

FILE

**PURCHASED GAS ADJUSTMENT
SUBURBAN NATURAL GAS COMPANY**

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GAS COST RECOVERY RATE CALCULATION

Particulars	Unit	Amount
EXPECTED GAS COST (EGC)	\$/MCF	12.8363
SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT (RA)	\$/MCF	0.0000
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.0530)
BALANCE ADJUSTMENT (BA)	\$/MCF	
GAS COST RECOVERY RATE (GCR) = EGC+RA+AA+BA	\$/MCF	12.7833

GAS COST RECOVERY RATE EFFECTIVE DATES:

December 1, 2008-February 28,2009

EXPECTED GAS COST SUMMARY CALCULATION

Particulars	Unit	Amount
PRIMARY GAS SUPPLIERS EXPECTED GAS COST	\$	22,322,690.07
UTILITY PRODUCTION EXPECTED GAS COST	\$	0.00
TOTAL ANNUAL SALES	MCF	1,739,030
EXPECTED GAS COST RATE (EGC)	\$/MCF	12.8363

SUPPLIER REFUND & RECONCILIATION ADJUSTMENT SUMMARY CALCULATION

Particulars	Unit	Amount
CURRENT QTRLY SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.0000
PREVIOUS QTRLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJ.	\$/MCF	0.0000
2ND PREVIOUS QTRLY REPORTED SUPPLIER REFUND & RECONCILIATION ADJ.	\$/MCF	0.0000
3RD PREVIOUS QTRLY REPORTED 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	0.2405
PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.7468)
2ND PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	(0.3024)
3RD PREVIOUS QUARTERLY REPORTED ACTUAL ADJUSTMENT	\$/MCF	0.7557
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.0530)

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PURCHASED GAS ADJUSTMENT
SUBURBAN NATURAL GAS COMPANY

EXPECTED GAS COST RATE CALCULATION

Details for the EGC Rate in effect as of:
 Volume for the Twelve Month Period ending:

Dec 1, 2008
 Aug 31, 2008

Supplier Name	Demand Expected Gas Cost Amt (\$)	Commodity Expected Gas Cost Amt (\$)	Misc. Expected Gas Cost Amt (\$)	Total Expected Gas Cost Amt (\$)
PRIMARY GAS SUPPLIERS				
(a) INTERSTATE PIPELINE TRANSPORTATION (Schedule I-A)				
Miscellaneous	1,950,284.41	1,252,329.32	0.00	3,202,613.73
(b) INTERSTATE PIPELINE STORAGE (Schedule I-A)				
Miscellaneous	909,644.66	34,920.00	0.00	944,564.66
(d) OTHER GAS (Schedule I-B)				
Companies (Purchase Costs)				18,175,511.68
(e) Ohio Producers (Schedule I-B)				
(f) Self-Help (Schedule I-B)				
Arrangements				
(g) Special (Schedule I-B)				
Purchases				
 TOTAL PRIMARY GAS SUPPLIERS				 \$ 22,322,690.07
 UTILITY PRODUCTION				
 INCLUDABLE PROPANE				
TOTAL EXPECTED GAS COST AMOUNT				\$ 22,322,690.07
TOTAL ANNUAL SALES				
CORE				663,637.7
SCOL				1,075,391.9
				38.1614%
TOTAL EXPECTED GAS COST AMOUNT				
Transportation plus Purchase Costs (CORE & SCOL)				\$ 21,738,584.32
Storage Costs (CORE & SCOL)				360,458.91
 EGC FACTOR				
Transportation plus Purchased Costs (CORE & SCOL)				12.8363
Storage Costs (CORE & SCOL)				
TOTAL EGC FACTOR				12.8363

PURCHASED GAS ADJUSTMENT
SUBURBAN NATURAL GAS COMPANY

PRIMARY GAS SUPPLIER/TRANSPORTER

Details for the EGC Rate in effect as of:
 Volume for the Twelve Month Period ending:

Dec 1, 2008
 Aug 31, 2008

Supplier of Transporter Name:

Tariff Sheet Reference: see attached

Effective Date of Tariff:

Type Gas Purchased: _____ Natural _____ Liquified _____ Synthetic

Unit or Volume: _____ MCF _____ CCF _____ Dth Other

Purchase Source: _____ Interstate _____ Intrastate

Particulars	Unit Rate (\$/Dth)	Twelve Month Units (Dth)	Expected Gas Cost Amount (\$)
INCLUDABLE GAS TRANSPORTER			
DEMAND GULF - FTSI	3.1450	117,588	369,814.26
TCO Demand - winter	5.9690	169,608	1,012,390.15
CROSSROADS	3.3200	36,000	119,520.00
NORTHCOAST	12.4600	36,000	448,560.00
TOTAL DEMAND			1,950,284.41
COMMODITY			
TCO Transportation (Gulf piece)	0.0164	1,830,660	30,022.83
TCO Transportation (Alternate piece)	0.0000	0	0.00
Gulf Transportation	0.0186	1,883,899	35,040.53
Capacity Release Credit - actual from TCO invoice			
Apr			0.00
May			0.00
Jun			0.00
Jul			0.00
Aug			0.00
Sep			0.00
Del-Mar Pipeline (\$110308.83x12)			1,323,705.96
Atmos Energy Credit (\$5,000.00x12)			(60,000.00)
Atmos Energy Credit (\$6,370.00x12)			(76,440.00)
TOTAL COMMODITY			1,252,329.32
MISCELLANEOUS			
Order 191 Billing			0.00
GP94-2			0.00
Bankruptcy Billing			0.00
LNG Conversion			0.00
TOTAL MISCELLANEOUS			0.00
TOTAL EXPECTED GAS COST OF PRIMARY TRANSPORTER			3,202,613.73

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PRIMARY GAS SUPPLIER/TRANSPORTER

Details for the EGC Rate in effect as of:
 Volume for the Twelve Month Period ending:

Dec 1, 2008
 Aug 31, 2008

Supplier of Transporter Name:

Tariff Sheet Reference:

Effective Date of Tariff:

Type Gas Purchased: ☐ Natural ☐ Liquified ☐ Synthetic

Unit or Volume: ☐ MCF ☐ CCF ☐ Dth Other

Purchase Source: ☐ Interstate ☐ Intrastate

Particulars	Unit Rate (\$/Dth)	Twelve Month Units (Dth)	Expected Gas Cost Amount (\$)
INCLUDABLE GAS STORAGE			
DEMAND			
SST RESERVATION			
Oct - Mar	5.7990	61,308	355,525.09
Apr -Sep	5.7990	30,648	<u>177,727.75</u>
TOTAL DEMAND			533,252.84
COMMODITY			
FSS - Injections	0.0195	450,000	8,775.00
FSS - Withdrawals	0.0195	450,000	8,775.00
Capacity Charge - Injections	0.0193	450,000	8,685.00
Capacity Charge - Withdrawals	0.0193	450,000	<u>8,685.00</u>
TOTAL COMMODITY			34,920.00
FSS Demand	0.0290	6,607,848	191,627.59
FSS Demand	1.5070	122,604	184,764.23

TOTAL MISCELLANEOUS 0.00

TOTAL EXPECTED GAS COST OF PRIMARY SOURCE 944,564.66

PURCHASED GAS ADJUSTMENT
SUBURBAN NATURAL GAS COMPANY

OTHER PRIMARY GAS SUPPLIER

Details for the EGC Rate in effect as of:
Volume for the Twelve Month Period ending:

Dec 1, 2008
Aug 31, 2008

Supplier Name	Unit Rate (\$/Dth)	Twelve Month Volume (Dth)	Expected Gas Cost Amount (\$)
OTHER GAS COMPANIES			
Purchase Cost:			
TGC piece	0.0000	0	0.00
Gulf piece	9.4400	1,925,372	18,175,511.68
on shore	0.0000	0	0.00
TOTAL OTHER GAS COMPANIES			18,175,511.68
OHIO PRODUCERS			0.00
SELF-HELP ARRANGEMENT			0.00
TOTAL SELF-HELP ARRANGEMENT			0.00
SPECIAL PURCHASES			0.00

**PURCHASED GAS ADJUSTMENT
SUBURBAN NATURAL GAS COMPANY**

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT

Details for the EGC Rate in effect as of:

Aug 31, 2008

Particulars	Unit	Amount
JURISDICTIONAL SALES: 12 Months Ended: Aug 31, 2008	MCF	1,739,030
TOTAL SALES: 12 Months Ended Aug 31, 2008	MCF	1,739,030
RATIO OF JURISDICTIONAL SALES TO TOTAL SALES	RATIO	1.00
SUPPLIER REFUNDS RECEIVED DURING 3 MONTH PERIOD	\$	0.00
JURISDICTIONAL SHARE OF SUPPLIER REFUNDS RECEIVED	\$	0.00
RECONCILIATION ADJUSTMENTS ORDERED DURING QUARTER	\$	0.00
TOTAL JURISDICTIONAL REFUND & RECONCILIATION ADJUSTMENT	\$	0.00
INTEREST FACTOR		1.0550
REFUNDS & RECONCILIATION ADJUSTMENT INCLUDING INTEREST	\$	0.00
JURISDICTIONAL SALES: 12 Months Ended: Aug 31, 2008	MCF	1,739,030
CURRENT SUPPLIER REFUND & RECONCILIATION ADJUSTMENT	\$/MCF	0.0000

PURCHASED GAS ADJUSTMENT
SUBURBAN NATURAL GAS COMPANY

ACTUAL ADJUSTMENT

Detail for the Three Month Period ending:

Aug 31, 2008

Particulars	Unit	Month Jun 2008	Month Jly2008	Month Aug 2008
SUPPLY VOLUME PER BOOK				
Primary Gas Suppliers	MCF	0.00	0.00	0.00
Utility Production	MCF	0.00	0.00	0.00
Includable Propane	MCF	0.00	0.00	0.00
Other Volumes - Storage	MCF	0.00	0.00	0.00
Other Volumes - UFG	MCF	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL SUPPLY VOLUMES	MCF	0.00	0.00	0.00
SUPPLY COST PER BOOK				
Primary Gas Suppliers	\$	742,442.30	830,592.28	666,659.43
Graminex Credit	\$	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL SUPPLY COST	\$	742,442.30	830,592.28	666,659.43
SALES VOLUME				
Core	MCF	18,724	10,159	12,187
Scol	MCF	39,009	25,903	25,058
Other Volumes	MCF	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL SALES VOLUMES	MCF	57,732	36,061	37,245
UNIT BOOK COST OF GAS	\$/MCF	12.8601	23.0329	17.8994
LESS: EGC IN EFFECT FOR MONTH				
Core	\$/MCF	14.3557	14.3557	14.3557
Scol	\$/MCF	14.3557	14.3557	14.3557
DIFFERENCE				
Core	\$/MCF	(1.4956)	8.6772	3.5437
Scol	\$/MCF	(1.4956)	8.6772	3.5437
TIMES: MONTHLY JURISDICTIONAL SALES				
Core	MCF	18,724	10,159	12,187
Scol	MCF	39,009	25,903	25,058
MONTHLY COST DIFFERENCE				
Core	\$	(28,003.02)	88,147.34	43,187.78
Scol	\$	(58,341.11)	224,762.04	88,796.62
BALANCE ADJUSTMENT (SCHEDULE IV)				59,702.64

Particulars	Unit	Three Month Period
COST DIFFERENCE FOR THREE MONTH PERIOD	\$	418,252.29
DIVIDED BY: Twelve Month Sales Ended:	MCF	1,739,030
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF	0.2405

**PURCHASED GAS ADJUSTMENT
SUBURBAN NATURAL GAS COMPANY**

BALANCE ADJUSTMENT

Details for the Three Month Period ended:

Aug 31, 2008

Particulars	Unit	Amount
Cost difference between book and effective EGC as used to compute AA of the GCR in effect four quarters prior to the currently effective GCR.	\$	(1,980,708.11)
LESS: dollar amount resulting from the AA of <u>(1.1728)</u> \$/MCF as used to compute the GCR in effect four quarters prior to the currently effective GCR times the Jurisdictional Sales of: <u>1,739,030</u> 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.	\$	(2,039,533.91)
Balance Adjustment for the AA	\$	58,825.80
 Dollar amount of the supplier refunds and Commission ordered reconciliation adjustments as used to compute RA of the GCR in effect four quarters prior to the currently effective GCR.	\$	(7,213.21)
LESS: dollar amount resulting from the unit rate for supplier refunds and reconciliation adjustments of <u>(0.0047)</u> \$/MCF as used to compute RA of the GCR in effect four quarters prior to the currently effective GCR times the Jurisdictional Sales of <u>1,721,288</u> 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.	\$	(8,090.05)
Balance Adjustment for the RA	\$	876.84

"The dollar amount of \$(7,213.21) relates to a reconciliation adjustment as used to compute the RA of the GCR in effect for March 2007-February 2008 (Filing #9-Filing #12). The balance adjustment was overlooked in Filing #14, and through inquiry Suburban was advised by the PUCO to true-up the adjustment with Filing #16. Jurisdictional sales of \$1,721,288 relate to the period of March 2007-February 2008."

TOTAL BALANCE ADJUSTMENT AMOUNT

59,702.64