



Delta Natural Gas Company, Inc.

3617 Lexington Road
Winchester, Kentucky 40391-9797



www.deltagas.com

PHONE: 859-744-6171

FAX: 859-744-3623

March 25, 2013

RECEIVED

MAR 26 2013

PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
P O Box 615
Frankfort, KY 40602-0615

Dear Mr. Derouen:

Enclosed are the original and ten copies of Delta's Quarterly Report of Gas Cost Recovery Rate Calculation which determines the Gas Cost Recovery Rate (GCR) to be effective with the first billing cycle of May 2013 which includes meters read on and after April 29, 2013.

The balance adjustment (BA) in this filing has been calculated using estimated annual sales and is proposed to be collected over the next four quarters, as opposed to our traditional method of collecting the BA, in its entirety, over the next quarter. The current BA includes \$806,000 of the \$4,130,148 actual adjustment (AA) which became effective four quarters prior to the current effective GCR. The magnitude of the current BA is a function of decreased volumes sold during the twelve months ending October 2012 as the weather during the same time period was 17% warmer than normal. By collecting the BA over the next four quarters, the proposed GCR rate is \$4.036 per MCF less than it would have been if collected, in its entirety, over the next quarter.

An extra copy of the filing is attached for public files.

Please acknowledge receipt of this filing by stamping the extra copy of the cover letter and returning to Delta in the envelope provided.

Sincerely,

Connie King

Connie King
Manager – Corporate & Employee Services

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MAR 26 2013

PUBLIC SERVICE
COMMISSION

GAS COST

RECOVERY RATE CALCULATION

Date Filed **3/20/2013**

Date to be Effective **4/29/2013**

GAS COST RECOVERY CALCULATION

COST RECOVERY RATE EFFECTIVE APRIL 29, 2013		
PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	6.6351
SUPPLIER REFUND (RA)	\$/MCF	(0.0785)
ACTUAL ADJUSTMENT (AA)	\$/MCF	1.3722
BALANCE ADJUSTMENT (BA)	\$/MCF	0.3234
GAS COST RECOVERY RATE (GCR)	\$/MCF	<u>8.2522</u>

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
PRIMARY GAS SUPPLIERS (SCHEDULE II)	\$	1,214,601
UTILITY PRODUCTION	\$	-
INCLUDABLE PROPANE	\$	-
UNCOLLECTIBLE GAS COSTS	\$	<u>12,341</u>
	\$	1,226,942
TOTAL ESTIMATED SALES FOR QUARTER	MCF	<u>184,918</u>
EXPECTED GAS COST (EGC) RATE	\$/MCF	<u>6.6351</u>

SUPPLIER REFUND ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE III)	\$/MCF	-
PREVIOUS QUARTER	\$/MCF	-
SECOND PREVIOUS QUARTER	\$/MCF	-
THIRD PREVIOUS QUARTER	\$/MCF	(0.0785)
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	<u>(0.0785)</u>

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE IV)	\$/MCF	1.1424
PREVIOUS QUARTER	\$/MCF	0.6907
SECOND PREVIOUS QUARTER	\$/MCF	0.1662
THIRD PREVIOUS QUARTER	\$/MCF	(0.6271)
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>1.3722</u>

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
BALANCE ADJUSTMENT AMOUNT (SCHEDULE V)	\$	806,105
ESTIMATED ANNUAL SALES	MCF	<u>2,492,249</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>0.3234</u>

MCF PURCHASES FOR THREE MONTHS BEGINNING
May 1, 2013
AT SUPPLIERS COSTS EFFECTIVE
May 1, 2013

Supplier	MCF Purchases	DTH Conv Factor	Rates (\$)	Quarterly Cost	Rate Increase (I)/ Reduction (R)
TENNESSEE GAS PIPELINE PIPELINE (SCH II, PAGE 2 OF 2)				\$296,182	
ATMOS ENERGY MARKETING	62,134	1.037	3.6610	235,888	I
COLUMBIA GAS TRANSMISSION PIPELINE (SCH II, PAGE 2 OF 2)				\$81,461	
ATMOS ENERGY MARKETING	25,884	1.032	3.6477	97,439	I
COLUMBIA GULF TRANSMISSION M&B GAS SERVICES	94,285	1.236	4.2218	491,992	I
KENTUCKY PRODUCERS VINLAND	2,615	1.200	3.7095	11,640	I
STORAGE	-		0.0000	-	
TOTAL	<u>184,918</u>			<u>1,214,601</u>	
 COMPANY USAGE	 2,774				

ESTIMATED UNCOLLECTIBLE GAS COSTS
FOR THE THREE MONTHS ENDED
July 31, 2013

TWELVE MONTH AVERAGE % OF PURCHASED GAS TO RECORDED REVENUE	41.00%	N
ESTIMATED BAD DEBT EXPENSE	\$30,100	I
% OF PURCHASED GAS TO BILLED REVENUE UNCOLLECTIBLE GAS COSTS	12,341	I

TENNESSEE GAS PIPELINE RATES EFFECTIVE 5/01/13

	DTH VOLUMES	FIXED OR VARIABLE		RATES	QUARTERLY COST
FT-G RESERVATION RATE - ZONE 0-2	1. 4,503	F	2.	\$16.341	\$73,588
FT-G RESERVATION RATE - ZONE 1-2	3. 12,111	F	4.	\$11.133	\$134,830
FT-G COMMODITY RATE - ZONE 0-2	5. (1,165)	V	6.	\$0.0213	(\$25)
FT-G COMMODITY RATE - ZONE 1-2	7. (3,133)	V	8.	\$0.0183	(\$57)
FT-A RESERVATION RATE - ZONE 0-2	9. 379	F	10.	\$16.341	\$6,198
FT-A RESERVATION RATE - ZONE 1-2	11. 1,627	F	12.	\$11.133	\$18,113
FT-A RESERVATION RATE - ZONE 3-2	13. 253	F	14.	\$5.755	\$1,458
FT-A COMMODITY RATE - ZONE 0-2	15. 11,537	V	16.	\$0.0213	\$246
FT-A COMMODITY RATE - ZONE 1-2	17. 49,486	V	18.	\$0.0183	\$906
FT-A COMMODITY RATE - ZONE 3-2	19. 7,708	V	20.	\$0.0062	\$48
FUEL & RETENTION - ZONE 0-2	21. 10,372	V	22.	\$0.0772	\$801
FUEL & RETENTION - ZONE 1-2	23. 46,353	V	24.	\$0.0659	\$3,055
FUEL & RETENTION - ZONE 3-2	25. 7,708	V	26.	\$0.0190	\$147
SUB-TOTAL					\$239,306
FS-PA DELIVERABILITY RATE	27. 2,460	F	28.	\$2.81	\$6,912
FS-PA INJECTION RATE	29. 25,119	V	30.	\$0.0073	\$183
FS-PA WITHDRAWAL RATE	31. 25,119	V	32.	\$0.0073	\$183
FS-PA SPACE RATE	33. 301,430	F	34.	\$0.0286	\$8,621
FS-PA RETENTION	35. 25,119	V	36.	\$0.0699	\$1,756
SUB-TOTAL					\$17,656
FS-MA DELIVERABILITY RATE	37. 13,939	F	38.	\$1.54	\$21,466
FS-MA INJECTION RATE	39. 52,136	V	40.	\$0.0087	\$454
FS-MA WITHDRAWAL RATE	41. 52,136	V	42.	\$0.0087	\$454
FS-MA SPACE RATE	43. 625,631	F	44.	\$0.0211	\$13,201
FS-MA RETENTION	45. 52,136	V	46.	\$0.0699	\$3,646
SUB-TOTAL					\$39,219
TOTAL TENNESSEE GAS PIPELINE CHARGES					\$296,182
COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 5/01/13					
GTS COMMODITY RATE	47. 26,713	V	48.	\$0.7964	\$21,274
FUEL & RETENTION	49. 26,713	V	50.	\$0.1301	\$3,475
TOTAL COLUMBIA GAS TRANSMISSION CHARGES					\$24,749
COLUMBIA GULF CORPORATION RATES EFFECTIVE 5/01/13					
FTS-1 RESERVATION RATE	51. 13,134	F	52.	\$4.2917	\$56,367
FTS-1 COMMODITY RATE	53. 26,713	V	54.	\$0.0127	\$339
FUEL & RETENTION	55. 26,713	V	56.	\$0.0002	\$5
TOTAL COLUMBIA GULF CORPORATION CHARGES					\$56,712
TOTAL PIPELINE CHARGES					\$377,642

**SUPPLIER REFUND ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
January 31, 2013**

Particulars	Unit	Amount
SUPPLIERS REFUNDS RECEIVED (1)	\$	0
INTEREST FACTOR (2)		<u>0.998317</u>
REFUND ADJUSTMENT INCLUDING INTEREST	\$	0
SALES TWELVE MONTHS ENDED January 31, 2013	MCF	<u>2,492,249</u>
CURRENT SUPPLIER REFUND ADJUSTMENT	\$/MCF	<u><u>0.0000</u></u>

(1) Suppliers Refunds Received	Date Received	Amount
Total		<u><u>0.00</u></u>

(2) Interest Factor			
RESULT OF PRESENT VALUE	0.1892310	-0.5 =	(0.310769)

ACTUAL ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
January 31, 2013

Particulars	Unit	For the Month Ended		
		Nov-12	Dec-12	Jan-13
SUPPLY VOLUME PER BOOKS				
PRIMARY GAS SUPPLIERS	MCF	453,304	594,893	536,106
UTILITY PRODUCTION	MCF	-	-	-
INCLUDABLE PROPANE	MCF	-	-	-
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	<u>453,304</u>	<u>594,893</u>	<u>536,106</u>
SUPPLY COST PER BOOKS				
PRIMARY GAS SUPPLIERS	\$	1,869,019	2,589,514	2,386,866
UTILITY PRODUCTION	\$	-	-	-
INCLUDABLE PROPANE	\$	-	-	-
UNCOLLECTIBLE GAS COSTS	\$	1,878	11,326	9,409
OTHER COST (SPECIFY)	\$	-	-	-
TOTAL	\$	<u>1,870,897</u>	<u>2,600,840</u>	<u>2,396,275</u>
SALES VOLUME				
JURISDICTIONAL	MCF	212,755	331,324	388,417
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	<u>212,755</u>	<u>331,324</u>	<u>388,417</u>
UNIT BOOK COST OF GAS				
EGC IN EFFECT FOR MONTH	\$	8.7937	7.8498	6.1693
RATE DIFFERENCE	\$	4.4818	3.5379	1.8574
MONTHLY SALES	MCF	212,755	331,324	388,417
MONTHLY COST DIFFERENCE	\$	<u>953,525</u>	<u>1,172,191</u>	<u>721,446</u>
				Three Month Period
COST DIFFERENCE FOR THE THREE MONTHS				\$ 2,847,162
TWELVE MONTHS SALES FOR PERIOD ENDED				MCF <u>2,492,249</u>
CURRENT QUARTERLY ACTUAL ADJUSTMENT				\$/MCF <u>1.1424</u>

DELTA NATURAL GAS COMPANY, INC.

SCHEDULE V

EXPECTED GAS COST BALANCE ADJUSTMENT
 DETAIL FOR THE THREE MONTHS ENDED
 January 31, 2013

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	\$	4,130,148
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF 1.3028 \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF 2,492,249 MCF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR IN EFFECT APPROXIMATELY ONE YEAR PRIOR TO THE CURRENT RATE	\$	<u>3,246,902</u>
BALANCE ADJUSTMENT FOR THE AA	\$	<u>883,246</u>
DOLLAR AMOUNT OF SUPPLIER REFUND ADJUSTMENT AS USED TO COMPUTE RA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	(48,151)
LESS: DOLLAR AMOUNT RESULTING FROM THE UNIT RATE FOR SUPPLIER REFUND ADJUSTMENT OF (0.0152) \$/MCF AS USED TO COMPUTE RA OF THE JURISDICTIONAL SALES 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 FOR THE MCF TOTAL OF 2,492,249	\$	(37,882)
BALANCE ADJUSTMENT FOR THE RA	\$	<u>(10,269)</u>
DOLLAR AMOUNT OF BALANCE ADJUSTMENT AS USED TO COMPUTE BA OF THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	(278,735)
LESS: DOLLAR AMOUNT RESULTING FROM THE BA OF (0.2272) \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL MCF SALES OF 932,496 FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR RATE IN EFFECT IMMEDIATELY PRIOR TO THE CURRENT RATE	\$	<u>(211,863)</u>
BALANCE ADJUSTMENT FOR THE BA	\$	<u>(66,872)</u>
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	<u>806,105</u>

**COMPUTATION OF VINLAND PRICE EFFECTIVE 5/01/13 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR MAY 2013 THROUGH JULY 2013**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.7095 per MMBtu dry

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 5/01/13 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR MAY 2013 THROUGH JULY 2013 (TGP)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.6610 per MMBtu dry

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 5/01/13 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR MAY 2013 THROUGH JULY 2013 (TCO)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.6477 per MMBtu dry

**COMPUTATION OF M&B PRICE EFFECTIVE 5/01/13 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR MAY 2013 THROUGH JULY 2013**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$4.2218 per MMBtu dry

TGP SUPPLIED AREAS PURCHASE PROFILE:

3/11/2013

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2013	27,461	28,477	\$3.684	(\$0.060)	\$103,200.08
June	19,788	20,520	\$3.728	(\$0.060)	\$75,268.79
July	<u>14,885</u>	<u>15,435</u>	\$3.780	(\$0.060)	<u>\$57,419.47</u>
	62,134	64,433			\$235,888.34
Fixed Price ___		0	\$0.000		\$0.00
Fixed Price ___		0	\$0.000		\$0.00
Total Dth		64,433			
WEIGHTED AVERAGE PRICE PER DTH:					<u><u>\$3.6610</u></u>

COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2013	13,185	13,607	\$3.684	(\$0.07)	\$49,176.67
June	6,673	6,887	\$3.728	(\$0.07)	\$25,191.16
July	<u>6,026</u>	<u>6,219</u>	\$3.780	(\$0.07)	<u>\$23,071.64</u>
	25,884	26,713			\$97,439.46
Fixed Price ___		0	\$0.000		\$0.00
Fixed Price ___		0	\$0.000		\$0.00
Total Dth		26,713			
WEIGHTED AVERAGE PRICE PER DTH:					<u><u>\$3.6477</u></u>

VINLAND SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2013	1,589	1,907	\$3.684	0	\$7,024.65
June	613	736	\$3.728	0	\$2,742.32
July	<u>413</u>	<u>496</u>	\$3.780	0	<u>\$1,873.37</u>
	2,615	3,138			\$11,640.34
WEIGHTED AVERAGE PRICE PER DTH:					<u><u>\$3.7095</u></u>

COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2013	40,951	50,616	\$3.684	\$0.50	\$211,776.19
June	29,972	37,045	\$3.728	\$0.50	\$156,626.45
July	<u>23,362</u>	<u>28,876</u>	\$3.780	\$0.50	<u>\$123,589.23</u>
	94,285	116,537			\$491,991.86
FIXED PRICE		0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:					<u><u>\$4.2218</u></u>

**CLASSIFICATION OF SERVICE – RATE SCHEDULES
RESIDENTIAL**

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

AVAILABILITY

Available for use by residential customers.

CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

RATES

	Base Rate	+	Gas Cost Recovery Rate (GCR) **	=	Total Rate	
Customer Charge *	\$ 20.90000				\$ 20.90000	
All Ccf ***	\$ 0.43185		\$ 0.82522		\$ 1.25707 /Ccf	(l)

* The customer charge includes \$0.20 collected under Delta's Energy Assistance Program Tariff Rider as set forth on Sheet No. 38 of this tariff.

** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

*** Residential rates are also subject to the "Conservation/Efficiency Program Cost Recovery Component (CEPRC)" of .01447 /Ccf. The CEPRC is an adjustment determined in accordance with the Conservation/Efficiency Program Cost Recovery as set forth on Sheets 39 – 42 of this tariff.

Residential rates are also subject to a Pipe Replacement Program charge of \$1.18, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE: March 25, 2013
DATE EFFECTIVE: April 29, 2013 (Final Meter Reads)
ISSUED BY: Glenn R. Jennings, Chairman of the Board, President and CEO

**Issued by Authority of an Order of the Public Service Commission of KY in
Case No. _____ dated _____, 2013**

**CLASSIFICATION OF SERVICE – RATE SCHEDULES
SMALL NON-RESIDENTIAL***

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

AVAILABILITY

Available for use by small non-residential customers.

CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

RATES

	<u>Base Rate</u>	+	<u>Gas Cost Recovery Rate (GCR) **</u>	=	<u>Total Rate</u>	
Customer Charge	\$ 31.20000				\$ 31.20000	
All Ccf ***	\$ 0.43185		\$ 0.82522		\$ 1.25707 /Ccf	(I)

TERMS AND CONDITIONS

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Small Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Small Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Small Non-Residential or Interruptible Service rate schedule.

* Meter no larger than AL425

** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

Small Non-Residential rates are also subject to a Pipe Replacement Program charge of \$2.29 as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE: March 25, 2013
DATE EFFECTIVE: April 29, 2013 (Final Meter Reads)
ISSUED BY: Glenn R. Jennings, Chairman of the Board, President and CEO

Issued by Authority of an Order of the Public Service Commission of KY in
 Case No. _____ dated _____, 2013

**CLASSIFICATION OF SERVICE – RATE SCHEDULES
LARGE NON-RESIDENTIAL***

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

AVAILABILITY

Available for use by large non-residential customers.

CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

RATES

	<u>Base Rate</u>	+	<u>Gas Cost Recovery Rate (GCR) **</u>	=	<u>Total Rate</u>	
Customer Charge	\$ 131.00000				\$ 131.00000	(1)
1 - 2,000 Ccf	\$ 0.43185		\$ 0.82522		\$ 1.25707 /Ccf	(1)
2,001 - 10,000 Ccf	\$ 0.26696		\$ 0.82522		\$ 1.09218 /Ccf	(1)
10,001 - 50,000 Ccf	\$ 0.18735		\$ 0.82522		\$ 1.01257 /Ccf	(1)
50,001 - 100,000 Ccf	\$ 0.14735		\$ 0.82522		\$ 0.97257 /Ccf	
Over 100,000 Ccf	\$ 0.12735		\$ 0.82522		\$ 0.95257 /Ccf	

TERMS AND CONDITIONS

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Large Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Large Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Large Non-Residential or Interruptible Service rate schedule.

* Meter larger than AL425

** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

Large Non-Residential rates are also subject to a Pipe Replacement Program charge of \$17.81, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE: March 25, 2013
DATE EFFECTIVE: April 29, 2013 (Final Meter Reads)
ISSUED BY: Glenn R. Jennings, Chairman of the Board, President and CEO

**Issued by Authority of an Order of the Public Service Commission of KY in
Case No. _____ dated _____, 2013**

**CLASSIFICATION OF SERVICE – RATE SCHEDULES
INTERRUPTIBLE SERVICE**

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

AVAILABILITY

Available for use by interruptible customers.

CHARACTER OF SERVICE

Interruptible - within the reasonable limits of the Company's capability to provide such service.

RATES

	Base Rate	+	Gas Cost Recovery Rate (GCR) **	=	Total Rate	
Customer Charge	\$ 250.00000				\$ 250.00000	
1 - 10,000 Ccf	\$ 0.16000		\$ 0.82522		\$ 0.98522 /Ccf	(I)
10,001 - 50,000 Ccf	\$ 0.12000		\$ 0.82522		\$ 0.94522 /Ccf	(I)
50,001 - 100,000 Ccf	\$ 0.08000		\$ 0.82522		\$ 0.90522 /Ccf	(I)
Over 100,000 Ccf	\$ 0.06000		\$ 0.82522		\$ 0.88522 /Ccf	(I)

Special Conditions - All customers having a connected load in excess of 2,500,000 Btu input per hour may be required to enter into an Interruptible Sales Agreement. Determinations of those customers so required shall be based on peak day use as well as annual volume and shall be at the sole discretion of the Company.

Any customer required to enter into an Interruptible Agreement shall be permitted to purchase or transport gas under the Interruptible Rate Schedule as set forth on Sheet No. 5. Gas requirements, minimum charges and other specific information shall be set forth in the Agreement.

Interruptible rates are also subject to a Pipe Replacement Program charge of \$88.96, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

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