

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS            )  
ADJUSTMENT FILING OF DELTA        )        CASE NO. 2007-00118  
NATURAL GAS COMPANY, INC.         )

ORDER

On November 10, 2004, in Case No. 2004-00067,<sup>1</sup> the Commission approved rates for Delta Natural Gas Company, Inc. ("Delta") and provided for their further adjustment in accordance with Delta's gas cost adjustment ("GCA") clause.

On March 22, 2007, Delta filed its proposed GCA to be effective April 24, 2007. After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Delta's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Delta's expected gas cost ("EGC") is \$9.1477 per Mcf, which is 81.28 cents per Mcf more than the previous EGC of \$8.3349.
3. Delta's notice sets out no current quarter refund adjustment ("RA"). Delta's notice sets out a total RA of (.03) cent per Mcf, which is .03 cent less than the previous total RA.

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<sup>1</sup> Case No. 2004-00067, Application of Delta Natural Gas Company, Inc. for an Adjustment of Rates.

4. Delta's notice sets out a current quarter actual adjustment ("AA") of \$1.0642 per Mcf. Delta's total AA is (70.84) cents per Mcf, which is a decrease of 95.43 cents per Mcf from the previous total AA.

5. Delta's notice sets out a balance adjustment ("BA") of \$1.9810 per Mcf, which represents an increase of \$1.9475 per Mcf from the previous BA.

6. Delta's GCA is \$10.42 per Mcf, which is \$1.8063 per Mcf more than the previous GCA of \$8.6137.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Delta on and after April 24, 2007.

IT IS THEREFORE ORDERED that:

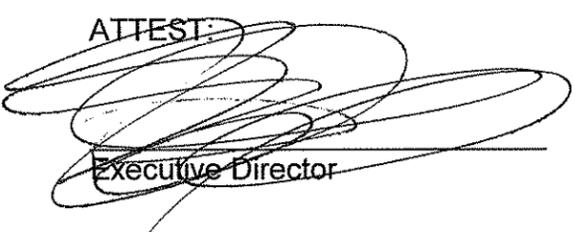
1. The rates in the Appendix to this Order are approved for final meter readings on and after April 24, 2007.

2. Within 20 days of the date of this Order, Delta shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 20th day of April, 2007.

By the Commission

ATTEST:

  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2007-00118 DATED APRIL 20, 2007

The following rates and charges are prescribed for the customers in the area served by Delta Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATE SCHEDULES

AVAILABILITY

Available for general use by residential, commercial, and industrial customers.

RATES

	<u>Base Rate</u>	plus	<u>Gas Cost Recovery Rate</u>	equals	<u>Total Rate</u>
Residential					
Monthly Service Charge	\$ 10.00				
All Mcf	\$ 4.1592		\$10.42		\$ 14.5792
Small Non-Residential					
Monthly Service Charge	\$ 20.00				
All Mcf	3.7950		10.42		\$ 14.2150
Large Non-Residential					
Monthly Service Charge	\$ 72.00				
First 200 Mcf	\$ 3.7950		\$10.42		\$14.2150
Next 800 Mcf	2.1461		10.42		12.5661
Next 4,000 Mcf	1.3500		10.42		11.7700
Next 5,000 Mcf	.9500		10.42		11.3700
Over 10,000 Mcf	.7500		10.42		11.1700

Interruptible

Monthly Service Charge	\$ 250.00		
First 1,000 Mcf	\$ 1.6000	\$ 10.42	\$ 12.0200
Next 4,000 Mcf	1.2000	10.42	11.6200
Next 5,000 Mcf	.8000	10.42	11.2200
Over 10,000 Mcf	.6000	10.42	11.0200