

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF THE PIPE REPLACEMENT)	
PROGRAM RIDER OF DELTA NATURAL GAS)	CASE NO.
COMPANY, INC.)	2019-00074

ORDER

On February 28, 2019, Delta Natural Gas Company, Inc. (Delta), filed an application to revise its Pipeline Replacement Program (PRP) rates effective May 1, 2019. Delta responded to one round of information request from Commission Staff. There are no intervenors in this proceeding, and the case now stands submitted for decision.

Delta's current-year PRP adjustment is \$2,618,189. During 2018, Delta experienced an under-recovery of its PRP revenue authorized in Case No. 2018-00086¹ in the amount of \$120,343, which it proposes to include as a charge through its PRP Balancing Adjustment. Delta's Total PRP adjustment, including the Balancing Adjustment, is \$2,738,532.

In Case No. 2018-00086, the Commission ordered Delta to submit responses to certain requests for information when it filed future annual PRP applications. Those requests for information were attached as Appendix C to the August 21, 2018 Order in Case No. 2018-00086. Among other things, Delta was to provide, as part of its next PRP application, a list of remaining items to be replaced through the PRP along with the

¹ Case No. 2018-00086, *Electronic Adjustment of the Pipe Replacement Program Rider of Delta Natural Gas Company, Inc.* (Ky. PSC Aug. 21, 2018).

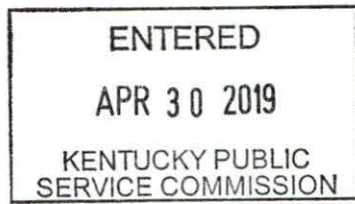
associated costs and estimated PRP surcharges per year. Delta has provided the information requested in its application in the instant matter.

Having reviewed the evidence of record and being otherwise sufficiently advised, the Commission finds that the information contained in Delta's application, along with its responses to Commission Staff's request for information, is in sufficient detail to support the reasonableness of Delta's proposed PRP adjustment.

IT IS THEREFORE ORDERED that:

1. The PRP rates in Appendix A to this Order are approved for billing by Delta for meters read on and after May 1, 2019.
2. Delta shall continue to file the information requested in Appendix B to this Order when it files its future annual PRP applications.
3. Within 20 days of the date of this Order, Delta shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.
4. This case is closed and removed from the Commission's docket.

By the Commission



ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2019-00074 DATED **APR 30 2019**

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 the authority of the Commission prior to the effective date of this Order.

Pipeline Replacement Program Rates per month:

Residential	\$ 4.16
Small Non-residential	\$ 7.98
Large Non-residential	\$ 58.88
Interruptible	\$434.84

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2019-00074 DATED **APR 30 2019**

1. Provide a list of the remaining items to be replaced and an estimate of the associated costs eligible to be recovered through the PRP, inclusive of all types of pipe authorized to be replaced through the PRP. The information should include:
 - a. The amount of pipe remaining to be replaced through the PRP. Pipe should be categorized by material (i.e., bare steel, coated steel, plastic, etc.), age, size, and location.
 - b. The estimated remaining cost per year of the PRP broken down by pipe, services, and any other eligible PRP activities.
2. Using the information provided in Item 1, provide a chart showing by year and customer class, the estimated PRP surcharges for each remaining year of the PRP.
3. Provide a list showing each project that was replaced under the PRP for the program year. The list should include the size of the pipe, length replaced, length installed, number of services, pipe material, and cost.
4. Provide the same information as requested in Item 3 above but as an estimate for the next PRP program year.

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