

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF DELTA) CASE NO. 2005-00270
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 June 29, 2005, Delta filed its proposed GCA to be effective August 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 \$8.7917 per Mcf, which is 25.22 cents per Mcf less than the previous EGC of \$9.0439.
3. Delta’s notice sets out no current quarter refund adjustment (“RA”). Delta’s notice sets out a total RA of (.01), 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 9.06 cents per Mcf. Delta's total AA is \$2.0856 per Mcf, which is an increase of 91.77 cents per Mcf from the previous total AA.

5. Delta's notice sets out a balance adjustment ("BA") of \$1.3495 per Mcf, which represents an increase of 79.25 cents per Mcf from the previous BA.

6. Delta's GCA is \$12.2267 per Mcf, which is \$1.4580 per Mcf more than the previous GCA of \$10.7687.

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 August 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 August 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 27th day of July, 2005.

By the Commission

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2005-00270 DATED July 27, 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		\$12.2267		\$ 16.3859
Small Non-Residential					
Monthly Service Charge	\$ 20.00				
All Mcf	3.7950		12.2267		\$ 16.0217
Large Non-Residential					
Monthly Service Charge	\$ 72.00				
First 200 Mcf	\$ 3.7950		\$12.2267		\$16.0217
Next 800 Mcf	2.1461		12.2267		14.3728
Next 4,000 Mcf	1.3500		12.2267		13.5767
Next 5,000 Mcf	.9500		12.2267		13.1767
Over 10,000 Mcf	.7500		12.2267		12.9767

Interruptible

Monthly Service Charge	\$ 250.00		
First 1,000 Mcf	\$ 1.6000	\$12.2267	\$ 13.8267
Next 4,000 Mcf	\$ 1.2000	12.2267	13.4267
Next 5,000 Mcf	.8000	12.2267	13.0267
Over 10,000 Mcf	.6000	12.2267	12.82

