



Delta Natural Gas Company, Inc.

3617 Lexington Road
Winchester, Kentucky 40391-9797



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June 24, 2013

RECEIVED

JUN 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 August 2013 which includes meters read on and after July 29, 2013.

Pursuant to the order in Case No. 2013-00114, Delta has considered changing its BA calculation on a permanent basis to recover its BA over four quarters, rather than its traditional method of collecting the BA over a single quarter. Delta has decided to make this change permanent, as recovery of the BA over four quarters reduces the impact the BA has on the overall GCR rate during the non-heating months.

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
Manager – Corporate & Employee Services

GAS COST
RECOVERY RATE CALCULATION

Date Filed **6/24/2013**

Date to be Effective **7/29/2013**

GAS COST RECOVERY CALCULATION

COST RECOVERY RATE EFFECTIVE JULY 29, 2013		
PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	6.4064
SUPPLIER REFUND (RA)	\$/MCF	(0.0400)
ACTUAL ADJUSTMENT (AA)	\$/MCF	1.9612
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.0540)
GAS COST RECOVERY RATE (GCR)	\$/MCF	<u>8.2736</u>

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
PRIMARY GAS SUPPLIERS (SCHEDULE II)	\$	1,672,562
UTILITY PRODUCTION	\$	-
INCLUDABLE PROPANE	\$	-
UNCOLLECTIBLE GAS COSTS	\$	<u>6,407</u>
	\$	1,678,969
TOTAL ESTIMATED SALES FOR QUARTER	MCF	<u>262,075</u>
EXPECTED GAS COST (EGC) RATE	\$/MCF	<u>6.4064</u>

SUPPLIER REFUND ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE III)	\$/MCF	(0.0400)
PREVIOUS QUARTER	\$/MCF	-
SECOND PREVIOUS QUARTER	\$/MCF	-
THIRD PREVIOUS QUARTER	\$/MCF	-
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	<u>(0.0400)</u>

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE IV)	\$/MCF	(0.0381)
PREVIOUS QUARTER	\$/MCF	1.1424
SECOND PREVIOUS QUARTER	\$/MCF	0.6907
THIRD PREVIOUS QUARTER	\$/MCF	0.1662
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>1.9612</u>

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
BALANCE ADJUSTMENT AMOUNT (SCHEDULE V)	\$	(160,590)
ESTIMATED ANNUAL SALES	MCF	<u>2,975,916</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>(0.0540)</u>

MCF PURCHASES FOR THREE MONTHS BEGINNING
August 1, 2013
AT SUPPLIERS COSTS EFFECTIVE
August 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)				\$327,339	
ATMOS ENERGY MARKETING COLUMBIA GAS TRANSMISSION PIPELINE (SCH II, PAGE 2 OF 2)	85,403	1.041	3.8569	342,898	I
ATMOS ENERGY MARKETING COLUMBIA GULF TRANSMISSION M&B GAS SERVICES	35,575	1.027	3.8474	140,568	I
KENTUCKY PRODUCERS VINLAND	139,205	1.241	4.4172	763,081	I
STORAGE	1,892	1.200	3.9168	8,893	I
	-		0.0000	-	
TOTAL	<u>262,075</u>			<u>1,672,562</u>	
 COMPANY USAGE	 3,931				

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

TWELVE MONTH AVERAGE % OF PURCHASED GAS TO RECORDED REVENUE	43.00%	
ESTIMATED BAD DEBT EXPENSE	\$14,900	R
% OF PURCHASED GAS TO BILLED REVENUE UNCOLLECTIBLE GAS COSTS	6,407	R

TENNESSEE GAS PIPELINE RATES EFFECTIVE 8/01/13

		DTH VOLUMES	FIXED OR VARIABLE		RATES	QUARTERLY COST
FT-G RESERVATION RATE - ZONE 0-2	1.	4,943	F	2.	\$16.341	\$80,777
FT-G RESERVATION RATE - ZONE 1-2	3.	13,294	F	4.	\$11.133	\$148,003
FT-G COMMODITY RATE - ZONE 0-2	5.	3,649	V	6.	\$0.0213	\$78
FT-G COMMODITY RATE - ZONE 1-2	7.	9,810	V	8.	\$0.0183	\$180
FT-A RESERVATION RATE - ZONE 0-2	9.	416	F	10.	\$16.341	\$6,803
FT-A RESERVATION RATE - ZONE 1-2	11.	1,786	F	12.	\$11.133	\$19,882
FT-A RESERVATION RATE - ZONE 3-2	13.	278	F	14.	\$5.755	\$1,601
FT-A COMMODITY RATE - ZONE 0-2	15.	12,664	V	16.	\$0.0213	\$270
FT-A COMMODITY RATE - ZONE 1-2	17.	54,321	V	18.	\$0.0183	\$994
FT-A COMMODITY RATE - ZONE 3-2	19.	8,461	V	20.	\$0.0062	\$52
FUEL & RETENTION - ZONE 0-2	21.	16,313	V	22.	\$0.0814	\$1,328
FUEL & RETENTION - ZONE 1-2	23.	64,131	V	24.	\$0.0694	\$4,452
FUEL & RETENTION - ZONE 3-2	25.	8,461	V	26.	\$0.0201	\$170
SUB-TOTAL						\$264,590
FS-PA DELIVERABILITY RATE	27.	2,700	F	28.	\$2.81	\$7,587
FS-PA INJECTION RATE	29.	27,573	V	30.	\$0.0073	\$201
FS-PA WITHDRAWAL RATE	31.	27,573	V	32.	\$0.0073	\$201
FS-PA SPACE RATE	33.	330,880	F	34.	\$0.0286	\$9,463
FS-PA RETENTION	35.	27,573	V	36.	\$0.0737	\$2,031
SUB-TOTAL						\$19,484
FS-MA DELIVERABILITY RATE	37.	15,301	F	38.	\$1.54	\$23,563
FS-MA INJECTION RATE	39.	57,230	V	40.	\$0.0087	\$498
FS-MA WITHDRAWAL RATE	41.	57,230	V	42.	\$0.0087	\$498
FS-MA SPACE RATE	43.	686,756	F	44.	\$0.0211	\$14,491
FS-MA RETENTION	45.	57,230	V	46.	\$0.0737	\$4,216
SUB-TOTAL						\$43,265
TOTAL TENNESSEE GAS PIPELINE CHARGES						\$327,339

COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 8/01/13

GTS COMMODITY RATE	47.	36,536	V	48.	\$0.7655	\$27,968
FUEL & RETENTION	49.	36,536	V	50.	\$0.1362	\$4,976
TOTAL COLUMBIA GAS TRANSMISSION CHARGES						\$32,944

COLUMBIA GULF CORPORATION RATES EFFECTIVE 8/01/13

FTS-1 RESERVATION RATE	51.	13,134	F	52.	\$4.2917	\$56,367
FTS-1 COMMODITY RATE	53.	36,536	V	54.	\$0.0127	\$464
FUEL & RETENTION	55.	36,536	V	56.	\$0.0002	\$7
TOTAL COLUMBIA GULF CORPORATION CHARGES						\$56,839
TOTAL PIPELINE CHARGES						\$417,122

**SUPPLIER REFUND ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
April 30, 2013**

Particulars	Unit	Amount
SUPPLIERS REFUNDS RECEIVED (1)	\$	(119,188)
INTEREST FACTOR (2)		0.998297
REFUND ADJUSTMENT INCLUDING INTEREST	\$	(118,985)
SALES TWELVE MONTHS ENDED April 30, 2013	MCF	2,975,916
CURRENT SUPPLIER REFUND ADJUSTMENT	\$/MCF	(0.0400)

(1) Suppliers Refunds Received	Date Received	Amount
Columbia Gas base rate and settlement refund		119,187.51
Total		119,187.51

(2) Interest Factor			
RESULT OF PRESENT VALUE	0.1853850	-0.5 =	(0.314615)

**ACTUAL ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
April 30, 2013**

Particulars	Unit	For the Month Ended		
		Feb-13	Mar-13	Apr-13
SUPPLY VOLUME PER BOOKS				
PRIMARY GAS SUPPLIERS	MCF	516,071	820,529	409,575
UTILITY PRODUCTION	MCF	-	-	-
INCLUDABLE PROPANE	MCF	-	-	-
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	<u>516,071</u>	<u>820,529</u>	<u>409,575</u>
SUPPLY COST PER BOOKS				
PRIMARY GAS SUPPLIERS	\$	2,107,402	3,251,750	1,899,124
UTILITY PRODUCTION	\$	-	-	-
INCLUDABLE PROPANE	\$	-	-	-
UNCOLLECTIBLE GAS COSTS	\$	13,093	32,209	11,712
OTHER COST (SPECIFY)	\$	-	-	-
TOTAL	\$	<u>2,120,495</u>	<u>3,283,959</u>	<u>1,910,836</u>
SALES VOLUME				
JURISDICTIONAL	MCF	664,464	504,115	449,302
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	<u>664,464</u>	<u>504,115</u>	<u>449,302</u>
UNIT BOOK COST OF GAS				
EGC IN EFFECT FOR MONTH	\$	3.1913	6.5143	4.2529
RATE DIFFERENCE	\$	(1.4004)	1.9226	(0.3388)
MONTHLY SALES	MCF	<u>664,464</u>	<u>504,115</u>	<u>449,302</u>
MONTHLY COST DIFFERENCE	\$	<u>(930,515)</u>	<u>969,211</u>	<u>(152,224)</u>
				Three Month
				Period
COST DIFFERENCE FOR THE THREE MONTHS				
TWELVE MONTHS SALES FOR PERIOD ENDED	\$			(113,528)
CURRENT QUARTERLY ACTUAL ADJUSTMENT	MCF			<u>2,975,916</u>
	\$/MCF			(0.0381)

**EXPECTED GAS COST BALANCE ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
April 30, 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	\$	1,410,832
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF \$/MCF AS USED TO COMPUTE 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 IN EFFECT APPROXIMATELY ONE YEAR PRIOR TO THE CURRENT RATE	0.4885 2,975,916 \$	<u>1,453,735</u>
BALANCE ADJUSTMENT FOR THE AA	\$	<u>(42,903)</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	\$	(59,199)
LESS: DOLLAR AMOUNT RESULTING FROM THE UNIT RATE FOR SUPPLIER REFUND ADJUSTMENT OF 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	(0.0205) \$/MCF 2,975,916 \$	<u>(61,006)</u>
BALANCE ADJUSTMENT FOR THE RA	\$	1,807
DOLLAR AMOUNT OF BALANCE ADJUSTMENT AS USED TO COMPUTE BA OF THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	175,122
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 MCF SALES OF 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	0.1821 1,617,881 \$	<u>294,616</u>
BALANCE ADJUSTMENT FOR THE BA	\$	<u>(119,494)</u>
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	<u>(160,590)</u>

**COMPUTATION OF VINLAND PRICE EFFECTIVE 8/01/13 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR AUGUST 2013 THROUGH OCTOBER 2013**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.9168 per MMBtu dry

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 8/01/13 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR AUGUST 2013 THROUGH OCTOBER 2013 (TGP)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.8569 per MMBtu dry

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 8/01/13 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR AUGUST 2013 THROUGH OCTOBER 2013 (TCO)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.8474 per MMBtu dry

**COMPUTATION OF MIDWEST ENERGY SERVICES PRICE EFFECTIVE 8/01/13 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR AUGUST 2013 THROUGH OCTOBER 2013**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$4.4172 per MMBtu dry

IGP SUPPLIED AREAS PURCHASE PROFILE:

6/17/2013

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
August 2013	17,936	18,672	\$3.914	(\$0.060)	\$71,961.26
September	22,253	23,166	\$3.909	(\$0.060)	\$89,164.83
October	<u>45,213</u>	<u>47,067</u>	\$3.922	(\$0.060)	<u>\$181,771.87</u>
	85,403	88,904			\$342,897.97
Fixed Price ____		0	\$0.000		\$0.00
Fixed Price ____		0	\$0.000		\$0.00
Total Dth		88,904			
WEIGHTED AVERAGE PRICE PER DTH:					<u><u>\$3.8569</u></u>

COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
August 2013	7,099	7,290	\$3.914	(\$0.07)	\$28,023.85
September	8,127	8,347	\$3.909	(\$0.07)	\$32,042.94
October	<u>20,349</u>	<u>20,899</u>	\$3.922	(\$0.07)	<u>\$80,501.33</u>
	35,575	36,536			\$140,568.12
Fixed Price ____		0	\$0.000		\$0.00
Fixed Price ____		0	\$0.000		\$0.00
Total Dth		36,536			
WEIGHTED AVERAGE PRICE PER DTH:					<u><u>\$3.8474</u></u>

VINLAND SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
August 2013	412	494	\$3.914	0	\$1,935.08
September	496	595	\$3.909	0	\$2,326.64
October	<u>984</u>	<u>1,181</u>	\$3.922	0	<u>\$4,631.10</u>
	1,892	2,270			\$8,892.82
WEIGHTED AVERAGE PRICE PER DTH:					<u><u>\$3.9168</u></u>

COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
August 2013	26,993	33,491	\$3.914	\$0.50	\$147,827.10
September	35,245	43,729	\$3.909	\$0.50	\$192,801.12
October	<u>76,967</u>	<u>95,493</u>	\$3.922	\$0.50	<u>\$422,268.71</u>
	139,205	172,712			\$762,896.94
FIXED PRICE		0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:					<u><u>\$4.4172</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		\$ 0.82736		\$ 1.25921 /Ccf	(I)

* 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 \$1.19, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE: June 24, 2013
 DATE EFFECTIVE: July 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 _____.

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

	Base Rate	+	Gas Cost Recovery Rate (GCR) **	=	Total Rate	
Customer Charge	\$ 31.20000				\$ 31.20000	
All Ccf ***	\$ 0.43185		\$ 0.82736		\$ 1.25921 /Ccf	(1)

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 \$2.31 as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE: June 24, 2013
 DATE EFFECTIVE: July 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 _____.

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

	Base Rate	+	Gas Cost Recovery Rate (GCR) **	=	Total Rate	
Customer Charge	\$ 131.00000				\$ 131.00000	
1 - 2,000 Ccf	\$ 0.43185		\$ 0.82736		\$ 1.25921 /Ccf	(I)
2,001 - 10,000 Ccf	\$ 0.26696		\$ 0.82736		\$ 1.09432 /Ccf	(I)
10,001 - 50,000 Ccf	\$ 0.18735		\$ 0.82736		\$ 1.01471 /Ccf	(I)
50,001 - 100,000 Ccf	\$ 0.14735		\$ 0.82736		\$ 0.97471 /Ccf	(I)
Over 100,000 Ccf	\$ 0.12735		\$ 0.82736		\$ 0.95471 /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 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 \$17.97, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE: June 24, 2013
 DATE EFFECTIVE: July 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 _____.

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		\$ 0.82736		\$ 0.98736 /Ccf	(1)
10,001 - 50,000 Ccf	\$ 0.12000		\$ 0.82736		\$ 0.94736 /Ccf	(1)
50,001 - 100,000 Ccf	\$ 0.08000		\$ 0.82736		\$ 0.90736 /Ccf	(1)
Over 100,000 Ccf	\$ 0.06000		\$ 0.82736		\$ 0.88736 /Ccf	(1)

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 \$89.72, 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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