

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, 2010 through July 31, 2010
\$ 0.68306 per Ccf

Issued: June 23, 2010

Effective: July 1, 2010

Filed Under Authority of Case No. 10-0215-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	\$ 7.5620
Supplier Refund and Reconciliation Adjustment (RA)	\$/MCF	\$ (0.2923)
Actual Adjustment (AA)	\$/MCF	\$ (0.4391)
Gas Cost Recovery Rate (GCR) = EGC + RA + AA	\$/MCF	\$ 6.8306

Gas Cost Recovery Rate Effective Dates: July 1, 2010 to July 31, 2010

EXPECTED GAS COST SUMMARY CALCULATION		
PARTICULARS	UNIT	AMOUNT
Primary Gas Suppliers Expected Gas Cost	\$	\$ 879,340
Utility Production Expected Gas Cost	\$	\$ -
Includable Propane Expected Gas costs	\$	\$ -
Total Annual Expected Gas Costs	\$	\$ 879,340
Total Annual Sales	MCF	116,284
Expected Gas Costs (EGC) Rate	\$/MCF	\$ 7.5620

SUPPLIER REFUND AND RECONCILIATION ADJUSTMENT SUMMARY CALCULATION		
PARTICULARS	UNIT	AMOUNT
Current Quarterly Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ -
Previous Quarterly Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ (0.2923)
Second Previous Quarter Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ -
Third Previous Quarter Supplier Refund & Reconciliation Adjustment	\$/MCF	\$ -
Supplier Refund & Reconciliation Adjustment (RA)	\$/MCF	\$ (0.2923)

ACTUAL ADJUSTMENT SUMMARY CALCULATION		
PARTICULARS	UNIT	AMOUNT
Current Quarterly Actual Adjustment	\$/MCF	\$ (0.1934)
Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ (0.0216)
Second Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ (0.0491)
Third Previous Quarterly Reported Actual Adjustment	\$/MCF	\$ (0.1750)
Actual Adjustment (AA)	\$/MCF	\$ (0.4391)

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 23, 2010

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, 2010
Volume for the Twelve Month Period Ended April 30, 2010

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)	\$ -	\$ 879,340	\$ -	\$ 879,340
(D) Ohio Producers (Sch 1-B)	\$ -	\$ -	\$ -	\$ -
(E) Self Help Arrangements (Sch 1-B)	\$ -	\$ -	\$ -	\$ -
(F) Special Purchases (Sch 1 -B)	\$ -	\$ -	\$ -	\$ -
Total Primary Gas Suppliers	\$ -	\$ 879,340	\$ -	\$ 879,340
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				\$ 879,340

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

Details for the EGC Rate In Effect As of July 1, 2010
Volume for the Twelve Month Period Ended April 30, 2010

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

M & B Services	\$ 7.5620	116,284	\$ 879,340
	\$ -	-	
	\$ -	-	
Total Other Gas Companies			<u>\$ 879,340</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, 2010

Particulars	Unit	Amount
Jurisdictional Sales for the Twelve Months Ended 03/31/2010	MCF	115,719
Total Sales: Twelve Months Ended 03/31/2010	MCF	115,719
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 03/31/2010	MCF	115,719
Current Supplier Refund and Reconciliation Adjustment	\$/MCF	\$ -

**Details of Refunds/Adjustments
Received/Ordered During the Three Months Ended 03/31/2010**

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, 2010

MM-YY	Amount
Jan-10	\$ -
Feb-10	\$ -
Mar-10	\$ -
 Total	 \$ -

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

Details for the Three Months Ended March 31, 2010

Particulars	Unit	Month Jan-10	Month Feb-10	Month Mar-10
<u>Supply Volume Per Books</u>				
Primary Supplies	MCF	24,146	24,271	14,616
Local Production	MCF	-	-	-
Special Production	MCF	-	-	-
Other Volumes - Specify				
Storage (Net) = (In) Out	MCF	-	-	-
Storage Adjustment	MCF	-	-	-
Total Supply Volumes	MCF	24,146	24,271	14,616
<u>Supply Costs Per Books</u>				
Primary Supplies	\$	181,748	169,581	95,428
Local Production	\$	-	-	-
Take or Pay	\$	-	-	-
Allocated to S.C. @ 9.79%	\$	-	-	-
Storage Costs	\$	-	-	-
Storage Adjustment	\$	-	-	-
Total Supply Costs	\$	\$ 181,748	\$ 169,581	\$ 95,428
<u>Sales Volumes</u>				
Jurisdictional	MCF	22,735	24,218	24,232
Non-Jurisdictional	MCF	-	-	-
Other Volumes (Specify)	MCF	-	-	-
Total Sales Volumes	MCF	22,735	24,218	24,232
<u>Unit Book Cost of Gas</u>				
(Supply \$ / Sales MCF)	\$/MCF	\$ 7.9942	\$ 7.0023	\$ 3.9381
Less: EGC In Effect for Month	\$/MCF	\$ 6.5000	\$ 6.5000	\$ 6.6689
Difference	\$/MCF	\$ 1.4942	\$ 0.5023	\$ (2.7308)
Times: Jurisdictional Sales	MCF	22,735	24,218	24,232
Monthly Cost Difference	\$	\$ 33,971	\$ 12,165	\$ (66,173)
Other Credits (See Schs. III-A and III-B)	\$	\$ -	\$ -	\$ -
Particulars	Unit	Amount		
Cost Difference for Three Month Period	\$	\$ (20,037)		
Balance Adjustment (See Sch. IV)		(2,345)		
Total		\$ (22,382)		
Twelve Month Jurisdictional Sales Ended 03/31/2010	MCF	115,719		
Current Quarter Actual Adjustment	\$/MCF	\$ (0.1934)		

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

Details for the Three Months Ended March 31, 2010

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	\$ (106,307)
Less: Dollar amount resulting from the AA of (\$0.8984) \$/Mcf as used to compute the GCR in effect four quarters prior to the current effective GCR times the jurisdictional sales of 115,719 Mcf for the period between the effective date of the GCR rate in effect approximately one year prior to the current rate.	\$ (103,962)
Balance Adjustment for the AA	<u>\$ (2,345)</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>\$ (2,345)</u>