GAS ADJUSTMENT  
ACTUAL ADJUSTMENT**

Details for the Three Months Ended March 31, 2008

| Particulars  | Unit   | Month<br>Jan-08     | Month<br>Feb-08     | Month<br>Mar-08     |
|--|--------|---------------------|---------------------|---------------------|
| <b><u>Supply Volume Per Books</u></b>              |        |                     |                     |                     |
| Primary Supplies                                   | MCF    | 130,015             | 133,023             | 105,229             |
| Local Production                                   | MCF    | 4,671               | 2,748               | 6,005               |
| Special Production                                 | MCF    | -                   | -                   | -                   |
| Other Volumes - Specify                            |        |                     |                     |                     |
| Storage (Net) = (In) Out                           | MCF    | -                   | -                   | -                   |
| Storage Adjustment                                 | MCF    | -                   | -                   | -                   |
| Total Supply Volumes                               | MCF    | <u>134,686</u>      | <u>135,771</u>      | <u>111,234</u>      |
| <b><u>Supply Costs Per Books</u></b>               |        |                     |                     |                     |
| Primary Supplies                                   | \$     | \$ 1,345,351        | \$ 1,495,434        | \$ 1,299,554        |
| Local Production                                   | \$     | 41,858              | 27,111              | 65,375              |
| Take or Pay  | \$     | -                   | -                   | -                   |
| Allocated to S.C. @ 9.79%                          | \$     | -                   | -                   | -                   |
| Storage Costs                                      | \$     | -                   | -                   | -                   |
| Storage Adjustment                                 | \$     | -                   | -                   | -                   |
| Total Supply Costs                                 | \$     | <u>\$ 1,387,209</u> | <u>\$ 1,522,545</u> | <u>\$ 1,364,929</u> |
| <b><u>Sales Volumes</u></b>                        |        |                     |                     |                     |
| Jurisdictional                                     | MCF    | 120,242             | 139,092             | 132,766             |
| Non-Jurisdictional                                 | MCF    | -                   | -                   | -                   |
| Other Volumes (Specify)                            | MCF    | -                   | -                   | -                   |
| Total Sales Volumes                                | MCF    | <u>120,242</u>      | <u>139,092</u>      | <u>132,766</u>      |
| <b><u>Unit Book Cost of Gas</u></b>                |        |                     |                     |                     |
| (Supply \$ / Sales MCF)                            | \$/MCF | \$ 11.5368          | \$ 10.9463          | \$ 10.2807          |
| Less: EGC In Effect for Month                      | \$/MCF | \$ 9.8100           | \$ 10.4700          | \$ 10.5600          |
| Difference   | \$/MCF | <u>\$ 1.7268</u>    | <u>\$ 0.4763</u>    | <u>\$ (0.2793)</u>  |
| Times: Jurisdictional Sales                        | MCF    | <u>120,242</u>      | <u>139,092</u>      | <u>132,766</u>      |
| Monthly Cost Difference                            | \$     | <u>\$ 207,634</u>   | <u>\$ 66,250</u>    | <u>\$ (37,082)</u>  |
| Other Credits                                      | \$     | \$ -                | \$ -                | \$ -                |
| <b><u>Summary</u></b>                              |        |                     |                     |                     |
| Particulars  | Unit   | Amount              |                     |                     |
| Cost Difference for Three Month Period             | \$     | \$ 236,802          |                     |                     |
| Balance Adjustment (Sch. IV)                       |        | 4,630               |                     |                     |
| Total  |        | <u>\$ 241,432</u>   |                     |                     |
| Twelve Month Jurisdictional Sales Ended 03/31/2008 | MCF    | 749,799             |                     |                     |
| Current Quarter Actual Adjustment                  | \$/MCF | <u>\$ 0.3220</u>    |                     |                     |

**EASTERN NATURAL GAS COMPANY  
PURCHASED GAS ADJUSTMENT  
BALANCE ADJUSTMENT**

Details for the Three Months Ended March 31, 2008

| Particulars   | Amount          |
|---|-----------------|
| <b><u>Balance Adjustment for the AA</u></b>   |                 |
| 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   | \$ 597,897      |
| Less: Dollar amount resulting from the AA of <b>\$0.7919</b> \$/Mcf as used to compute the GCR in effect four quarters prior to the current effective GCR times the jurisdictional sales of <b>749,169</b> Mcf for the period between the effective date of the GCR rate in effect approximately one year prior to the current rate.  | \$ 593,267      |
| Balance Adjustment for the AA   | <u>\$ 4,630</u> |
| <b><u>Balance Adjustment for the RA</u></b>   |                 |
| 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>     |
| <b><u>Balance Adjustment for the BA</u></b>   |                 |
| 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>\$ 4,630</u> |