

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF DELTA NATURAL	)	
GAS COMPANY, INC. FOR AN ORDER	)	
AUTHORIZING THE ISSUANCE OF UP TO	)	CASE NO. 93-302
\$20,000,000 OF LONG-TERM DEBT AND UP	)	
TO 350,000 SHARES OF COMMON STOCK	)	

O R D E R

On August 30, 1993, Delta Natural Gas Company, Inc. ("Delta") filed an application seeking authority to issue and sell \$15,000,000 in debentures and 170,000 shares of common stock. The proceeds will be used to redeem all of Delta's outstanding 8-5/8 percent debentures due 2007 at the redemption price of 104.50 percent, of which there is \$10,553,000 in principal amount outstanding; to redeem Delta's 9-1/2 percent debentures of which there is \$125,000 in principal amount outstanding; to repay Delta's 9-1/4 percent mortgage note of \$177,401 and to contribute to the repayment of short-term debt of which there was \$6,470,000 outstanding at June 30, 1993.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that the issuance and sale by Delta of \$15,000,000 in debentures and 170,000 shares of its common stock are for lawful objects within its corporate purposes, are necessary and appropriate for and consistent with the proper performance of its service to the public, and are reasonably

necessary and appropriate for such purposes and should, therefore, be approved.

IT IS THEREFORE ORDERED that:

1. Delta be and it hereby is authorized to issue and sell up to \$15,000,000 in debentures and 170,000 shares of its common stock.

2. Delta shall agree only to such terms and prices that are consistent with said parameters as set out in its application.


3. Delta shall, within 30 days after the issuance of the securities referred to herein, file with the Commission a statement setting forth the date or dates of issuance of the securities authorized herein, the price paid, the interest rate, purchasers, and all fees and expenses, including underwriting discounts or commission or other compensation, involved in the issuance and distribution.

4. The proceeds from the transactions authorized herein shall be used only for the lawful purposes set out in the application.

Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency hereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this 1st day of September, 1993.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

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Commissioner

ATTEST:

  
Executive Director