

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF DELTA)	CASE NO. 2004-00517
NATURAL GAS COMPANY, INC.)	

ORDER

On November 10, 2004, in Case No. 2004-00067,¹ 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 December 21, 2004, Delta filed its proposed GCA to be effective February 1, 2005.

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 \$7.5529 per Mcf, which is 60.5 cents per Mcf more than the previous EGC of \$6.9479.
3. Delta’s notice sets out no current quarter refund adjustment (“RA”). Delta’s notice sets out no total RA, which represents no change from the previous total RA.

¹ Case No. 2004-00067, Application of Delta Natural Gas Company, Inc. for an Adjustment of Rates, Order dated November 10, 2004.

4. Delta's notice sets out a current quarter actual adjustment ("AA") of (6.71) cents per Mcf. Delta's total AA is 37.10 cents per Mcf, which is a decrease of 40.14 cents per Mcf from the previous total AA.

5. Delta's notice sets out a balance adjustment ("BA") of (.96) cent per Mcf, which represents an increase of 1.5 cent per Mcf from the previous BA.

6. Delta's GCA is \$7.9143 per Mcf, which is 21.86 cents per Mcf more than the previous GCA of \$7.6957.

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 February 1, 2005.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for final meter readings on and after February 1, 2005.

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 28th day of January, 2005.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2004-00517 DATED January 28, 2005

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	\$ 9.80				
All Mcf	\$4.1592		\$7.9143		\$ 12.0735
Small Non-Residential					
Monthly Service Charge	\$ 20.00				
All Mcf	3.7950		7.9143		\$ 11.7093
Large Non-Residential					
Monthly Service Charge	\$ 72.00				
First 200 Mcf	\$ 3.7950		\$7.9143		\$11.7093
Next 800 Mcf	2.1461		7.9143		10.0604
Next 4,000 Mcf	1.3500		7.9143		9.2643
Next 5,000 Mcf	.9500		7.9143		8.8643
Over 10,000 Mcf	.7500		7.9143		8.6643

Interruptible

Monthly Service Charge	\$	250.00		
First 1,000 Mcf	\$	1.6000	\$7.9143	\$ 9.5143
Next 4,000 Mcf	\$	1.2000	7.9143	9.1143
Next 5,000 Mcf		.8000	7.9143	8.7143
Over 10,000 Mcf		.6000	7.9143	8.5143