

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF DELTA)	CASE NO. 99-176-H
NATURAL GAS COMPANY, INC.)	

ORDER

On December 27, 1999, in Case No. 99-176, the Commission approved certain adjusted 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 April 30, 2001, Delta filed its GCA to be effective from June 1, 2001 to June 30, 2001. On May 8, 2001, Delta revised its filing in order to incorporate the correction to its actual adjustment ("AA") per the Commission's Order in Case No. 99-176-G.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Delta's notice proposes revised rates designed to pass on its expected decreased wholesale gas costs to its customers. Delta's proposed expected gas cost ("EGC") is \$6.3572 per Mcf, excluding take-or-pay billings. The EGC is 45.97 cents per Mcf less than the previous EGC of \$6.8169.

2. Delta's notice sets out no current refund adjustment ("RA"). The total RA of 1.49 cents per Mcf includes refund adjustments from prior periods.

3. Delta's notice sets out no current AA. Delta proposed a revised total AA of \$1.7841 per Mcf. The total AA reflects over and under-collections from prior periods.

4. Delta's notice sets out no current balance adjustment ("BA"). The total BA in effect from prior periods is (57.21) cents per Mcf.

5. These adjustments produce a gas cost recovery rate ("GCR") of \$7.5543 per Mcf, 45.97 cents per Mcf less than the previous GCR of \$8.0140.

6. The rate adjustment in the Appendix to this Order is fair, just, and reasonable, is in the public interest, and should be approved for final meter readings on and after June 1, 2001.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for final meter readings on and after June 1, 2001.

2. Within 30 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 16th day of May, 2001.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 99-176-H DATED MAY 16, 2001

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 this 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	\$ 8.00				
All Mcf	\$3.6224		\$7.5543		\$ 11.1767
Small Non-Residential					
Monthly Service Charge	\$ 17.00				
First 200 Mcf	3.6224		7.5543		\$ 11.1767
Next 800 Mcf	2.4000		7.5543		9.9543
Over 1,000 Mcf	2.0495		7.5543		9.6038
Large Non-Residential					
Monthly Service Charge	\$ 50.00				
First 200 Mcf	\$ 3.6224		\$ 7.5543		\$ 11.1767
Next 800 Mcf	2.0063		7.5543		9.5606
Next 4,000 Mcf	1.3190		7.5543		8.8733
Next 5,000 Mcf	.9190		7.5543		8.4733
Over 10,000 Mcf	.7190		7.5543		8.2733

Interruptible

Monthly Service Charge		\$ 250.00		
First 1,000 Mcf		\$ 1.6000	\$7.5543	\$9.1543
Next 4,000 Mcf		1.2000	7.5543	8.7543
Next 5,000 Mcf		.8000	7.5543	8.3543