COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS ADJUSTMENT FILING OF DELTA NATURAL GAS COMPANY, INC.)))	CASE NO. 2005-00132

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 March 29, 2005, Delta filed its proposed GCA to be effective May 1, 2005.

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

- 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 \$9.0439 per Mcf, which is \$1.4910 per Mcf more than the previous EGC of \$7.5529.
- 3. Delta's notice sets out a current quarter refund adjustment ("RA") of (.01) cent per Mcf. Delta's notice sets out a total RA of (.01), which represents a decrease of .01 cent 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 \$1.7429 per Mcf. Delta's total AA is \$1.1679 per Mcf, which is an increase of 79.69 cents per Mcf from the previous total AA.

5. Delta's notice sets out a balance adjustment ("BA") of 55.7 cents per Mcf, which represents an increase of 56.66 cents per Mcf from the previous BA.

6. Delta's GCA is \$10.7687 per Mcf, which is \$2.8544 per Mcf more than the previous GCA of \$7.9143.

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 May 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 May 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 22nd day of April, 2005.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00132 DATED April 22, 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

<u>AVAILABILITY</u>

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

RATES

<u>5</u>	Base Rate plus	Gas Cost Recovery <u>Rate</u> equals	Total Rate
Residential			
Monthly Service Charge All Mcf	\$ 9.80 \$4.1592	\$10.7687	\$ 14.9279
Small Non-Residential			
Monthly Service Charge	\$ 20.00		
All Mcf	3.7950	10.7687	\$ 14.5637
Large Non-Residential			
Monthly Service Charge	\$ 72.00		
First 200 Mcf	\$ 3.7950	\$10.7687	\$14.5637
Next 800 Mcf	2.1461	10.7687	12.9148
Next 4,000 Mcf	1.3500	10.7687	12.1187
Next 5,000 Mcf	.9500	10.7687	11.7187
Over 10,000 Mcf	.7500	10.7687	11.5187

Interruptible			
Monthly Service Cl	harge \$ 250.00		
First 1,000 Mcf	\$ 1.6000	\$10.7687	\$ 12.3687
Next 4,000 Mcf	\$ 1.2000	10.7687	11.9687
Next 5,000 Mcf	.8000	10.7687	11.5687