

CASE

NUMBER:

99 176

Filing 7.28.99

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July 28, 1999

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(OF COUNSEL)
JAMES BROWN***
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JAMES G. STEPHENSON
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WALLACE MUIR (1878 - 1947)
RICHARD C. STOLL (1878 - 1949)
WILLIAM H. TOWNSEND (1890 - 1964)
RODMAN W. KEENON (1882 - 1966)
JAMES PARK (1892 - 1970)
JOHN L. DAVIS (1913 - 1970)
GLADNEY HARVILLE (1921 - 1978)
GAYLE A. MOHNEY (1906 - 1980)
C. WILLIAM SWINFORD (1921 - 1986)

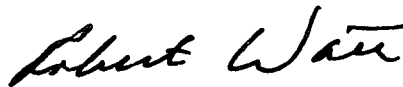
Hon. Helen Helton
Executive Director
Public Service Commission
730 Schenkel Lane
P.O. Box 615
Frankfort, KY 40602

Re: Delta Natural Gas Company, Inc.
Case No. No. 99-176

Dear Ms. Helton:

We deliver herewith for filing an original and fifteen (15) copies of Delta's Response to the Commission's Data Request for Information dated July 15, 1999, in the above-captioned cases. We would appreciate your placing the Response with the other papers in the case. Thank you for your kind assistance.

Sincerely,



Robert M. Watt, III

rmw

encl.

cc: Counsel of Record (w/encl.)
Mr. John F. Hall (w/o encl.)

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Notes

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DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

JUL 28 1999

PUBLIC SERVICE
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DATA REQUEST DATED 7/15/99

1. Provide a copy of the current bylaws. Indicate any changes made to the bylaws since the year utilized as the test period in Delta's last rate case.

RESPONSE:

A copy of Delta's current By-Laws is attached. There have been no changes made to Delta's By-Laws since the year utilized as the test period in Delta's last rate case.

Sponsoring Witness:

John F. Hall

AMENDED AND RESTATED
BY-LAWS
OF

DELTA NATURAL GAS COMPANY, INC.

ARTICLE I

Offices and Registered Agent

1.1 Principal Office. The principal office of the Corporation shall be located at 3617 Lexington Road, Winchester, Kentucky 40391. The Corporation may have such other offices, either within or without the Commonwealth of Kentucky, as the business of the Corporation may require from time to time.

1.2 Registered Office. The registered office of the Corporation shall be at 3617 Lexington Road, Winchester, Kentucky 40391. The address of the registered office may be changed from time to time by the Board of Directors.

1.3. Registered Agent. The registered agent for the Corporation shall be the Secretary of the Corporation.

ARTICLE II

Shareholders

2.1 Annual Meetings. The annual meeting of the shareholders shall be held at the principal office of the Corporation on the third Thursday in November of each year, at such time as the President may designate. The Board of Directors of the Corporation, by resolution, may for any year change the place, date and time for any annual meeting from that established by the first sentence of this Section 2.1 of ARTICLE II. The purpose of such annual meetings shall be the election of directors and such other business as may properly come before it. If the election of directors shall not be held on the day designated for the annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as may be practicable.

2.2 Special Meetings. Special meetings of the shareholders may be called by the President, a majority of the members of the Board of Directors or the holders of at least thirty-three and one-third percent (33 1/3%) of all the votes entitled to be cast on any issue proposed to be considered at the proposed special meeting, provided, however, that such call by such holders shall be subject to all requirements of Kentucky law.

2.3 Place of Special Meetings. The President or the Board of Directors may designate any place within or without the Commonwealth of Kentucky as the place for any special meeting. If no designation is properly made, or if a special meeting be otherwise called, the place of meeting shall be at the registered office of the Corporation in the Commonwealth of Kentucky.

2.4 Notice of Annual or Special Meeting. Written or printed notice stating the place, day and hour of the annual or special meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than sixty (60) days before the date of the meeting, either personally or by mail, by or at the direction of the President, the Secretary or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope addressed to the shareholder at his or her address as it appears on the stock transfer books of the Corporation, with postage thereon prepaid.

2.5 Fixing of a Record Date. The Board of Directors may fix a record date in order to determine the shareholders entitled to receive dividends or distributions, to notice of a shareholders' meeting, to demand a special meeting, to vote or to take any other action or receive any allotment of rights. A record date fixed by the Board of Directors shall not be more than seventy (70) days before the meeting or action requiring a determination of shareholders. In the event no record date is fixed by the Board of Directors, the record date shall be determined pursuant to Kentucky law.

2.6 Quorum and Voting Requirements. Unless the Corporation's Articles of Incorporation or Kentucky law requires otherwise, a majority of the votes entitled to be cast on the matter by the voting group shall constitute a quorum for action on any matter. If a quorum exists, action on a matter (other than the election of directors) by a voting group shall be approved if the votes cast within the voting group favoring the action exceed the votes cast opposing the action, unless the Corporation's Articles of Incorporation or Kentucky law requires a greater number of affirmative votes.

2.7 Proxies.

(a) A shareholder may vote his or her shares in person or by proxy.

(b) A shareholder may appoint a proxy to vote or otherwise act for him or her by signing an appointment form, either personally or by his or her attorney in fact. A telegram or cablegram appearing to have been transmitted by the proper person, or a photographic, photostatic or equivalent reproduction of a writing appointing a proxy shall be deemed to be a sufficient signed appointment form.

(c) An appointment of a proxy shall be effective when the appointment form is received by the secretary or other officer or agent authorized to tabulate votes. An appointment shall be valid for eleven (11) months unless a longer period is expressly provided in the appointment form.

(d) An appointment of a proxy shall be revocable by the shareholder unless the appointment form conspicuously stated that it is irrevocable and the appointment is coupled with an interest.

2.8 Voting of Shares. Subject to the provisions of Section 2.9 hereof, each outstanding share of common stock authorized by the Corporation's Articles of Incorporation to have voting power shall be entitled to one vote upon each matter submitted to a vote at a

meeting of shareholders. The voting rights, if any, of classes of shares other than voting common stock shall be as set forth in the Corporation's Articles of Incorporation or by appropriate legal action of the Board of Directors.

2.9 Cumulative Voting. At each election for directors, each shareholder entitled to vote at such election shall have the right to cast, in person or by proxy, as many votes in the aggregate as he or she shall be entitled to vote under the Corporation's Articles of Incorporation, multiplied by the number of directors to be elected at such election, and each shareholder may cast the whole number of votes for one candidate or distribute such votes among two or more candidates. Directors shall not be elected in any other manner.

2.10 Informal Action by Shareholders. Any action required to be taken, or which may be taken, at a meeting of the shareholders may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the shareholders entitled to vote with respect to the subject matter thereof.

ARTICLE III

Directors

3.1 General Powers. All corporate powers shall be exercised by or under the authority of and the business affairs of the Corporation managed under the direction of the Board of Directors.

3.2 Number, Tenure and Qualifications. The number of directors of the Corporation shall be nine (9). The Board of Directors shall be divided into three (3) classes, with each class as nearly equal as possible. Each director shall hold office for the term for which he or she is elected or until his or her successor has been elected and qualified, whichever period is longer.

3.3 Removal and Resignations. At a meeting of shareholders called expressly for that purpose, any director may be removed for cause by a vote of the holders of a majority of the shares then entitled to vote at an election of directors. Removal without cause may occur only as set forth in the Articles of Incorporation. Notwithstanding the provisions of this Section, no director may be removed, with or without cause, if the number of votes sufficient to elect him or her under cumulative voting is voted against his or her removal. Any member of the Board of Directors may resign from the Board of Directors at any time by giving written notice to the President or Secretary of the Corporation, or to any other person or entity specified by Kentucky law, and unless otherwise specified in such notice, resignation shall be effective upon delivery of such notice and shall not require acceptance to make it effective.

3.4 Regular Meetings. A regular, annual meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of shareholders. The Board of Directors may provide by resolution the time and place, either within or without the Commonwealth of Kentucky, for the holding of up to 12 additional regular meetings in the following twelve (12) month period without other notice than such resolution.

3.5 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. All special meetings of the Board of Directors shall be held at the principal office of the Corporation or such other place as may be specified in the notice of the meeting.

3.6 Notice. Notice of any special meeting shall be given at least twelve (12) hours prior thereto by written notice delivered personally or mailed to each director at his or her business address or by telephone to each director personally. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, postage prepaid. Any director may waive in writing notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, unless the director at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

3.7. Quorum. A majority of the number of directors fixed by, or determined in accordance with, Section 3.2 hereof shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

3.8 Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless otherwise required by the Articles of Incorporation.

3.9 Vacancies. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. Any directorship to be filled by reason of an increase in the number of directors may be filled by the Board of Directors for a term of office continuing until the next election of directors by the shareholders.

3.10 Compensation. Each director shall be compensated in accordance with compensation guidelines established by the Board of Directors. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation there for.

3.11 Action by Written Consent. Any action required or permitted to be or she taken by the Board of Directors at a meeting may be taken without a meeting, if a consent in writing setting forth the action so taken shall be signed by all of the directors.

3.12 Chairman and Vice-Chairman of the Board. The Board of Directors may appoint one of its members Chairman of the Board of Directors. The Board of Directors may also appoint one of its members as Vice-Chairman of the Board of Directors, and such individual shall serve in the absence of the Chairman and perform such additional duties as may be assigned to him or her by the Board of Directors.

ARTICLE IV

Officers

4.1 Classes. The officers of the Corporation shall be a President, one or more Vice-Presidents, a Secretary, a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors.

4.2 Election and Term of Office. The officers of the Corporation shall be elected by the Board of Directors at each regular, annual meeting of the Board of Directors. If the election of officers shall not be held at any such meeting, such election shall be held as soon thereafter as is convenient. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided.

4.3 Removal and Resignations. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors, with or without cause, whenever, in its judgment, the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment of an officer or agent shall not of itself create contract rights. Any officer of the corporation may resign at any time by delivering notice to the President or Secretary of the Corporation, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. An officer's resignation shall not affect the Corporation's contract rights, if any, with the officer.

4.4 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

4.5 President. The President shall be the chief executive officer of the corporation. If no chairman or vice-chairman has been appointed or, in the absence of both, he or she shall preside at all meetings of the shareholders and of the Board of Directors. He or she may sign certificates for shares of the Corporation, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed. The President, in general, shall perform all duties incident to the office of President and chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time. Unless otherwise ordered by the Board of Directors, the President shall have full power and authority on behalf of the Corporation to attend, act and vote at any meetings of shareholders of any corporation in which the Corporation may hold stock, and at any such meeting, shall hold and may exercise all rights incident to the ownership of such stock which the Corporation, as owner, might have had and exercised if present. The Board of Directors may confer like powers on any other person or persons.

4.6 Vice-President. In the absence of the President, or in the event of his or her inability or refusal to act, the Vice Presidents in order designated at the time of their election or otherwise by the Board of Directors shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to the restrictions upon the President. Any Vice-President may sign, with the Secretary or an assistant secretary, certificates for shares of the corporation and shall perform such other duties as from time to time may be assigned by the President or by the Board of Directors.

4.7 Treasurer. The Treasurer shall be the chief financial officer of the Corporation. He or she shall have charge and custody of and be responsible for all funds and securities of the Corporation, receive and give receipts for monies due and payable to the Corporation from any source whatsoever, deposit all such monies in the name of the Corporation in such banks, trust companies and other depositories as shall be selected in accordance with the Provisions of Article V of these By-Laws and, in general, perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

4.8 Secretary. The Secretary shall (a) prepare and keep the minutes of the shareholders' meetings and of the Board of Directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the corporate records and of the seal, if any, of the Corporation; (d) keep a register of the Post Office address of each shareholder; (e) sign with the President or Vice-President certificates for shares of stock of the Corporation; (f) have general charge of the stock transfer books of the Corporation; (g) have responsibility for authenticating records of the Corporation; and, (h) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

4.9 Compensation. The compensation of the officers of the Corporation shall be fixed from time to time by the Board of Directors, and no officer shall be prevented from receiving such compensation by reason of the fact that he or she is also a director of the Corporation.

ARTICLE V

Contracts, Loans, Checks and Deposits

5.1 Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract and execute and deliver any instruments in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

5.2 Loans. No loans shall be contracted or evidence of indebtedness issued on behalf of the Corporation unless authorized by the President or by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

5.3 Deposits, Checks, Drafts, Etc. All funds of the Corporation not otherwise employed shall be deposited, from time to time, to the credit of the Corporation in such banks, trust companies and other depositories selected by the Board of Directors or any two of the President, a Vice President or Treasurer. All checks, drafts, electronic fund transfers, wire transfers or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed or otherwise authorized by such officer or officers, employee or employees, or agent or agents of the Corporation and in such manner as shall, from time to time, be determined by resolution of the Board of Directors or any two of the President, a Vice President or Treasurer.

ARTICLE VI

Certificates for Shares and Their Transfer

6.1 Certificates for Shares. Certificates representing shares of the Corporation shall be in such form as may be determined by the Board of Directors and by the laws of the Commonwealth of Kentucky. Such certificates shall be signed by the President or a Vice-President and by the Secretary or an assistant secretary, and may be sealed with the seal of the Corporation, or a facsimile thereof. The signature of such officers upon such certificates may be facsimiles if the certificate is manually signed on behalf of a transfer agent or registrar for the Corporation. All certificates for shares shall be consecutively numbered. The name of the person owning the shares represented thereby, with the number of shares and date of issue, shall be entered on the books of the Corporation. All certificates surrendered to the Corporation for transfer shall be cancelled, and no new certificates shall be issued until the former certificates for a like number of shares shall have been surrendered and cancelled, except that, in case of a lost, destroyed or mutilated certificate, a new one may be issued therefor upon such terms and indemnity to the Corporation as the Secretary may prescribe.

6.2 Transfer of Shares. Transfer of shares of the Corporation shall be made only on the books of the Corporation by the registered holder thereof, or by his or her legal representative who shall furnish proper evidence of authority to transfer, or by his or her attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the Corporation, and on surrender for cancellation of the certificate for such shares. The person in whose name shares stand on the books of the Corporation shall be deemed the owner thereof for all purposes as regards the Corporation.

ARTICLE VII

INDEMNIFICATION

7.1 Definitions. As used in this Article VII:

(a) "Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal;

(b) "Party" includes a person who was, is or is threatened to be made a named defendant or respondent in a Proceeding;

(c) "Expenses" include attorneys fees;

(d) "Officer" means any person serving as Chairman of the Board of Directors, President, Vice-President, Treasurer, Secretary or Assistant Secretary of the Corporation;

(e) "Director" means an individual who is or was a director of the Corporation or an individual who, while a director of the Corporation, is or was serving at the request of the Corporation as a Director, Officer, Partner, Trustee, Employee or Agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise. A Director shall be considered serving an employee benefit plan at the request of the Corporation if his or her duties to the Corporation also impose duties on, or otherwise involve services by, him or her to the plan or to participants in or beneficiaries of the plan. "Director" includes, unless the context requires otherwise, the estate or personal representative of a director.

7.2 Indemnification by Corporation.

(a) The Corporation shall indemnify any Officer or Director who is made a Party to any Proceeding by reason of the fact that such person is or was an Officer or Director if:

(1) Such Officer or Director conducted himself or herself in good faith;
and

(2) Such Officer or Director reasonably believed:

(i) In the case of conduct in his or her official capacity with the Corporation, that his or her conduct was in the best interest of the Corporation; and

(ii) In all other cases, that his or her conduct was at least not opposed to the best interest of the Corporation; and

(3) In the case of any criminal Proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful.

(b) A Director's conduct with respect to an employee benefit plan for a purpose he or she reasonably believes to be in the interest of the participants in and beneficiaries of the plan shall be conduct that satisfies the requirement of Section 7.2 (a)(2)(ii) of these By-Laws.

(c) Indemnification shall be made against judgments, penalties, fines, settlements and reasonable expenses, including legal expenses, actually incurred by such Officer or Director in connection with a Proceeding, except that if the Proceeding was by or in the right of the Corporation, indemnification shall be made only against such reasonable expenses and shall not be made in respect of any Proceeding in which the Officer or Director shall have been adjudged to be liable to the Corporation. The termination of any Proceeding by judgment, order,

settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, by itself, be determinative that the Officer or Director did not meet the requisite standard of conduct set forth in this Section 7.2.

(d) (1) Reasonable expenses incurred by an Officer or Director as a Party to a Proceeding with respect to which indemnity is to be provided under this Section 7.2 shall be paid or reimbursed by the Corporation in advance of the final disposition of such Proceeding provided:

(i) The Corporation receives (I) a written affirmation by the Officer or Director of his or her good faith belief that he or she has met the requisite standard of conduct set forth in this Section 7.2, and (II) the Corporation receives a written undertaking by or on behalf of the Officer or Director to repay such amount if it shall ultimately be determined that he or she has not met such standard of conduct; and

(ii) The Corporation's Board of Directors (or other appropriate decisionmaker for the Corporation) determines that the facts then known to the Board of Directors (or decisionmaker) would not preclude indemnification under Kentucky law.

(2) The undertaking required herein shall be an unlimited general obligation of the Officer or Director but shall not require any security and shall be accepted without reference to the financial ability of the Officer or Director to make repayment.

(3) Determinations and authorizations of payments under this Section 7.2(d) shall be made in the manner specified in Section 7.2(e) of these By-Laws.

(e) (1) The Corporation shall not indemnify an Officer or Director under this Section 7.2 unless authorized in the specific case after a determination has been made that indemnification of the Officer or Director is permissible in the circumstances because he or she has met the standard of conduct set forth in this Section 7.2.

(2) Such determination shall be made:

(i) By the Corporation's Board of Directors by majority vote of a quorum consisting of directors not at the time Parties to the Proceeding;

(ii) If a quorum cannot be obtained under Section 7.2(e)(2)(i), by majority vote of a committee duly designated by the Corporation's Board of Directors (in which designation directors who are Parties may participate), consisting solely of two (2) or more directors not at the time Parties to the Proceeding; or

(iii) By special legal counsel:

(I) Selected by Corporation's Board of Directors or its committee in the manner prescribed in Sections 7.2(e)(2)(i) and (ii); or

(II) If a quorum of the Board of Directors cannot be obtained under Section 7.2(e)(2)(i) and a committee cannot be designated under Section 7.2(e)(2)(ii), selected by a majority vote of the full Board of Directors (in which selection directors who are Parties may participate); or

(3) Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those entitled under Section 7.2(e)(2)(iii) to select counsel.

7.3 Further Indemnification. Notwithstanding any limitation imposed by Section 7.2 or elsewhere and in addition to the indemnification set forth in Section 7.2, the Corporation, to the full extent permitted by law, may agree by contract or otherwise to indemnify any Officer or Director and hold him or her harmless against any judgments, penalties, fines, settlements and reasonable expenses actually incurred or reasonably anticipated in connection with any Proceeding in which any Officer or Director is a Party, provided the Officer or Director was made a Party to such Proceeding by reason of the fact that he or she is or was an Officer or Director of the Corporation or by reason of any inaction, nondisclosure, action or statement made, taken or omitted by or on behalf of the Officer or Director with respect to the Corporation or by or on behalf of the Officer or Director in his or her capacity as an Officer or Director.

7.4 Insurance. The Corporation may, in the discretion of the Board of Directors, purchase and maintain or cause to be purchased and maintained insurance on behalf of all Officers and Directors against any liability asserted against them or incurred by them in their capacity or arising out of their status as an Officer or Director, to the extent such insurance is reasonably available. Such insurance shall provide such coverage for the Officers and Directors as the Board of Directors may deem appropriate.

ARTICLE VIII

Miscellaneous

8.1 Amendments. The Board of Directors shall have the power and authority to alter, amend or repeal By-Laws of the Corporation, subject always to the power of the shareholders under Kentucky law to change or repeal such By-Laws.

8.2 Fiscal Year. The Board of Directors shall have the power to fix, and from time to time change, the fiscal year of the Corporation. The fiscal year of the Corporation shall begin on the first day of July and end on the thirtieth day of June of each year.

8.3 Dividends. The Board of Directors may, from time to time, make distributions to shareholders in the manner and upon the terms and conditions provided by Kentucky law and its Articles of Incorporation.

8.4 Seal. The Board of Directors may adopt a corporate seal.

8.5 Waiver of Notice. Whenever any notice is required to be given or delivered under the provisions of these By-Laws, or under the provisions of the Corporation's Articles of Incorporation, or under the provisions of the corporation laws of the Commonwealth of Kentucky, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time state, therein, shall be equivalent to the delivery or giving of such notice.

8.6 Construction. Unless the context specifically requires otherwise, any reference in these By-Laws to any gender shall include all other genders; any reference to the singular shall include the plural; and any reference to the plural shall include the singular.

THE ABOVE AMENDED AND RESTATED
BY-LAWS OF THIS CORPORATION WERE
ADOPTED BY THE BOARD OF
DIRECTORS AT A MEETING HELD

AUGUST 21, 1996



JOHN F. HALL, SECRETARY

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

2. Provide the capital structure at the end of each of the periods as shown in Format 2.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John F. Hall

Delta Natural Gas Company, Inc.
CASE NO. 99-176
Capital Structure

Format 2
Schedule 1

		10th Year - 1988	9th Year - 1989	8th Year - 1990	7th Year - 1991	6th Year - 1992	
Line No.	Type of Capital	Amount	Ratio	Amount	Ratio	Amount	Ratio
1	Long-Term Debt	14,377	45.8%	13,743	39.2%	12,953	34.6%
2	Short-Term Debt	2,340	7.5%	7,025	20.0%	10,210	27.3%
3	Preferred Preference Stock						
4	Common Equity	14,645	46.7%	14,324	40.8%	14,256	38.1%
5	Total Capitalization	31,362		35,092		37,419	

		5th Year - 1993	4th Year - 1994	3rd Year - 1995	2nd Year - 1996	1st Year - 1997	
Line No.	Type of Capital	Amount	Ratio	Amount	Ratio	Amount	Ratio
1	Long-Term Debt	25,000	50.1%	24,807	46.1%	26,129	43.2%
2	Short-Term Debt	4,595	9.2%	8,030	14.9%	12,710	21.0%
3	Preferred Preference Stock						
4	Common Equity	20,281	40.7%	20,916	38.9%	21,646	35.8%
5	Total Capitalization	49,876		53,753		60,485	

		Test Year - 1998	Latest Available Quarter - 3/31/99	Average Test Year	
Line No.	Type of Capital	Amount	Ratio	Amount	Ratio
1	Long-Term Debt	54,208	59.2%	54,180	60.6%
2	Short-Term Debt	9,030	9.9%	4,910	5.5%
3	Preferred Preference Stock				
4	Common Equity	28,352	31.0%	30,330	33.9%
5	Total Capitalization	91,590		89,420	

Delta Natural Gas Company, Inc
CASE NO. 99-176
Calculation of Average Test Period Capital Structure
12 Months Ended - December 31, 1998

Format 2
Schedule 2

Line No.	Item	Total Capital (b)	Long-Term Debt (c)	Short-Term Debt (d)	Preferred Stock (e)	Common Stock (f)	Retained Earnings (g)	Total Common Equity (h)
1	Balance Beginning of test year	87,181	39,530	19,395		27,973	283	28,256
2	1st Month -- January '98	88,546	39,403	19,830		27,973	1,340	29,313
3	2nd Month -- February '98	86,412	39,380	17,040		27,988	2,004	29,992
4	3rd Month -- March '98	95,430	65,382	0		28,073	1,975	30,048
5	4th Month -- April '98	85,028	54,383	0		28,082	2,563	30,645
6	5th Month -- May '98	85,111	54,401	0		28,114	2,596	30,710
7	6th Month -- June '98	86,148	54,402	1,875		28,204	1,667	29,871
8	7th Month -- July '98	87,380	54,369	3,305		28,327	1,379	29,706
9	8th Month -- August '98	88,023	54,356	4,140		28,343	1,184	29,527
10	9th Month -- September '98	90,008	54,297	7,050		28,427	234	28,661
11	10th Month -- October '98	92,046	54,219	9,290		28,459	78	28,537
12	11th Month -- November '98	91,682	54,226	8,775		28,470	211	28,681
13	12th Month -- December '98	91,590	54,208	9,030		28,546	-194	28,352
14	Total (L1 through L13)	1,154,585	672,556	99,730		366,979	15,320	382,299
15	Average Balance (L14/13)	88,814	51,735	7,672		28,229	1,178	29,408
16	Average capitalization ratios		58.3%	8.6%		31.8%	1.3%	
17	End-of-period capitalization ratios		59.2%	9.9%		31.2%	-0.2%	

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

3.
 - a. Provide a list of all outstanding issues of long-term debt as of the end of the latest calendar year and the end of the test period together with the related information as shown in Format 3a. Provide a separate schedule for each time period. Report in column (k) of Format 3a, Schedule 2, the actual dollar amount of debt cost for the test year. Compute the actual and annualized composite debt cost rates and report them in column (j) of Format 3a, Schedule 2.
 - b. Provide an analysis of end-of-period, short-term debt and a calculation of the average and end-of-period cost rate as shown in Format 3b.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John F. Hall

Delta Natural Gas Company, Inc.
CASE NO. 99-176

Schedule of Outstanding Long-Term Debt
For the Calendar Year Ended December 31, 1998

Format 3a
Schedule 1

Line No.	Type of Debt Issue (a)	Date of Issue (b)	Date of Maturity (c)	Amount Outstanding (d)	Interest Rate (e)	Annualized Cost Col.(d) X Col.(e) (f)
1	6.625% Sinking Fund Debentures	10/18/93	10/1/23	\$ 12,973,000	6.625%	\$ 859,461
2	8.3% Sinking Fund Debentures	7/19/96	8/1/26	\$ 15,000,000	8.300%	\$ 1,245,000
3	7.15% Sinking Fund Debentures	3/27/98	4/1/18	\$ 25,000,000	7.150%	\$ 1,787,500
4	Storage			\$ 1,234,845		
5	Unamortized Debt Expense					\$ 162,000 (2)
				\$ 54,207,845		\$ 4,053,961
Annualized Cost Rate [Total Col. (f) / Total Col. (d)]						7.479%

(1) Coupon Rate, Rate of Issue & Rate at Maturity are all the same.
(2) Includes related debt issuance expenses

Delta Natural Gas Company, Inc
CASE NO. 99-176

Format 3a
Schedule 2

Schedule of Outstanding Long-Term Debt
For the Test Year Ended December 31, 1998

Line No.	Type of Debt Issue (a)	Date of Issue (b)	Date of Maturity (c)	Amount Outstanding (d)	Interest Rate (e)	Annualized Cost Col.(d) x Col.(e) (f)	Actual Test Year Interest Cost (g)
1	6.625% Sinking Fund Debentures	10/18/93	10/1/23	\$ 12,973,000	6.625%	\$ 859,461	\$ 875,926
2	8.3% Sinking Fund Debentures	7/19/96	8/1/26	\$ 15,000,000	8.300%	\$ 1,245,000	\$ 1,245,000
3	7.15% Sinking Fund Debentures	3/7/98	4/1/18	\$ 25,000,000	7.150%	\$ 1,787,500	\$ 913,611
4	Storage Field			\$ 1,234,845		\$ -	\$ -
5	Unamortized Debt Expense			\$ 54,207,845		\$ 162,000 (2)	\$ -
						\$ 4,053,961	\$ 3,034,537

Annualized Cost Rate
[Total Col. (f) / Total Col. (d)]

7.479%

Actual Long-Term Debt Cost Rate
[Total Col. (g) / Total Reported in
Col. (c) Line 15 of Format 2,
Schedule 2 -- \$3,034,537 / \$51,735,000

5.866%

(1) Coupon Rate, Rate of Issue & Rate at Maturity are all the same.
(2) Includes related debt issuance expenses

Delta Natural Gas Company, Inc.
CASE NO. 99-176
Schedule of Short-Term Debt
For the Test Year Ended December 31, 1998

Format 3b

Line No.	Type of Debt Instrument (a)	Date of Issue (b)	Date of Maturity (c)	Amount Outstanding (d)	Interest Rate (e)	Effective Interest Cost Rate (f)	Annualized Interest Cost Col.(d)xCol(f) (g)
1	Grid Note	11/15/98	Demand ⁽¹⁾	\$9,030,000	5.410%	(2)	

⁽¹⁾ This is a demand grid note dated November 15, 1998 and renewed annually. It can be increased or decreased daily up to a maximum of \$25,000,000.

⁽²⁾ The interest rate is either the daily prime rate or is based upon certificate of deposit rates.

Total Short Term-Debt

Annualized Cost Rate [Total Col. (g) / Total Col. (d)]

Actual Interest Paid or Accrued on Short-Term Debt during the Test Year

[Report in Col. (g) of this schedule]

\$ 476,444

Average Short-Term Debt - Format 2, Schedule 2 Line 15 Col (d)

[Report in Col. (g) of this schedule]

\$ 7,672,000

Test-Year Interest Cost Rate [Actual Interest / Average Short-Term Debt]

[Report in Col. (f) of this schedule]

6.2%

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

4. Provide a list of all outstanding issues of preferred stock as of the end of the latest calendar year and the end of the test period as shown in Format 4. Provide a separate schedule for each time period. Report in Column (h) of Format 4, Schedule 2, the actual dollar amount of preferred stock cost accrued or paid during the test year. Compute the actual and annualized preferred stock cost rate and report the results in Column (g) of Format 4, Schedule 1.

RESPONSE:

Effective June 30, 1987, the outstanding cumulative preferred shares were redeemed at par value.

Sponsoring Witness:

John F. Hall

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

5.
 - a. List all issues of common stock in the primary market during the most recent 10-year period as shown in Format 5a.
 - b. Provide the common stock information on a quarterly and yearly basis for the most recent 5 calendar years available, and through the latest available quarter as shown in Format 5b.
 - c. Provide market prices for common stock for each month during the most recent 5-year period and for the months through the date the application is filed. List all stock splits and stock dividends by date and type.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John F. Hall

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176
SCHEDULE OF COMMON STOCK ISSUE
FOR THE TEST PERIOD ENDING 12/31/98

ITEM 5a
Page 1 of 4

ISSUE	DATE OF ANNOUNCEMENT	REGISTRATION	NUMBER OF SHARES ISSUED	\$ PRICE PER SHARE TO PUBLIC	\$ PRICE PER SHARE (NET TO COMPANY)	\$BOOK VALUE PER SHARE AT DATE OF ISSUE	SELLING EXPS. AS % OF GROSS ISSUE AMOUNT	\$ NET PROCEEDS TO COMPANY
*ESPP		Jan. 1989	8,402	14.125	14.125	10.09		14.125
ESPP		Sept. 1989	1,100	13.875	13.875	9.34		13.875
***DRIP		Dec. 1989	2,632	14.175	14.75	9.18		14.75
DRIP, ESPP		Jan. 1990	5,630	14.125	14.125	9.66		14.125
DRIP		Feb. 1990	762	13.725	13.725	9.98		13.725
DRIP		March 1990	2,509	13.20	13.20	9.87		13.20
DRIP		April 1990	490	12.968	12.968	10.07		12.968
DRIP		May 1990	583	12.50	12.50	10.14		12.50
DRIP		June 1990	2,663	12.20	12.20	9.77		12.20
DRIP		July 1990	1,413	12.125	12.125	9.65		12.125
DRIP		Aug. 1990	1,410	11.937	11.937	9.52		11.937
DRIP		Sept. 1990	3,181	11.91	11.91	9.13		11.91
DRIP		Oct. 1990	531	11.90	11.90	9.08		11.90
DRIP		Nov. 1990	366	12.531	12.531	9.13		12.531
DRIP		Dec. 1990	3,406	12.375	12.375	9.00		12.375
DRIP, ESPP		Jan. 1991	7,654		12.312	9.38		12.312
DRIP		Feb. 1991	1,033	12.625	12.625	9.85		12.625
DRIP		March 1991	3,180	12.45	12.45	9.75		12.45
DRIP		April 1991	841	12.50	12.50	9.81		12.50

DRIP		May 1991	394	12.813	12.813		9.75		12.813
DRIP		June 1991	3,167	13.20	13.20		9.47		13.20
DRIP		July 1991	2,033	13.10	13.10		9.37		13.10
DRIP		Aug. 1991	400	13.25	13.25		9.31		13.25
DRIP		Sept. 1991	3,291	13.437	13.437		8.95		13.437
DRIP		Oct. 1991	1,431	13.80	13.80		8.93		13.775
DRIP		Nov. 1991	1,074	13.775	13.775		9.12		13.775
DRIP		Dec. 1991	2,903	15.20	15.20		9.11		15.20
DRIP									
DRIP		Jan. 1992	6,325	15.55	15.55		9.67		15.55
DRIP		Feb. 1992	500	15.70	15.70		10.11		15.70
DRIP		March 1992	2,944	15.375	15.375		10.09		15.375
DRIP		April 1992	626	14.75	14.75		10.45		14.75
DRIP		May 1992	954	15.03	15.03		10.46		15.03
DRIP		June 1992	2,990	15.425	15.425		9.99		15.425
DRIP		July 1992	2,170	17.975	17.975		9.92		17.975
DRIP		Aug. 1992	3,733	17.375	17.375		9.83		17.375
DRIP		Sept. 1992	2,581	18.05	18.05		9.45		18.05
DRIP		Oct. 1992	686	17.50	17.50		9.49		17.50
DRIP		Nov. 1992	422	18.00	18.00		9.58		18.00
DRIP		Dec. 1992	2,895	17.875	17.875		9.64		17.875
DRIP									
DRIP		Jan. 1993	5,408	18.05	18.05		10.16		18.05
DRIP		Feb. 1993	713	18.063	18.063		10.59		18.063
DRIP		Mar. 1993	2,892	19.20	19.20		10.77		19.20
DRIP		April 1993	539	19.40	19.40		11.25		19.40
DRIP		May 1993	372	19.05	19.05		11.09		19.05
DRIP		June 1993	4,196	19.00	19.00		10.62		19.00
DRIP		July 1993	796	19.25	19.25		10.55		19.25
DRIP		Aug. 1993	299	20.15	20.15		10.42		20.15
DRIP		Sept. 1993	2,777	21.40	21.40		10.04		21.40
Public Off. DRIP	10/7/93	Oct. 1993	170,459	22.20	20.90		11.04	5%	20.90
DRIP		Nov. 1993	589	22.15	22.15		11.16		22.15
DRIP		Dec. 1993	2,359	21.63	21.63		11.11		21.63

DRIP		Jan. 1994	4,819	21.00	21.00	11.81		21.00
DRIP		Feb. 1994	207	20.19	20.19	12.29		20.19
DRIP		Mar. 1994	3,006	19.25	19.25	12.35		19.25
DRIP		Apr. 1994	791	18.95	18.95	12.60		18.95
DRIP		May 1994	508	18.56	18.56	12.60		18.56
DRIP		June 1994	4,245	18.70	18.70	12.05		18.70
DRIP, ESPP		July 1994	3,149	19.15	19.15	11.97		19.15
DRIP		Aug. 1994	130	18.65	18.65	11.83		18.65
DRIP		Sept. 1994	3,073	18.13	18.13	11.45		18.13
DRIP		Oct. 1994	656	17.125	17.125	11.40		17.125
DRIP		Nov. 1994	578	16.90	16.90	11.42		16.90
DRIP		Dec. 1994	3,552	16.05	16.05	11.30		16.05
DRIP		Jan. 1995	1,084	16.70	16.70	11.78		16.70
DRIP		Feb. 1995	608	16.60	16.60	12.22		16.60
DRIP		March 1995	3,720	18.06	18.06	12.25		18.05
DRIP		April 1995	1,686	17.75	17.75	12.41		17.75
DRIP		May 1995	5,754	18.00	18.00	12.42		18.00
DRIP		June 1995	5,534	17.225	17.225	12.05		17.225
DRIP, ESPP		July 1995	5,822	17.05	17.05	11.97		17.05
DRIP		Aug. 1995	2,110	16.85	16.85	11.81		16.85
DRIP		Sept. 1995	5,086	16.175	16.175	11.39		16.175
DRIP		Oct. 1995	525	15.90	15.90	11.33		15.90
DRIP		Nov. 1995	547	17.75	17.75	11.42		17.75
DRIP		Dec. 1995	3,626	17.525	17.525	11.47		17.525
DRIP		Jan. 1996	1,808	17.56	17.56	12.08		17.56
DRIP		Feb. 1996	2,355	17.15	17.15	12.58		17.15
DRIP		March 1996	4,338	16.875	16.875	12.66		16.875
DRIP		April 1996	2,202	16.375	16.375	13.07		16.375
DRIP		May 1996	1,207	16.825	16.825	13.06		16.825
DRIP		June 1996	5,220	16.13	16.13	12.41		16.13
Public Off., DRIP		July 1996	408,997	16.00	15.28	12.81	4.50%	16.13
DRIP		Aug. 1996	2,458	17.40	17.40	12.70		17.40
DRIP		Sept. 1996	4,324	18.20	18.20	12.33		18.20

DRIP	Oct. 1996	1,089	18.225	18.225	12.27	18.225
DRIP	Nov. 1996	694	18.425	18.425	12.29	18.425
DRIP	Dec. 1996	4,191	18.50	18.50	12.15	18.50
DRIP	Jan. 1997	2,611	19.00	19.00	12.53	19.00
DRIP	Feb. 1997	1,390	18.10	18.10	12.87	18.10
DRIP	March 1997	5,197	17.50	17.50	12.77	17.50
DRIP	April 1997	1,219	17.00	17.00	12.93	17.00
DRIP	May 1997	732	16.63	16.63	12.94	16.63
DRIP, ESPP	June 1997	4,741	16.63	16.63	12.58	16.63
DRIP	July 1997	741	17.65	17.65	12.48	17.65
DRIP	Aug. 1997	387	17.71	17.71	12.39	17.71
DRIP	Sept. 1997	4,669	17.05	17.05	11.98	17.05
DRIP	Oct. 1997	1,625	17.575	17.575	11.91	17.575
DRIP	Nov. 1997	1,919	17.85	17.85	11.99	17.85
DRIP	Dec. 1997	4,601	17.60	17.60	11.96	17.60
DRIP	Jan. 1998	802	18.78	18.78	12.41	18.78
DRIP	Feb. 1998	302	18.325	18.325	12.69	18.325
DRIP	March 1998	4,435	17.525	17.525	12.69	17.525
DRIP	April 1998	594	17.125	17.125	12.94	17.125
DRIP	May 1998	1,900	16.987	16.987	12.96	16.987
DRIP, ESPP	June 1998	5,138	17.375	17.375	12.55	17.375
DRIP	July 1998	693	17.575	17.575	12.47	17.575
DRIP	Aug. 1998	1,034	17.025	17.025	12.39	17.025
DRIP	Sept. 1998	4,871	17.00	17.00	12.00	17.00
DRIP	Oct. 1998	1,846	17.06	17.06	11.94	17.06
DRIP	Nov. 1998	655	18.08	18.08	12.00	18.08
DRIP	Dec. 1998	4,143	18.40	18.40	11.84	18.40

* Employee Stock Purchase Plan
 ** Public Offering
 *** Dividend Reinvestment & Stock Purchase Plan

DELTA NATURAL GAS COMPANY, INC.
CASE 99-176
QUARTERLY & ANNUAL COMMON STOCK INFORMATION

Line Number		Average Number of Shares Outstanding	Book Value	Earnings (Loss) Per Share	Dividend Rate/Share	Rate of Return on Common Equity
1	9/30/93	1,649,926	10.05	-0.33	0.285	
2	12/31/93	1,781,086	11.39	0.32	0.275	
3	3/31/94	1,830,233	12.38	10.48	0.275	
4	6/30/94	1,835,705	12.07	-0.04	0.28	
5	Annual	1,775,068	12.49	1.50	1.105	13.10%
6						
7	9/30/94	1,842,535	11.47	-0.34	0.28	
8	12/31/94	1,847,354	11.32	0.12	0.28	
9	3/31/95	1,852,445	12.27	1.22	0.28	
10	6/30/95	1,861,285	12.09	0.04	0.28	
11	Annual	1,850,986	12.16	1.04	1.12	8.80%
12						
13	9/30/95	1,875,427	11.43	-0.41	0.28	
14	12/31/95	1,883,326	11.49	0.34	0.28	
15	3/31/96	1,890,068	13.40	1.44	0.28	
16	6/30/96	1,898,511	12.45	0.03	0.28	
17	Annual	1,886,629	12.52	1.41	1.12	11.30%
18						
19	9/30/96	2,212,638	12.93	-0.33	0.285	
20	12/31/96	2,321,571	12.17	0.09	0.285	
21	3/31/97	2,334,531	12.77	.88	0.285	
22	6/30/97	2,341,223	12.58	.09	0.285	
23	Annual	2,294,134	12.61	.75	1.14	5.90%
24						
25	9/30/97	2,353,781	11.98	-.41	0.285	
26	12/31/97	2,361,922	11.96	.34	0.285	
27	3/31/98	2,367,026	12.69	1.44	0.285	
28	6/30/98	2,375,093	12.55	.03	0.285	
29	Annual	2,359,598	12.30	1.04	1.14	8.20%
30						
31	9/30/98	2,387,989	12.00	-.35	0.285	
32	12/31/98	2,394,633	11.84	.25	0.285	
	(latest qtr. Available)					

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176
COMMON STOCK MARKET PRICE INFORMATION

Line Numbers		Month/Yr.	High (\$)	Low(\$)	Closing (\$)	Dividends Paid (\$)
1	Fiscal 94	July 1993	20.250	18.750	20.00	
2		Aug. 1993	21.750	19.500	21.250	
3		Sept. 1993	22.250	20.750	22.000	0.275
4		Dec. 1993	23.250	21.250	23.250	
5		Jan. 1994	21.275	20.500	21.250	
6		Feb. 1994	21.250	19.500	20.250	
7		March 1994	20.250	19.00	19.00	0.275
8		April 1994	19.250	18.00	18.50	
9		May 1994	19.500	17.500	18.00	
10		June 1994	20.500	17.250	20.500	0.28
11						
12	Fiscal 95	July 1994	19.750	18.750	19.00	
13		Aug. 1994	20.00	17.75	17.75	
14		Sept. 1994	18.50	17.50	17.50	0.28
15		Oct. 1994	18.00	16.50	17.250	
16		Nov. 1994	17.25	15.75	17.25	
17		Dec. 1994	17.25	16.00	16.00	0.28
18		Jan. 1995	17.50	16.00	16.50	
19		Feb. 1995	18.75	16.00	18.50	
20		March 1995	18.50	17.75	18.25	0.28
21		April 1995	18.25	17.50	17.50	
22		May 1995	18.50	17.00	17.625	
23		June 1995	17.75	16.75	17.25	0.28
24						
25	Fiscal 96	July 1995	17.25	16.75	17.00	
26		Aug. 1995	17.00	16.75	16.75	
27		Sept. 1995	17.00	15.75	15.75	0.28
28		Oct. 1995	18.00	15.50	18.00	
29		Nov. 1995	18.25	17.375	17.50	
30		Dec. 1995	18.00	17.375	17.375	0.28
31		Jan. 1996	18.00	17.250	17.75	
32		Feb. 1996	17.75	17.00	17.75	
33		March 1996	17.50	16.00	16.50	0.28
34		April 1996	16.75	15.75	16.25	
35		May 1996	17.25	16.00	16.00	
36		June 1996	16.75	15.50	15.50	0.28
37						
38	Fiscal 97	July 1996	17.25	15.50	16.75	
39		Aug. 1996	18.50	16.375	17.50	
40		Sept. 1996	18.75	17.50	18.00	0.285
41		Oct. 1996	18.75	17.75	17.75	
42		Nov. 1996	19.50	17.75	18.75	
43		Dec. 1996	19.50	18.00	18.50	0.285
44		Jan. 1997	19.50	17.75	17.75	

45			Feb. 1997	18.75	17.50	18.25	
46			March 1997	18.50	17.00	17.75	0.285
47			April 1997	18.50	16.50	16.75	
48			May 1997	17.50	16.00	17.25	
49			June 1997	18.25	16.00	17.75	0.285
50							
51	Fiscal 98		July 1997	18.25	17.25	17.325	
52			Aug. 1997	18.00	17.25	17.50	
53			Sept. 1997	18.00	16.75	17.875	0.285
54			Oct. 1997	18.00	17.325	17.438	
55			Nov. 1997	18.25	17.438	17.75	
56			Dec. 1997	19.50	17.325	19.00	0.285
57			Jan. 1998	19.25	17.75	18.0	
58			Feb. 1998	18.625	17.625	17.75	
59			March 1998	18.00	16.625	16.75	0.285
60			April 1998	17.75	16.75	17.00	
61			May 1998	17.625	16.75	17.375	
62			June 1998	18.00	17.00	17.75	0.285
63							
64	Fiscal 99		July 1998	18.00	17.125	17.375	
65			Aug. 1998	17.50	16.438	16.688	
66			Sept. 1998	17.25	16.625	16.938	0.285
67			Oct. 1998	18.50	16.75	18.438	
68			Nov. 1998	19.00	17.50	18.375	
69			Dec. 1998	18.75	18.25	18.625	0.285

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

6. Provide a computation of fixed charge coverage ratios for the 10 most recent calendar years and for the test year as shown in Format 6.

RESPONSE:

See attached schedule.

Sponsoring Witness:

John F. Hall

Delta Natural Gas Company, Inc.
CASE NO. 97-006
Computation of Fixed Charge Coverage Ratios
For the Period Shown

Format 6

Line No.	Calendar Year	Net Income (Loss)	Total Interest Charges	Income Taxes	Earnings Before Interest & Income Taxes	Divided by Interest Charges	Ratio of Earnings to Fixed Charges
1	12/31/88	\$1,517,422	\$1,499,677	\$592,600	\$3,609,699	\$1,499,677	2.41
2	12/31/89	\$1,253,683	\$1,564,765	\$380,800	\$3,199,248	\$1,564,765	2.04
3	12/31/90	\$1,344,073	\$1,809,418	\$313,100	\$3,466,591	\$1,809,418	1.92
4	12/31/91	\$1,788,891	\$2,053,986	\$626,100	\$4,468,977	\$2,053,986	2.18
5	12/31/92	\$2,453,189	\$2,128,090	\$1,162,100	\$5,743,379	\$2,128,090	2.70
6	12/31/93	\$2,416,796	\$2,208,089	\$1,168,200	\$5,793,085	\$2,208,089	2.62
7	12/31/94	\$2,229,899	\$2,317,533	\$896,800	\$5,444,232	\$2,317,533	2.35
8	12/31/95	\$2,211,102	\$2,505,064	\$877,800	\$5,593,966	\$2,505,064	2.23
9	12/31/96	\$2,236,778	\$3,225,584	\$1,058,200	\$6,520,562	\$3,225,584	2.02
10	12/31/97	\$2,038,237	\$4,149,418	\$906,475	\$7,094,130	\$4,149,418	1.71
11							
12	Test Year						
13	12/31/98	\$2,232,441	\$4,509,474	\$973,775	\$7,715,690	\$4,509,474	1.71

Data request dated 7/15/99

7. Provide the following:
- (a) A schedule of revenues for each active rate schedule reflecting test-year revenues per books rates, revenues at present rates annualized, and revenues at proposed rates annualized.
 - (b) A schedule showing the amount and percent of any proposed increase or decrease in revenue distributed to each rate schedule. This schedule is to be accompanied by a statement which explains, in detail, the methodology or basis used to allocate the requested increase or decrease in revenue to each of the respective customer classes.
 - (c) A schedule showing how the increase or decrease in (b) above was further distributed to each rate charge (i.e. customer or facility charge, Mcf charge, etc.). This schedule is to be accompanied by a statement which explains, in detail, the methodology or basis used to allocate the requested increase or decrease.

RESPONSE:

- (a) Volume 1, Section 25, Schedule 2&3 of the Company's filing and Volume 2, Section 6, Walker Testimony Exhibit 6 show this information in summary form. The first column shows the actual billed revenues for each rate schedule and the ninth column shows the annualized revenues at the present rates after giving effect to the various test-year revenue adjustments. Those adjustments are contained in Walker Exhibits 1 through 5 and discussed on pages 3 through 8 in the testimony of Randall Walker. The tenth column shows the amount of increase for each rate schedule (General Service and Interruptible) as well as for the residential, the small commercial and the large commercial/industrial customer classes within the General Service Rate Schedule. The eleventh column shows the percentage increases. A copy of Walker Exhibit 6, with numbered columns, is attached for convenience.

The detailed worksheets calculating the revenues for each rate schedule under both the present and proposed rates, as annualized, are contained in Volume 1, Section 24 and also in Volume 2, Section 6, Walker Testimony Exhibit 7. The proposed amount and percentage increase applicable to each rate class is also shown on those worksheets. A copy of Walker Exhibit 7 is also attached for convenience.

- (b&c) See attached Walker Exhibit 6 for the amount and percentage increase applicable to each rate schedule. Walker Exhibit 7 shows, for "each rate charge", the amount of revenue under both the present and proposed rates for each rate class.

Pages 8 through 15 of the testimony of Randall Walker explains, in detail, the basis for the allocation of the requested revenue increase or decrease to each customer class and rate schedule. A major objective in the allocation of the revenue between the rate classes as well as the design of the proposed rates was to moderate the inequities that currently exist between class rates of return and to achieve some movement toward a better balance in the class returns.

7. (continued)

The cost of service study submitted by Mr. Seelye indicated a substantial imbalance between the class rates of return. The returns ranged from 3.97% and 27.37% as measured against an overall return on rate base of 7.31%. The residential class was at the low end of the range at 3.97% and the interruptible service at the upper end of the range. Based on the information provided by the cost of service study, the increase in residential revenues would have had to have been greater than the total amount of the overall proposed increase if the class rates of return were to be equally balanced (see page 12 of Walker testimony). However, other rate making objectives such as marketplace realities, customer acceptance and the need to maintain price stability by avoiding overly disruptive changes took precedent over establishing rates that would produce equalized class rates of return. The revenue allocation between rate classes along with the rate design changes, as proposed in this case, do bring about a far better balance in the rates of return between rate classes than the present rates. Pages 12 through 15 of Walker Testimony addresses the proposed modifications to the rates on a class by class basis.

WITNESS: Randall Walker

Delta Natural Gas Company, Inc.

Case No. 99-176

**Summary of Proposed Rate Increase by Rate Class
Based on Adjusted Sales and Transportation for the 12-Months Ended December 31, 1998**

1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
Actual Billed Revenue	Elimination of GCR Revenues	Current Rates for Full Year and Rate Switching	Net Before Temperature and Year-End Adjustments	Temperature Normalization Adjustment	Year-End Customers	Adjusted Billings @ Base Rates	GCR @ Current Charges	Adjusted Billings @ Current Rates	Proposed Increase in Revenue	Percentage Increase
REVENUE										
General Service										
Residential	18,296,074	(9,431,520)	8,907,472	1,019,080	183,444	10,109,997	9,734,907	19,844,904	1,954,816	9.85%
Commercial - Small	4,845,419	(2,446,952)	2,409,837	253,286	101,346	2,764,469	2,574,901	5,339,370	418,957	7.85%
Lg. Commercial & Industrial	6,944,686	(4,208,243)	2,753,670	337,794	2,640	3,094,104	4,137,820	7,231,924		
Retail Sales	1,469,977	(95,851)	1,374,126	74,550		1,448,676		1,448,676		
Transportation	8,414,662	(4,208,243)	4,127,796	412,344	2,640	4,542,780	4,137,820	8,680,600	242,481	2.79%
Total Lg. Com. & Ind.	31,556,155	(16,086,716)	15,445,105	1,684,711	287,430	17,417,246	16,447,628	33,864,874	2,616,254	7.73%
Total General Service										
Interruptible Service										
Retail Sales	254,214	(173,321)	80,893	8,747		89,640	170,573	260,213		
Transportation	1,931,707		1,931,707			1,931,707		1,931,707		
Total Interruptible Service	2,185,922	(173,321)	2,012,600	8,747		2,021,347	170,573	2,191,920	(105,353)	-4.81%
Special Contracts	511,666		615,833		16,689	632,522		632,522		
Off-System Transportation	451,990		451,990			451,990		451,990		
Total Sales and Transportation	34,705,733	(16,260,037)	18,525,529	1,693,458	304,119	20,523,106	16,618,200	37,141,307	2,510,901	6.76%
Miscellaneous Service Revenues	152,009		152,009			152,009		152,009		
Total Gas Operating Revenue	34,857,742	(16,260,037)	18,677,538	1,693,458	304,119	20,675,115	16,618,200	37,293,316	2,510,901	6.73%
MCF										
General Service										
Residential	2,142,320		2,142,320	374,497	64,976	2,581,793		2,581,793		
Commercial - Small	553,669		553,669	93,394	35,826	682,889		682,889		
Lg. Commercial & Industrial	966,462		966,462	130,046	882	1,097,390		1,097,390		
Retail Sales	756,019		706,596	38,998		745,594		745,594		
Transportation	1,722,481		1,673,058	169,044	882	1,842,984		1,842,984		
Total Lg. Com. & Ind.	4,418,470		4,369,047	636,935	101,684	5,107,666		5,107,666		
Total General Service										
Interruptible Service	39,805		39,805	5,433		45,238		45,238		
Retail Sales	1,391,510		1,391,510			1,391,510		1,391,510		
Transportation	1,431,315		1,431,315	5,433		1,436,748		1,436,748		
Total Interruptible Service										
Special Contracts	1,755,567		1,804,990		12,286	1,817,276		1,817,276		
Off-System Transportation	1,404,111		1,404,111			1,404,111		1,404,111		
Total Sales and Transportation	9,009,463		9,009,463	642,367	113,970	9,765,801		9,765,801		

Delta Naural Gas Company, Inc.
Case No. 99-176

GENERAL SERVICE - RESIDENTIAL

**Calculated Increase In Revenue
 under Proposed Revision of Rates**
 (Based on the adjusted sales for the
 12-mos. ended December 31, 1998)

	Billing Determinants	Present Rates	Calculated Revenue @ Present Rates	Proposed Rates	Calculated Revenue @ Proposed Rates
Customer Charges	<u>Cust.</u> 385,336	<u>per Cust.</u> \$ 8.00	\$ 3,082,688	<u>per Cust.</u> \$ 8.00	\$ 3,082,688
first 200 Mcf /mo.	<u>Mcf</u> 2,142,320	2.7212	5,829,681	3.4787	7,452,489
next 800 Mcf /mo.		2.5000		1.8500	
next 4000 Mcf /mo.		2.1000		1.4500	
next 5000 Mcf /mo.		1.5000		1.0500	
over 10000 Mcf /mo.		1.1000		0.8500	
Calculated Billings at Base Rates Correction Factor - (Calculated /Actual) Total After Application of Correction Factor	<u>2,142,320</u>	<u>1.00055</u>	\$ 8,912,369	<u>1.00055</u>	\$ 10,535,177
Temperature Normalization Adjustment	374,497	\$ 2.7212	1,019,080	\$ 3.4787	1,302,762
Year-End Customers Adjustment	829	\$ 8.00	6,632	\$ 8.00	6,632
Customer Charges	64,976	\$ 2.7212	176,812	\$ 3.4787	226,032
first 200 Mcf /mo.	<u>Mcf</u> 2,581,793	3.7706	10,109,997	3.7706	12,064,813
next 800 Mcf /mo.		2.5000		1.8500	
next 4000 Mcf /mo.		2.1000		1.4500	
next 5000 Mcf /mo.		1.5000		1.0500	
over 10000 Mcf /mo.		1.1000		0.8500	
Total Adjusted Billings at Base Rates GCR at Current Rates Total Adjusted Billings	<u>2,581,793</u>	<u>3.7706</u>	\$ 19,844,904	<u>3.7706</u>	\$ 21,799,720
Proposed Increase In Revenue					\$ 1,954,816 9.85%

Delta Naural Gas Company, Inc.
Case No. 99-176

GENERAL SERVICE - SMALL COMMERCIAL

Calculated Increase in Revenue under Proposed Revision of Rates
 (Based on the adjusted sales for the 12-mos. ended December 31, 1998)

	<u>Billing Determinants</u>	<u>Present Rates</u>	<u>Calculated Revenue @ Present Rates</u>	<u>Proposed Rates</u>	<u>Calculated Revenue @ Proposed Rates</u>
	<u>Cust.</u>	<u>per Cust.</u>	<u>per Cust.</u>	<u>per Cust.</u>	<u>per Cust.</u>
	<u>Mcf</u>	<u>per Mcf</u>	<u>per Mcf</u>	<u>per Mcf</u>	<u>per Mcf</u>
Customer Charges	49,417	\$ 18.36	\$ 907,296	\$ 17.00	\$ 840,089
first 200 Mcf /mo.	535,842	\$ 2.7212	1,458,133	\$ 3.4787	1,864,034
next 800 Mcf /mo.	14,975	\$ 2.5000	37,438	\$ 1.8500	27,704
next 4000 Mcf /mo.	2,852	\$ 2.1000	5,989	\$ 1.4500	4,135
next 5000 Mcf /mo.		\$ 1.5000		\$ 1.0500	
over 10000 Mcf /mo.	553,669	\$ 1.1000	\$ 2,408,856	\$ 0.8500	\$ 2,735,962
Calculated Billings at Base Rates		0.99959	\$ 2,409,837	0.99959	\$ 2,737,076
Correction Factor - (Calculated /Actual)					
Total After Application of Correction Factor					
Temperature Normalization Adjustment					
first 200 Mcf /mo.	90,387	\$ 2.7212	245,961	\$ 3.4787	314,429
next 800 Mcf /mo.	2,526	\$ 2.5000	6,315	\$ 1.8500	4,673
next 4000 Mcf /mo.	481	\$ 2.1000	1,010	\$ 1.4500	698
next 5000 Mcf /mo.					
over 10000 Mcf /mo.					
Year-End Customers Adjustment					
Customer Charges	228	\$ 18.36	4,186	\$ 17.00	3,876
first 200 Mcf /mo.	34,672	\$ 2.7212	94,350	\$ 3.4787	120,614
next 800 Mcf /mo.	969	\$ 2.5000	2,422	\$ 1.8500	1,793
next 4000 Mcf /mo.	185	\$ 2.1000	388	\$ 1.4500	268
next 5000 Mcf /mo.					
over 10000 Mcf /mo.					
Total Adjusted Billings at Base Rates	682,889		\$ 2,764,469		\$ 3,183,426
GCR at Current Rates	682,889	\$ 3.7706	\$ 2,574,901	\$ 3.7706	\$ 2,574,901
Total Adjusted Billings			\$ 5,339,370		\$ 5,758,327
Proposed Increase in Revenue					\$ 418,957
					7.85%

Delta Naural Gas Company, Inc.
Case No. 99-176

GENERAL SERVICE - LARGE COMMERCIAL & INDUSTRIAL

Calculated Increase In Revenue under Proposed Revision of Rates
 (Based on the adjusted sales for the 12-mos. ended December 31, 1998)

	Billing Determinants	Present Rates	Calculated Revenue @ Present Rates	Proposed Rates	Calculated Revenue @ Proposed Rates
Customer Charges	<u>Cust.</u> 10,644	<u>per Cust.</u> \$ 25.00	\$ 266,100	<u>per Cust.</u> \$ 50.00	\$ 532,200
	<u>Mcf</u>	<u>per Mcf</u>		<u>per Mcf</u>	
first 200 Mcf /mo.	682,110	\$ 2.7212	1,856,158	\$ 3.4787	2,372,856
next 800 Mcf /mo.	373,671	\$ 2.5000	934,178	\$ 1.8500	691,291
next 4000 Mcf /mo.	340,474	\$ 2.1000	714,995	\$ 1.4500	493,687
next 5000 Mcf /mo.	130,445	\$ 1.5000	195,668	\$ 1.0500	136,967
over 10000 Mcf /mo.	146,358	\$ 1.1000	160,994	\$ 0.8500	124,404
Calculated Billings at Base Rates	1,673,058	\$ 1.00007	\$ 4,128,092	\$ 1.00007	\$ 4,351,406
Correction Factor - (Calculated /Actual)			\$ 4,127,796		\$ 4,351,094
Total After Application of Correction Factor					

Temperature Normalization Adjustment
 first 200 Mcf /mo. 87,159 237,176
 next 800 Mcf /mo. 40,096 100,240
 next 4000 Mcf /mo. 25,791 54,161
 next 5000 Mcf /mo. 7,921 11,881
 over 10000 Mcf /mo. 8,078 8,885
 Year-End Customers Adjustment
 Customer Charges 2 50
 first 200 Mcf /mo. 1,482 4,032
 next 800 Mcf /mo. (397) (993)
 next 4000 Mcf /mo. (243) (510)
 next 5000 Mcf /mo. 41 61
 over 10000 Mcf /mo.

Total Adjusted Billings at Base Rates 1,842,984 \$ 4,542,780
 GCR at Current Rates 1,097,390 \$ 4,137,819
 Total Adjusted Billings \$ 8,680,598

Proposed Increase In Revenue \$ 242,481
 2.79%

Delta Naural Gas Company, Inc.
Case No. 99-176

INTERRUPTIBLE SERVICE - COMMERCIAL & INDUSTRIAL

**Calculated Increase In Revenue
 under Proposed Revision of Rates**
 (Based on the adjusted sales for the
 12-mos. ended December 31, 1998)

	Billing Determinants	Present Rates	Calculated Revenue @ Present Rates	Proposed Rates	Calculated Revenue @ Proposed Rates
Customer Charges	<u>Cust.</u> 527	\$ 200.00	\$ 105,400	<u>per Cust.</u> \$ 250.00	\$ 131,750
	<u>Mcf</u>			<u>per Mcf</u>	
first 1000 Mcf /mo.	412,084	\$ 1.7000	700,543	\$ 1.6000	659,334
next 4000 Mcf /mo.	780,789	\$ 1.3000	1,015,026	\$ 1.2000	936,947
next 5000 Mcf /mo.	178,298	\$ 0.9000	160,468	\$ 0.8000	142,638
over 10000 Mcf /mo.	60,144	\$ 0.5000	30,072	\$ 0.6000	36,086
Calculated Billings at Base Rates	1,431,315		\$ 2,011,509		\$ 1,906,756
Correction Factor - (Calculated /Actual)		0.99946		0.99946	
Total After Application of Correction Factor			\$ 2,012,600		\$ 1,907,791
Temperature Normalization Adjustment					
first 1000 Mcf /mo.	4,213	\$ 1.7000	7,161	\$ 1.6000	6,740
next 4000 Mcf /mo.	1,220	\$ 1.3000	1,586	\$ 1.2000	1,464
Total Adjusted Billings at Base Rates	<u>Mcf</u>				
GCR at Current Rates	1,436,748		\$ 2,021,347		\$ 1,915,995
Total Adjusted Billings	45,238		170,573		170,573
Proposed Increase In Revenue			2,191,920		\$ 2,086,568
					\$ (105,353)
					-4.81%

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

8. Provide, in comparative form, a total company income statement, a statement of changes in financial position, a statement of cash flows, a statement of changes in owner's equity, and a balance sheet for the test year and the 12-month period immediately preceding the test year.

RESPONSE:

See attached schedule.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.

Item 8
PSC Dated 7/15

1 of 4

STATEMENT OF INCOME

DECEMBER 31, 1998

	6 MONTH TO DATE		12 MONTHS ENDED	
	1998	1997	1998	1997
OPERATING REVENUES	\$ 10,622,811	\$ 13,687,353	\$ 34,857,742	\$ 39,185,262
OPERATING EXPENSES & TAXES:				
Gas Purchased	\$ 2,600,764	\$ 5,575,941	\$ 14,147,176	\$ 19,515,435
Operations	4,046,030	4,048,374	8,185,735	8,137,504
Maintenance	251,132	294,628	542,183	590,629
Depreciation	1,861,901	1,646,789	3,570,354	3,135,388
Property & Other Taxes	617,590	595,396	1,223,848	1,151,828
Income Taxes	(399,250)	(239,725)	973,775	906,475
Total	\$ 8,978,167	\$ 11,921,403	\$ 28,643,070	\$ 33,437,259
Operating Income	\$ 1,644,644	\$ 1,765,951	\$ 6,214,672	\$ 5,748,003
OTHER INCOME/(EXPENSES),NET	216,704	182,923	527,243	439,652
Gross Income	\$ 1,861,349	\$ 1,948,874	\$ 6,741,915	\$ 6,187,655
OTHER DEDUCTIONS:				
Interest on Debt	\$ 2,221,771	\$ 2,115,244	\$ 4,360,142	\$ 4,037,818
Amortization	80,580	55,800	149,332	111,600
Other	-	-	-	-
Total	\$ 2,302,351	\$ 2,171,044	\$ 4,509,474	\$ 4,149,418
NET INCOME APPLICABLE TO COMMON STOCK	\$ (441,002)	\$ (222,170)	\$ 2,232,441	\$ 2,038,237
EARNINGS PER AVERAGE SHARES OUTSTANDING	\$ (0.18)	\$ (0.09)	\$ 0.94	\$ 0.87
CUSTOMERS AT END OF PERIOD			38,132	37,789

DELTA NATURAL GAS COMPANY, INC. AND SUBSIDIARY COMPANIES
 CONSOLIDATED STATEMENTS OF CASH FLOWS
 (UNAUDITED)

	<u>Six Months Ended</u>		<u>Twelve Months Ended</u>	
	<u>December 31</u>		<u>December 31</u>	
	<u>1998</u>	<u>1997</u>	<u>1998</u>	<u>1997</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Net income (loss)	\$ (441,002)	\$ (222,170)	\$ 2,232,441	\$ 2,038,238
Adjustments to reconcile net income (loss) to net cash from operating activities:				
Depreciation, depletion and amortization	2,238,006	1,823,208	4,307,282	3,436,840
Deferred income taxes and investment tax credits	343,050	412,575	(98,925)	473,275
Other, net	387,858	380,844	705,594	688,134
(Increase)decrease in other assets	(3,011,834)	(3,109,967)	2,594,114	(1,651,758)
Increase(decrease) in other liabilities	(292,027)	1,419,556	(2,297,513)	917,894
Net cash provided by (used in) operating activities	<u>\$ (775,949)</u>	<u>\$ 704,046</u>	<u>\$ 7,442,993</u>	<u>\$ 5,902,623</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Capital expenditures	\$ (4,820,728)	\$ (7,659,582)	\$ (8,355,710)	\$ (14,236,815)
Net cash used in investing activities	<u>\$ (4,820,728)</u>	<u>\$ (7,659,582)</u>	<u>\$ (8,355,710)</u>	<u>\$ (14,236,815)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:				
Dividends on common stock	\$ (1,360,481)	\$ (1,341,332)	\$ (2,709,382)	\$ (2,671,093)
Issuance of common stock, net	343,001	344,631	573,055	639,809
Issuance of long-term debt, net	-	-	23,797,796	-
Repayment of long-term debt	(237,000)	(613,782)	(10,405,777)	(813,321)
Issuance of notes payable	12,140,000	16,605,000	21,735,000	35,280,000
Repayment of notes payable	(4,985,000)	(8,075,000)	(32,100,000)	(23,675,000)
Net cash provided by financing activities	<u>\$ 5,900,520</u>	<u>\$ 6,919,517</u>	<u>\$ 890,692</u>	<u>\$ 8,760,395</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 303,843	\$ (36,019)	\$ (22,025)	\$ 426,203
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	118,536	480,423	444,404	18,201
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 422,379</u>	<u>\$ 444,404</u>	<u>\$ 422,379</u>	<u>\$ 444,404</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:				
Cash paid during the period for:				
Interest	\$ 2,378,698	\$ 2,149,099	\$ 4,520,604	\$ 4,008,286
Income taxes (net of refunds)	\$ 380,400	\$ 563,200	\$ 1,456,400	\$ 366,032

DELTA NATURAL GAS COMPANY, INC.

STATEMENT OF RETAINED EARNINGS AND PAID IN SURPLUS

RETAINED EARNINGS

			THIS YEAR		LAST YEAR
BALANCE	JULY 1, 1998/1997	\$	1,607,094	\$	1,846,955
ADD					
	Net income applicable to common stock		(441,002)		(222,170)
DEDUCT					
	Common Dividends		1,360,481		1,342,232
BALANCE	DECEMBER 31, 1998/1997	\$	(194,389)	\$	282,553

PAID-IN SURPLUS

BALANCE	JULY 1, 1998/1997	\$	27,745,127	\$	27,203,311
ADD					
	Excess of sales price over par value of common stock		323,461		324,932
DEDUCT					
BALANCE	DECEMBER 31, 1998/1997	\$	28,068,588	\$	27,528,243

DELTA NATURAL GAS COMPANY, INC.
BALANCE SHEET
DECEMBER 31, 1998

ASSETS	1998	1997
GAS UTILITY PLANT, AT COST	\$ 125,206,004	\$ 118,443,727
Less - Reserve for Depreciation	<u>33,478,352</u>	<u>30,084,982</u>
	\$ <u>91,727,652</u>	\$ <u>88,358,745</u>
CURRENT ASSETS:		
Cash	\$ 422,379	\$ 444,404
Receivables	1,781,108	3,360,552
Deferred Gas Cost	1,354,892	3,796,666
Gas in Storage, at Cost	3,364,903	1,855,202
Materials and Supplies, at Cost	451,812	710,358
Prepayments	<u>106,884</u>	<u>388,449</u>
	\$ <u>7,481,978</u>	\$ <u>10,555,631</u>
OTHER ASSETS:		
Cash Surrender Value of Life Insurance	\$ 347,789	\$ 329,913
Unamortized Expenses	3,650,173	2,597,300
Receivable/Investment in Subsidiaries	1,466,060	2,168,055
Other	<u>1,049,138</u>	<u>397,730</u>
	\$ <u>6,513,160</u>	\$ <u>5,492,998</u>
TOTAL ASSETS	\$ <u>105,722,790</u>	\$ <u>104,407,374</u>
LIABILITIES		
CAPITALIZATION:		
Common Stock	\$ 2,394,633	\$ 2,361,922
Paid-in Surplus	28,068,588	27,528,243
Capital Stock Expense	(1,917,020)	(1,917,020)
Retained Earnings	<u>(194,389)</u>	<u>282,553</u>
Total Common Equity	\$ 28,351,812	\$ 28,255,698
Long-term Debt	<u>51,757,845</u>	<u>37,976,596</u>
Total Capitalization	\$ <u>80,109,657</u>	\$ <u>66,232,294</u>
CURRENT LIABILITIES:		
Notes Payable	\$ 9,030,000	\$ 1,553,777
Current Portion of Long-Term Debt	2,450,000	19,395,000
Accounts Payable	1,749,573	3,660,494
Accrued Taxes	(441,509)	501,518
Refunds Due Customers	72,839	461,147
Customer Deposits	594,863	498,566
Accrued Interest	1,220,198	1,081,096
Other	<u>881,858</u>	<u>871,733</u>
	\$ <u>15,557,823</u>	\$ <u>28,023,331</u>
DEFERRED CREDITS AND OTHER:		
Deferred Income Taxes	\$ 8,436,725	\$ 8,393,000
Investment Tax Credit	602,550	673,500
Regulatory Items	795,975	867,675
Advances for Construction	<u>220,060</u>	<u>217,575</u>
	\$ <u>10,055,310</u>	\$ <u>10,151,750</u>
TOTAL LIABILITIES	\$ <u>105,722,790</u>	\$ <u>104,407,374</u>

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

9. Provide a trial balance as of the last day of the test year (all income statement accounts should show activity for 12 months) showing account number, account title, and amount. Provide this information on a total compete operations basis. Only one copy need be supplied to the Commission. Other parties of record may examine the copy filed with the Commission.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS CO., INC. AND SUBSIDIARIES

Trial Balance

For Period Ending December 31, 1998

1 - DELTA NATURAL GAS CO, INC.

A/L Number	Current Month	Balance
1.107.0100 CONST WORK IN PROGRESS CONTROL	833,283.10CR	1,382,759.38
1.107.0200 CONST WORK IN PROGRESS-MAR CLEARING	.45CR	.00
1.108.0100 PROV FOR DEPR PLANT IN SERVICE	304,120.62CR	33,459,759.70CR
1.117.0000 CUSHION GAS	.00	4,046,127.12
1.121.0000 NON UTILITY PROPERTY	.00	18,591.81
1.122.0000 PROV FOR DEPR NON UTIL PROP	.00	18,591.81CR
1.123.0000 INVESTMENT IN OTHERS	.00	1,000.00
1.123.0200 INVESTMENT IN DELTA RESOURCES	23,867.46	24,866.40
1.123.0300 INVESTMENT IN DELGASCO	3,073.70	4,072.67
1.123.0400 INVESTMENT IN DELTRAN	.00	1,000.00
1.123.0500 INVESTMENT IN ENPRO	19,959.16	216,236.08
1.123.0600 INVESTMENT IN TRANEX	9,093.25CR	885,474.75
1.128.0000 LIFE INSURANCE SURRENDER VALUE	.00	347,789.13
1.131.0100 CASH OWINGSVILLE	4,599.54CR	17,111.29
1.131.0200 CASH BERE A	26,550.27	42,554.66
1.131.0500 CASH STANTON	28,335.81	39,380.02
1.131.0600 CASH LONDON	25,691.20	32,413.94
1.131.0700 CASH WILLIAMSBURG	129.18CR	8,473.30
1.131.0800 CASH BARBOURVILLE	32,251.61	39,083.40
1.131.1000 CASH MIDDLESBORO	8,049.46	28,735.55
1.131.1100 CASH CORBIN	12,614.24	51,682.65
1.131.1200 CASH MANCHESTER	4,696.85	14,123.26
1.131.2000 CASH WINCHESTER	1,050.80CR	1,406.20
1.131.2100 CASH BANK ONE	437,562.16	140,320.03
1.131.2200 CASH EFT BERE A NATIONAL	1,086.12CR	230.09CR
1.135.0100 WORKING FUNDS OWINGSVILLE	.00	425.00
1.135.0200 WORKING FUNDS BERE A	.00	475.00
1.135.0300 WORKING FUNDS NICHOLASVILLE	.00	850.00
1.135.0500 WORKING FUNDS STANTON	.00	475.00
1.135.0600 WORKING FUNDS LONDON	.00	450.00
1.135.0700 WORKING FUNDS WILLIAMSBURG	.00	450.00
1.135.0800 WORKING FUNDS BARBOURVILLE	.00	550.00
1.135.1000 WORKING FUNDS MIDDLESBORO	.00	575.00
1.135.1100 WORKING FUNDS CORBIN	.00	700.00
1.135.1200 WORKING FUNDS MANCHESTER	.00	475.00
1.135.2000 WORKING FUNDS WINCHESTER	.00	500.00
1.135.2100 WORKING FUNDS MEDICAL	.00	500.00
1.135.3000 WORKING FUNDS CORBIN WAREHOUSE	.00	900.00
1.141.0000 NOTES RECEIVABLE OFFICER	2,000.00CR	134,000.00
1.141.0100 NOTES RECVBL DUE IN 1YR OFFSET	.00	24,000.00CR
1.141.0200 NOTES RECEIVABLE DUE IN 1 YEAR	.00	24,000.00
1.142.0000 CUSTOMER ACCOUNTS RECEIVABLE	43,051.09CR	1,912,458.03
1.142.0100 MISC ACCOUNTS RECEIVABLE-BRANCHES	811.10	836.90CR
1.142.0300 RECEIVABLE FROM ENERGY ASSISTANCE AGENCY	7,606.00CR	407.00
1.144.0000 PROVISION FOR UNCOLLECTIBLES	23,856.11CR	155,772.96CR
1.146.0000 INTERCOMPANY CLEARING ACCOUNT	5,421,847.34CR	.00
1.146.0200 RECEIVABLE DELTA RESOURCES	4,989,417.32	272,528.26CR
1.146.0300 RECEIVABLE FROM DELGASCO	92,468.54	1,128,667.89CR
1.146.0400 RECEIVABLE FROM DELTRAN	.00	1,000.00CR
1.146.0500 RECEIVABLE FROM ENPRO	403,168.14	1,231,900.50

DELTA NATURAL GAS CO., INC. AND SUBSIDIARIES

Trial Balance

For Period Ending December 31, 1998

1 - DELTA NATURAL GAS CO, INC.

A/L Number		Current Month	Balance
1.146.0600	RECEIVABLE FROM TRANEX	211,985.19CR	504,706.15
1.154.0000	INVENTORY	57,630.99CR	458,155.42
1.164.0000	STORAGE GAS - PIONEER	35,542.42CR	265,579.30
1.164.0300	STORAGE GAS - CANADA MT	638,217.11CR	3,099,323.39
1.165.0000	PREPAYMENTS	46,218.50CR	105,567.55
1.165.0100	PREPAYMENT - ORCOM	.00	1,500.00
1.165.0200	PREPAID PENSION COST	22,600.00CR	717,282.79
1.174.0100	SYSTEM CASH VS ACTUAL	.00	147.46CR
1.181.0300	UNAMORT DEBT EXP DEB 10-01-23	5,200.00CR	1,544,400.00
1.181.0500	UNAMORT DEBT EXP DUE 07-19-26	1,900.00CR	628,900.00
1.181.0600	UNAMORT DEBT EXP DUE 04-01-18	6,330.00CR	1,476,872.68
1.184.0200	INA INSURANCE CLEARING	4.00CR	.00
1.184.0300	TRANSP EQUIP OPER & MNT COST	81,304.24	2,012,971.45
1.184.0400	NON OWNED VEHICLE EXPENSE	.00	546.28
1.184.0500	TRANSPORTATION EXPENSE CLEARED	65,865.84CR	2,027,377.19CR
1.184.0600	MEDICAL - CLEARING	8,591.27	184.00CR
1.184.0800	WORK EQUIPMENT OPER & MNT COST	17,286.21	478,922.47
1.184.0900	WORK EQUIPMENT EXPENSE CLEARED	12,438.66CR	471,406.29CR
1.184.1000	A/P - CIS CLEARING	2,155.74	.00
1.186.0100	UNAMORTIZED MGNT AUDIT EXPENSE	.00	187,858.28
1.186.0200	UNAMORTIZED RATE CASE EXPENSE #97-066	.00	129,047.95
1.186.0500	AMORTIZED RATE CASE EXPENSE #97-066	2,080.00CR	27,252.60CR
1.186.0600	AMORTIZED MANAGEMENT AUDIT EXPENSE	5,220.00CR	67,798.28CR
1.191.0000	UNRECOVERED PURCHASED GAS COST	139,471.89	1,319,137.96
1.192.0000	ACTUAL ADJUSTMENT GAS COSTS	735,342.27	50,146.98CR
1.193.0000	BALANCE ADJUSTMENT GAS COSTS	11,868.72	85,907.87
1.193.0100	BALANCE ADJMT TAKE OR PAY COST	.00	6.59CR
1.201.0000	COMMON STOCK ISSUED \$1 PAR	4,143.00CR	2,394,633.00CR
1.207.0000	PREMIUMS ON COMMON STOCK	72,088.20CR	28,068,588.39CR
1.212.0000	INSTALLMENTS ON STOCK	9,426.04CR	59,483.70CR
1.214.0000	CAPITAL STOCK EXPENSE	.00	1,917,019.91
1.216.0000	RETAINED EARNINGS	681,290.85	2,426,829.08
1.221.0300	DEBENTURES 6.625% DUE 10-01-23	25,000.00	12,973,000.00CR
1.221.0500	DEBENTURES 8.300% DUE 07-19-26	.00	15,000,000.00CR
1.221.0600	DEBENTURES 7.150% DUE 04-01-18	.00	25,000,000.00CR
1.224.0200	PROMISSORY NOTE--CANADA MOUNTAIN (FERRIN)	.00	1,400,000.00CR
1.226.0100	UNAMORTIZED DISCOUNT ON FERRIN PROMISSORY	7,161.49CR	165,155.22
1.230.0100	LONG TERM ONE YEAR OFFSET	660,000.00	2,450,000.00
1.230.0200	LONG TERM DUE IN ONE YEAR	660,000.00CR	2,450,000.00CR
1.231.0000	NOTES PAYABLE	255,000.00CR	9,030,000.00CR
1.232.0100	ACCOUNTS PAYABLE GENERAL	192,695.67CR	446,189.58CR
1.232.0200	ACCOUNTS PAYABLE CUSTOMERS	.00	3,269.25CR
1.232.0600	ACCOUNTS PAYABLE GAS PURCHASES	230,977.11CR	1,273,252.95CR
1.232.0700	CONTRACTOR'S RETAINAGE PAYABLE	7,408.58CR	22,194.38CR
1.232.0800	WINTERCARE PAYABLES	192.51CR	492.10CR
1.232.0900	ACCOUNTS PAYABLE FAITHFUL ESCR	.00	4,175.02CR
1.235.0000	CUSTOMER SERVICE DEPOSITS	27,497.68CR	594,863.34CR
1.236.0100	TAXES ACCRUED FEDERAL INCOME	593,840.00	828,445.00
1.236.0200	TAXES ACCRUED STATE INCOME	148,460.00	78,344.00
1.236.0300	TAXES ACCRUED SALES	3,709.63CR	35,011.96CR

DELTA NATURAL GAS CO., INC. AND SUBSIDIARIES

Trial Balance

For Period Ending December 31, 1998

1 - DELTA NATURAL GAS CO, INC.

Account Number	Current Month	Balance
1.236.0400 TAXES ACCRUED PAYROLL	167.01	18,658.58CR
1.236.0500 TAXES ACCRUED PROPERTY	139,237.40	276,070.76CR
1.236.0600 TAXES ACCRUED SEVERANCE	47.75	4,342.50CR
1.236.0700 TAXES ACCRUED EST INCOME TAXES	526,000.00CR	8,900.00CR
1.236.0800 TAXES ACCRUED SCHOOL	12,365.43	82,163.59CR
1.236.0900 TAXES ACCRUED FRANCHISE	17,333.68CR	40,132.70CR
1.237.0200 INTEREST ACCRUED DEB 8.3% DUE YR 2026	103,750.00CR	518,750.00CR
1.237.0300 INTEREST ACCRUED DEB 6.625%	71,759.79CR	215,355.38CR
1.237.0500 INTEREST ACCRUED S-T NOTES	21,139.47	37.19CR
1.237.0600 INTEREST ACCRUED CUST DEPOSITS	2,224.79CR	39,180.74CR
1.237.0700 INTEREST ACCRUED DEB 7.15% DUE YR 2018	148,958.33CR	446,874.99CR
1.241.0000 PAYROLL TAXES WITHHELD	5,197.88CR	83,286.10CR
1.242.0200 EMPLOYEE CHRISTMAS SAVINGS	7,439.00CR	14,873.00CR
1.242.0300 SAVINGS IN LIEU OF STOCK	86.18CR	517.08CR
1.242.0500 MISCELLANEOUS SAVINGS	210.00CR	590.00CR
1.242.0600 UNITED WAY DEDUCTION	122.00CR	1,464.00CR
1.242.0700 401K SAVINGS PLAN	.19CR	302.67
1.242.0800 STOCK REINVESTMENT PLAN	.00	730.00CR
1.243.0000 ACCRUED VACATION/ANNUAL LEAVE	.00	528,952.20CR
1.244.0100 ACCOUNTING SERVICES	700.00CR	41,265.00CR
1.244.0200 MEDICAL - SELF INSURED	.00	126,000.00CR
1.244.0600 OTHER - SELF INSURED	.00	25,000.00CR
1.252.0000 ADVANCES FOR CONSTRUCTION	14,000.00CR	3,391,350.01CR
1.252.0100 PROMISSORY NOTES-EXT AGMNT	14,000.00	3,171,290.00
1.253.0000 REFUNDS DUE CUSTOMERS	10,901.16	72,838.55CR
1.254.0100 REGULATORY INCOME TAX RATE	.00	430,700.00CR
1.254.0200 REGULATORY - ITC	22,700.00	392,500.00CR
1.254.0300 AMORTIZE REGULATORY INCOME TAX	2,125.00	27,225.00
1.255.0000 DEFERRED INVESTMENT TAX CREDIT	34,750.00	602,550.00CR
1.282.0100 DEF INC TAX ACCEL DEPR	390,550.00CR	10,034,325.00CR
1.282.0200 DEF INC TAX PENSION PLAN	.00	567,200.00CR
1.282.0300 DEF INC TAX STOCK PLAN	.00	22,600.00
1.282.0500 ALTERNATIVE MINIMUM TAXES	.00	1,274,100.00
1.282.0600 DEF INC TAX ANNUAL LEAVE	.00	153,500.00
1.282.0700 CONSTRUCTION CONTRIBUTIONS	.00	43,700.00
1.282.0800 DEF INC TAX AMORT FERRIN PROM NOTE	.00	16,200.00
1.282.0900 DEF INC TAX NET UNBILLED REV	.00	670,100.00
1.282.1000 DEF INC TAX DEBT EXPENSE	.00	455,800.00CR
1.282.1100 DEF INC TAX BAD DEBT RESERVE	.00	47,300.00
1.282.1200 DEF INC TAX STORAGE GAS	.00	1,100.00
1.283.0100 DEF TAX - REGULATORY INC TAX	.00	500.00CR
1.283.0200 DEF TAX - REGULATORY ITC	22,700.00CR	392,500.00
1.301.0000 ORGANIZATION	.00	53,150.52
1.302.0000 FRANCHISE & CONSENTS	.00	1,786.15
1.304.0000 MFG PRODUCTION LAND	.00	35,377.34
1.305.0000 MFG PRODUCTION STRUCTURE	.00	60,604.00
1.325.0000 GATHERING LAND & RIGHTS	.00	75,975.20
1.327.0000 GATHERING COMP STAT STRUCTURES	.00	42,950.12
1.331.0000 NATURAL GAS WELL EQUIPMENT	.00	13,391.77
1.332.0000 GATHERING LINES	20,713.66	1,835,883.25

JOHNB

GLDTLC/GL0061

DELTA NATURAL GAS CO., INC. AND SUBSIDIARIES

Trial Balance

For Period Ending December 31, 1998

1 - DELTA NATURAL GAS CO, INC.

U/L Number		Current Month	Balance
1.333.0000	GATHERING COMP STAT EQUIPMENT	.00	800,454.08
1.334.0000	GATHR MEAS & REGLTR STAT EQUIP	.00	82,734.07
1.350.0100	STORAGE LAND	.00	14,141.61
1.350.0200	STORAGE - RIGHT OF WAY	.00	129,425.47
1.350.0500	GAS RIGHTS WELLS	.00	46,895.04
1.350.0600	GAS RIGHTS STORAGE	.00	171,665.00
1.351.0000	STORAGE STURCTURES & IMPROVEMENTS	.00	69,486.57
1.352.0000	STORAGE WELLS	.00	226,147.14
1.352.0100	STORAGE RIGHTS	.00	860,396.29
1.352.0200	STORAGE RESERVOIRS	.00	1,881,730.85
1.352.0300	NONRECOVERABLE NATURAL GAS	.00	294,306.84
1.353.0000	STORAGE LINES	.00	5,013,486.53
1.354.0000	STORAGE COMPRESSOR STATION EQUIPMENT	.00	1,134,725.61
1.355.0000	STORAGE MEASURING & REGULATING EQUIPMENT	.00	353,184.66
1.356.0000	PURIFICATION EQUIPMENT	.00	320,224.92
1.357.0000	STORAGE OTHER EQUIPMENT	.00	47,209.39
1.365.0100	TRAN LAND & LAND RIGHTS	.00	43,283.82
1.365.0200	TRAN RIGHTS OF WAY	2,850.00	428,208.09
1.365.0300	LAND RIGHTS DEPRECIABLE	.00	163,626.11
1.366.0000	TRAN STRUCTURES & IMPROVEMENTS	.00	145,444.29
1.367.0000	TRANSMISSION MAINS	55,792.63	21,011,330.16
1.368.0000	TRANSM COMPRESSOR STAT EQUIP	.00	1,276,288.62
1.369.0000	TRANSMISSION MEAS & REG EQUIP	163,104.84	1,078,810.79
1.371.0000	TRANSMISSION OTHER EQUIPMENT	1,904.12	437,893.44
1.374.0000	DISTRIBUTION RIGHT OF WAYS	62.50	248,477.64
1.375.0000	DIST STRUCTURES & IMPROVEMENTS	.00	103,373.29
1.376.0000	DISTRIBUTION MAINS	986,698.19	46,498,998.28
1.378.0000	DIST GENERAL REG STATIONS	.00	965,592.46
1.379.0000	DIST CITY GATE REG STATIONS	.00	390,893.08
1.380.0000	DISTRIBUTION SERVICES	65,190.69	7,634,652.52
1.381.0000	DISTRIBUTION METERS	2,039.88	5,454,417.84
1.382.0000	DIST METER & REG INSTALLATION	18,341.47	2,365,154.03
1.383.0000	DIST REGULATORS	27,255.09	2,190,577.61
1.385.0000	DIST INDUSTRIAL METER SET	2,649.26	1,202,370.86
1.389.0000	GEN LAND & LAND RIGHTS	.00	845,317.34
1.390.0000	GEN STRUCTURES & IMPROVEMENTS	.00	2,882,604.10
1.391.0000	OFFICE FURNITURE & EQUIPMENT	3,702.77CR	628,358.06
1.392.0000	TRANSPORTATION EQUIPMENT	20,089.54	2,844,375.25
1.393.0000	STORES EQUIPMENT	1,266.75	42,466.07
1.394.0000	TOOLS, SHOP & GARAGE EQUIP.	843.19CR	564,615.59
1.394.0100	COMPRESSED NAT GAS STAT& EQUIP	.00	421,497.58
1.395.0000	LABORATORY EQUIPMENT	.00	139,911.79
1.396.0000	POWER OPERATED EQUIPMENT	.00	1,524,764.25
1.397.0000	COMMUNICATION EQUIPMENT	13,453.89CR	608,667.14
1.398.0000	MISCELLANEOUS EQUIPMENT	1,138.37CR	101,994.84
1.399.0100	MAPPING COSTS	.00	565,218.30
1.399.0200	COMPUTER SOFTWARE	.00	1,559,965.62
1.399.0300	COMPUTER HARDWARE	.00	1,824,044.24
1.403.0000	DEPRECIATION EXPENSE	315,279.45	3,570,353.76
1.408.0100	LICENSE & PRIVILEGE FEES	175.00	422.67

JOHNB

GLDTLC/GL0061

DELTA NATURAL GAS CO., INC. AND SUBSIDIARIES

Trial Balance

For Period Ending December 31, 1998

DELTA NATURAL GAS CO., INC.

G/L Number		Current Month	Balance
1.408.0200	PROPERTY TAXES	65,200.00	742,583.97
1.408.0300	PAYROLL TAXES	37,910.74	480,841.46
1.409.0100	CURRENT FED INC TAX	593,840.00CR	875,125.00
1.409.0200	CURRENT STATE INC TAX	148,460.00CR	199,300.00
1.409.0700	ESTIMATED INTERIM INCOME TAXES	524,200.00	.00
1.409.0800	INCOME TAXES NON-REGULATED	1,800.00	42,400.00
1.410.0000	DEFERRED INCOME TAXES	390,550.00	2,475.00CR
1.410.0100	AMORT OF REGULATORY LIABILITY	2,125.00CR	27,225.00CR
1.411.0000	INVESTMENT TAX CREDIT NET	34,750.00CR	70,950.00CR
1.415.0100	LABOR SERVICE REVENUE	250.00CR	6,500.00CR
1.415.0200	MERCHANDISING REVENUE	4,037.57CR	53,353.56CR
1.415.0300	SALES TAX COMMISSION	434.35CR	6,783.92CR
1.416.0100	LABOR SERVICE EXPENSE	97.78	3,905.31
1.416.0200	MERCHANDISING EXPENSE	3,272.45	42,246.78
1.418.0100	NET EARNINGS OF SUBSIDIARY	37,807.07CR	455,184.07CR
1.419.0000	INTEREST & DIVIDEND INCOME	1,567.75CR	78,078.16CR
1.421.0000	MISC NON OPERATING INCOME	1,835.93CR	6,593.57CR
1.426.0200	LIFE INSURANCE CO. BENEFICIARY	.00	9,301.98CR
1.427.0000	INTEREST ON LONG TERM DEBT	324,808.57	3,775,502.23
1.428.0000	AMORT OF DEBT EXPENSES	13,430.00	149,332.28
1.431.0100	INTEREST ON CUSTOMER DEPOSITS	3,342.96	30,637.23
1.431.0200	INTEREST ON SHORT-TERM DEBT	42,803.95	554,002.14
1.480.0100	GS RATE SALES RESIDENTIAL	1,679,111.56CR	18,295,562.01CR
1.480.0200	GS RATE SALES OTHER COMMERCIAL	475,860.84CR	9,478,213.98CR
1.480.0300	GS RATE SALES INDUSTRIAL	90,298.80CR	1,026,287.80CR
1.480.0400	GS RATE SALES SMALL COMMERCIAL	419,626.52CR	1,285,603.57CR
1.480.0500	UNMETERED GAS LIGHT REVENUE	203.94CR	511.25CR
1.481.0200	INTERRUPTIBLE RATE COMMERCIAL	2,768.17CR	15,728.24CR
1.481.0300	INTERRUPTIBLE RATE INDUSTRIAL	19,037.21CR	238,485.94CR
1.488.0100	COLLECTION REVENUE	3,840.00CR	77,955.00CR
1.488.0200	RECONNECT REVENUE	13,040.00CR	66,160.00CR
1.488.0300	METER TEST REVENUE	.00	44.00CR
1.488.0400	BAD CHECK REVENUE	740.00CR	7,850.00CR
1.489.0200	OFF SYSTEM TRANSP REVENUE	28,363.40CR	451,989.70CR
1.489.0400	ON SYSTEM TRANSP REVENUE	410,014.66CR	3,913,350.19CR
1.753.0100	WELLS & GATHERING PAYROLL	1,546.89	13,903.02
1.753.0200	WELLS & GATHERING MISC	224.90	1,399.02CR
1.754.0100	COMPRESSOR STATION PAYROLL	2,671.66	41,070.96
1.754.0200	COMPRESSOR STATION MISC.	2,442.30	21,773.08
1.764.0100	MNT WELLS & GATHERING PAYROLL	.00	1,870.11
1.764.0200	MNT WELLS & GATHERING OTHER	191.04	3,336.75
1.765.0100	MNT COMPRESSOR STATION PAYROLL	254.45	2,533.33
1.765.0200	MNT COMPRESSOR STATION OTHER	1,620.87	15,248.29
1.803.0000	PURCHASED GAS	1,354,501.33	16,260,037.60
1.816.0100	CM WELLS EXPENSES - PAYROLL	3,613.54	22,516.47
1.816.0200	CM WELLS EXPENSES - MISC	1,684.78	2,373.72
1.818.0100	CM COMPRESSOR STATION EXPENSES - PAYROLL	505.78	17,191.40
1.818.0200	CM COMPRESSOR STATION EXPENSES - MISC	303.90	9,484.92
1.821.0000	CM PURIFICATION OF NATURAL GAS	1,603.29	1,761.25
1.824.0200	CM OTHER UNDERGROUND STORAGE EXPENSES - MISC	.00	5,483.64

DELTA NATURAL GAS CO., INC. AND SUBSIDIARIES

Trial Balance

For Period Ending December 31, 1998

1 - DELTA NATURAL GAS CO, INC.

Account Number		Current Month	Balance
1.825.0000	CM STORAGE WELL ROYALTIES/RENTS	1,147.50	54,064.33
1.831.0200	CM MAINTENANCE STRUCTURES & IMPROVEMENTS - MISC	.00	609.22
1.832.0100	CM MAINT OF RESERVOIRS AND WELLS - PAYROLL	.00	1,501.37
1.832.0200	CM MAINTENANCE OF RESERVOIRS AND WELLS - MISC	.00	47.09
1.833.0200	CM MAINTENANCE OF LINES - MISC	.00	110.07
1.834.0100	CM MAINT OF COMPRESSOR STAT EQUIP - PAYROLL	.00	1,481.37
1.834.0200	CM MAINTENANCE OF COMPRESSOR STAT EQUIP - MISC	711.48	5,725.02
1.835.0100	CM MAINT OF MEAS & REG STAT EQUIP - PAYROLL	93.91	1,869.68
1.835.0200	CM MAINTENANCE OF MEAS & REG STAT EQUIP - MISC	173.99	1,833.58
1.837.0200	CM MAINTENANCE OF OTHER EQUIPMENT - MISC	406.20	1,051.87
1.856.0000	RIGHT OF WAY CLEARING	6,061.95	54,869.19
1.871.0000	TELEMETRY COSTS	2,861.52	35,140.94
1.880.0100	OPERATIONS OFFICE TELEPHONE	5,888.74	78,672.97
1.880.0200	OPERATIONS OFFICE UTILITIES	3,527.88	44,598.58
1.880.0300	OPERATIONS OFFICE MISC.	9,981.43	99,132.28
1.880.0400	FEES TRAINING SCHOOLS	190.00	14,172.77
1.880.0500	UNIFORMS	2,925.67	49,152.63
1.880.0600	WELDING SUPPLIES	1,082.76	7,770.47
1.881.0100	RENT OPERATING OFFICES	100.00	3,654.00
1.881.0200	RENT LAND & LAND RIGHTS	1,900.00	14,519.51
1.886.0000	MNT STRUCTURES TRANS & DIST.	.00	2,103.00
1.887.0100	MNT TRANS & DIST MAINS PAYROLL	3,497.15	74,033.37
1.887.0200	MNT TRANS & DIST MAINS OTHER	2,456.14	68,261.50
1.889.0000	MNT REG STATION TRANS & DIST.	1,222.68	4,221.79
1.893.0100	MNT OF METERS & REG PAYROLL	1,330.16	21,123.46
1.893.0200	MNT OF METERS & REG OTHER	757.94	63,874.11
1.894.0100	MNT OF OTHER EQUIPMENT PAYROLL	551.96	14,396.84
1.894.0200	MNT OF OTHER EQUIPMENT OTHER	7,028.46	72,217.11
1.898.0100	MNT - TRANSP EQUIP EXPENSE-PAYROLL	1,517.62	31,245.72
1.898.0200	MNT - POWER OPR EQUIP EXPENSE-PAYROLL	704.84	13,522.64
1.900.0100	TRANS & DIST. PAYROLL	171,759.79	2,210,002.97
1.900.0200	OPR TRANSPORTATION EXPENSES	41,514.85	538,911.22
1.900.0300	SMALL TOOLS & WORK EQUIPMENT	6,074.93	53,055.60
1.903.0100	CASHERING PAYROLL	41,156.03	495,671.33
1.903.0200	CUSTOMER COLLECTIONS & RECORDS	27,267.13	214,271.07
1.904.0000	UNCOLLECTIBLE ACCOUNTS	23,000.00	345,870.00
1.913.0000	ADVERTISING	567.53	10,775.10
1.920.0100	ADMINISTRATIVE PAYROLL	170,223.20	2,006,502.11
1.920.0200	ADM TRANSPORTATION EXPENSES	7,500.00	90,000.00
1.921.0100	ADM TELEPHONE	8,516.38	126,756.69
1.921.0300	BOOKS & SUBSCRIPTIONS	3,474.97	30,830.85
1.921.0400	COMPANY FORMS	.00	59,395.20
1.921.0500	SMALL SUPPLY ITEMS	5,697.20	54,709.45
1.921.0600	MISCELLANEOUS OTHER ITEMS	12,174.38	174,462.97
1.921.0700	EMPLOYEE MEMBERSHIPS	150.00	3,803.00
1.921.0800	SAFETY LITERATURE & EDUCATION	1,743.65	6,560.47
1.921.0900	ENGR & DRAFTING SUPPLIES	598.51	11,485.47
1.921.1000	ADM UTILITIES	2,046.97	29,132.49
1.921.1100	INVENTORY - DIFFERENCE	214.01	21,062.80CR
1.921.2100	TRAVEL ETC CO BUS PRES & CEO	1,779.00	17,069.88

DELTA NATURAL GAS CO., INC. AND SUBSIDIARIES

Trial Balance

For Period Ending December 31, 1998

1 - DELTA NATURAL GAS CO, INC.

Account Number	Description	Current Month	Balance
1.921.2200	TRAVEL ETC CO BUS OFFICERS	2,194.13	9,975.00
1.921.2300	TRAVEL ETC CO BUS OPER & CONST	769.69	11,561.32
1.921.2400	TRAVEL ETC CO BUS ADM&CUST SER	248.00	3,451.79
1.921.2500	TRAVEL ETC CO BUS PUB AFFAIRS	40.43	40.43
1.921.2600	TRAVEL ETC CO BUS FINANCE	915.99	4,782.62
1.921.2900	CO. BUS. MEALS & ENTERTAINMENT	1,460.21	30,757.74
1.922.0000	EXPENSES TRANSFERRED	168,238.83CR	2,046,578.36CR
1.922.0100	EXPENSES TRANSFERRED (CANADA MOUNTAIN)	193,511.00CR	2,112,861.00CR
1.923.0100	OUTSIDE SERVICES LEGAL	206.25	73,125.63
1.923.0200	OUTSIDE SERVICES ACCOUNTING	6,782.50	92,482.50
1.923.0300	OUTSIDE SERVICES JANITORIAL	4,125.50	50,402.50
1.923.0400	OUTSIDE SERVICES OTHER	22,370.35	97,052.56
1.923.0500	OUTSIDE SERVICES COMPUTERS	5,965.19	30,883.01
1.924.0000	INSURANCE	29,397.19	419,057.55
1.926.0100	TIME OFF PAYROLL	68,139.49	454,146.83
1.926.0200	PENSION	22,600.00	292,817.96
1.926.0300	EMPLOYEE 401K PLAN	14,915.00	180,370.37
1.926.0400	MEDICAL COVERAGE	90,526.79	729,268.57
1.926.0500	SALARY CONTINUATION COVERAGE	7,811.02	96,053.04
1.926.0600	EMPLOYEE STOCK PLAN	4,756.11	56,220.03
1.926.0700	EMPLOYEE EDUCATION	3.00	1,329.97
1.926.0800	EMPLOYEE RECREATION & SOCIAL	1,157.73	1,214.05
1.926.0900	HOUSE TRAILERS	123.05CR	3,811.64
1.928.0000	REGULATORY COMMISSION EXPENSE	29,929.80	104,940.32
1.930.0100	DIRECTOR FEES & EXPENSES	7,400.00	88,800.00
1.930.0200	COMPANY MEMBERSHIPS	2,333.00	45,776.05
1.930.0300	FEES CONVENTIONS & MEETINGS	.00	4,930.00
1.930.0400	MARKETING	1,938.86	37,869.02
1.930.0500	COMPANY RELATIONS	16,526.18	32,496.27
1.930.0600	TRUSTEE, REGISTRAR, AGENT FEES	3,552.76	52,232.92
1.930.0800	STOCKHOLDER REPORTS	2,073.28	57,171.77
1.930.0900	CUSTOMER & PUBLIC INFORMATION	9,332.81	51,114.27
1.930.1000	PUBLIC & COMMUNITY RELATIONS	4,825.00	16,885.46
1.930.1100	CONSERVATION PROGRAM	4,150.00	48,913.00
1.930.1200	LOBBYING EXPENDITURES	109.00	4,269.08
1.932.0100	MNT COMMUNICATION EQUIPMENT	3,405.63	41,252.70
1.932.0200	MNT OFFICE EQUIPMENT	7,574.77	22,272.75
1.932.0300	MNT GENERAL STRUCTURES	569.57	21,263.19
1.932.0500	MAINTENANCE COMPUTER EQUIPMENT	1,072.51	55,176.42
Total 1 - DELTA NATURAL GAS CO, INC.		.00	.00 *
Grand Totals		.00	.00 **

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

10. Provide the balance in each current asset and each current liability account and subaccount included in Delta's chart of accounts by months for the test year. In addition, show total current assets, total current liabilities, and the net current position by months, annually, and the 13-month average for the test year. Provide a reconciliation of current assets, current liabilities, and net current position provided in response to the above with the current assets and current liabilities as shown on the balance sheet for each month of the test year. If any amounts were allocated, provide a calculation of the factor used to allocate each amount.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John Brown

Delta Natural Gas Company, Inc.
Monthly Current Assets and Current Liabilities
For the last year: 1998

Item 10

Line	GL #/Description	12/31/97	1/31/98	2/28/98	3/31/98	4/30/98	5/31/98	6/30/98	7/31/98	8/31/98	9/30/98	10/31/98	11/30/98	12/31/98	Average
1	1131.01 - Cash Owingville	16,673.45	16,762.46	8,333.94	8,193.88	11,110.84	6,251.38	6,230.98	6,251.38	6,184.82	4,488.60	4,317.54	21,710.83	10,430.16	
2	1131.02 - Cash Berea	68,186.87	68,872.80	15,950.18	30,947.02	6,162.82	10,460.29	12,958.95	6,374.30	10,371.17	17,609.49	6,339.14	16,004.59	42,564.66	
3	1131.05 - Cash Stanton	50,438.72	2,824.01	7,194.68	28,532.84	2,201.97	3,100.89	6,187.87	2,781.80	6,000.72	17,160.12	2,112.81	11,044.21	19,278.74	
4	1131.06 - Cash London	37,618.38	8,250.03	5,303.48	25,580.45	4,131.59	7,188.03	1,868.59	2,786.95	4,818.64	13,934.44	1,827.35	6,722.74	32,413.94	
5	1131.07 - Cash Williamsonburg	11,042.07	11,914.47	7,625.56	5,113.19	7,983.18	5,253.38	5,253.38	5,769.52	5,368.13	4,581.06	3,322.84	6,802.48	6,732.30	
6	1131.08 - Cash Barboursville	18,465.96	19,457.23	7,951.96	10,950.06	4,000.00	5,823.63	3,505.47	3,965.70	7,471.41	7,091.29	3,322.84	6,831.78	38,053.40	
7	1131.10 - Cash Middleboro	33,839.94	40,646.71	34,049.90	17,001.96	25,433.01	17,480.70	13,137.60	18,957.68	32,803.54	28,525.72	16,473.81	20,686.09	28,758.55	
8	1131.11 - Cash Coblin	77,767.72	95,920.67	58,527.30	46,120.63	6,715.06	33,547.50	16,957.68	42,059.66	58,653.17	28,723.05	19,390.41	39,088.41	48,198.28	
9	1131.12 - Cash Manchester	15,228.42	11,945.58	11,322.96	3,609.80	6,515.06	7,080.40	6,322.56	4,251.96	4,251.96	2,204.52	4,315.51	9,428.41	14,737.96	
10	1131.20 - Cash Winchester	483,483.12	2,173.53	2,956.83	2,744.20	54,864.88	63,984.45	1,082.27	68,698.07	2,568.59	1,468.89	54,094.07	4,287.01	13,484.97	
11	1131.21 - Cash ERT Berea National	164,302.38	130,000.31	57,782.55	76,734.54	8,753,002.47	806,316.33	35,300.94	754.08	(51,430.61)	80,281.09	(33,849.21)	(297,242.13)	20,974.08	
12	1131.22 - Cash EFT Berea National	99,900.00	85,039.68	42,000.00	1,043.85	1,002.00	38,666.37	28,667.31	28,667.31	836.30	626.46	36,666.35	656.03	60,438.26	
13	1131.01 - Working Funds Owingville	1,925.00	423.00	423.00	423.00	423.00	423.00	423.00	423.00	423.00	423.00	423.00	423.00	423.00	
14	1131.02 - Working Funds Berea	2,975.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	
15	1131.03 - Working Funds Nicholasville	4,850.00	830.00	830.00	830.00	830.00	830.00	830.00	830.00	830.00	830.00	830.00	830.00	830.00	
16	1131.05 - Working Funds Stanton	1,975.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	475.00	
17	1131.06 - Working Funds London	2,450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	
18	1131.07 - Working Funds Williamsonburg	1,950.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	450.00	
19	1131.08 - Working Funds Barboursville	3,950.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	550.00	
20	1131.10 - Working Funds Middleboro	4,200.00	575.00	575.00	575.00	575.00	575.00	575.00	575.00	575.00	575.00	575.00	575.00	575.00	
21	1131.11 - Working Funds Coblin	4,200.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	700.00	
22	1131.12 - Working Funds Manchester	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	
23	1131.20 - Working Funds Winchester	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	500.00	
24	1131.21 - Working Funds Coblin Warehouse	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	900.00	
25	1131.30 - Working Funds	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	
26	1141.02 - Notes Receivable Due in 1 Year	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	24,000.00	
27	1141.02 - Customer Accounts Receivable	3,334,476.04	24,000.00	24,000.00	24,000.00	4,340,414.88	4,856,860.28	3,045,091.74	2,220,894.09	1,848,493.59	1,411,363.85	1,411,363.85	1,855,509.12	1,912,458.03	
28	1142.01 - Misc Accounts Receivable - Branches	(1,182.84)	(932.68)	(1,182.84)	(733.16)	(789.75)	(1,182.84)	(1,182.84)	(1,182.84)	(1,182.84)	(1,182.84)	(1,182.84)	(1,182.84)	(1,182.84)	
29	1142.01 - Receivable from Energy Assistance Agency	8,205.00	4,752.22	3,087.25	1,932.90	339.42	95.00	95.00	95.00	95.00	95.00	95.00	95.00	95.00	
30	1174.01 - System Cash vs. Actual	80,441.98	(435.82)	(345.62)	(345.62)	(242.46)	(242.46)	(242.46)	(242.46)	(242.46)	(242.46)	(242.46)	(242.46)	(242.46)	
31	1174.02 - System MOSE vs. Actual	(2,740.39)	(2,740.39)	(2,740.39)	(2,740.39)	(2,740.39)	(2,740.39)	(2,740.39)	(2,740.39)	(2,740.39)	(2,740.39)	(2,740.39)	(2,740.39)	(2,740.39)	
32	1144.00 - Provision for Uncollectibles	(83,947.44)	(86,753.03)	(100,600.27)	(110,948.20)	(102,468.50)	(93,070.18)	(120,001.94)	(103,461.80)	(94,388.86)	(98,393.87)	(125,483.58)	(131,918.83)	(108,223.42)	
33	1191.00 - Unrecovered Purchased Gas Cost	1,815,528.45	12,856.30	(878,180.89)	(1,325,786.62)	(1,983,429.77)	(2,288,589.81)	(1,498,771.74)	543,252.89	1,446,313.89	667,087.57	713,381.76	1,178,686.07	1,319,137.86	
34	1192.00 - Actual Adjustment Gas Cost	2,550,763.27	2,023,553.03	1,540,881.79	1,085,873.12	723,601.66	42,824.87	(1,462,962.42)	(1,446,325.89)	(828,486.59)	(804,663.99)	(804,663.99)	(785,489.25)	(50,148.99)	
35	1193.00 - Balance Adjustment Gas Cost	84,380.55	71,416.96	60,958.87	76,233.13	68,336.58	42,824.87	358,972.81	348,328.64	291,415.74	159,511.11	66,497.72	74,099.15	85,807.87	
36	1193.00 - Balance Adjustment Gas Cost	(6.59)	(6.59)	(6.59)	(6.59)	(6.59)	(6.59)	(6.59)	(6.59)	(6.59)	(6.59)	(6.59)	(6.59)	(6.59)	
37	1193.01 - Balance Adjmt Rate or Pay Cost	288,398.55	282,929.55	281,501.70	225,803.70	228,609.58	228,609.58	228,609.58	228,609.58	228,609.58	228,609.58	228,609.58	228,609.58	228,609.58	
38	1194.00 - Storage Gas Pioneer	689,585.01	703,143.99	714,582.42	623,960.93	588,874.59	555,003.24	520,362.68	531,981.98	516,652.18	568,708.48	535,029.98	515,786.41	578,555.95	
39	1194.00 - Inventory	1,209,841.48	1,278,804.12	1,341,552.42	1,416,375.10	1,478,802.37	1,539,400.54	1,604,319.80	1,665,382.11	1,733,518.40	1,797,139.51	1,864,774.44	1,931,687.21	2,002,971.45	
40	1184.04 - Non Owned Vehicle Oper & Maint Cost	546.28	546.28	546.28	546.28	546.28	546.28	546.28	546.28	546.28	546.28	546.28	546.28	546.28	
41	1184.05 - Transportation Expense Cleared	(1,157,717.25)	(1,217,667.12)	(1,273,912.47)	(1,334,953.28)	(1,392,892.48)	(1,452,384.14)	(1,504,866.69)	(1,578,521.72)	(1,748,832.75)	(1,820,984.91)	(1,896,862.89)	(1,981,511.35)	(2,027,317.19)	
42	1184.05 - Work Equipment Operat. Maint Cost	281,054.08	299,266.12	(322,082.94)	313,090.80	346,224.85	381,225.98	374,803.13	390,089.42	(407,946.72)	428,695.98	446,562.52	481,638.28	478,922.47	
44	1185.00 - Prepayments	114,181.71	69,982.71	28,498.71	312,684.28	328,685.72	284,582.72	240,688.72	265,845.40	280,954.55	245,153.05	151,786.05	105,587.55	207,280.15	
45	1185.01 - Prepayments - Orom	2,750.00	2,750.00	2,750.00	2,750.00	2,750.00	2,750.00	2,750.00	2,750.00	2,750.00	2,750.00	2,750.00	2,750.00	2,750.00	
46	1184.01 - APV M&R Cleaning	2,500.00	(786.83)	(95.00)	(116,852.89)	(395.00)	(395.00)	(395.00)	(395.00)	(395.00)	(395.00)	(395.00)	(395.00)	(395.00)	
47	1184.02 - INA Insurance Cleaning	1,002.63	98.05	98.05	98.05	98.05	98.05	98.05	98.05	98.05	98.05	98.05	98.05	98.05	
48	1184.06 - Medical - Cleaning	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	
49	1184.07 - Protectant Insurance Cleaning	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	
50	1184.10 - APV - CIS Cleaning	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	
51	1184.10 - APV - CIS Cleaning	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	74.31	
52	Total Current Assets	8,698,985.37	8,659,284.10	6,931,228.76	14,323,747.71	5,023,731.83	3,884,514.74	2,088,719.70	2,394,162.56	2,111,693.14	2,396,224.04	2,358,888.75	3,108,160.38	4,382,664.17	
														5,083,383.45	

Delta Natural Gas Company, Inc.
Monthly Current Assets and Current Liabilities
For the test year: 1998

Item 10

Line	GL #/Description	12/31/97	1/31/98	2/28/98	3/31/98	4/30/98	5/31/98	6/30/98	7/31/98	8/31/98	9/30/98	10/31/98	11/30/98	12/31/98	Average
53	1,231.00 - Notes Payable	(19,395,000.00)	(19,830,000.00)	(17,040,000.00)	(17,766,700.00)	(17,866,700.00)	(17,866,700.00)	(17,866,700.00)	(17,866,700.00)	(17,866,700.00)	(17,866,700.00)	(17,866,700.00)	(17,866,700.00)	(17,866,700.00)	(17,866,700.00)
54	1,230.02 - Long Term Debt Due in 1 Year	(1,553,777.00)	(1,553,777.00)	(1,553,777.00)	(1,553,777.00)	(1,553,777.00)	(1,553,777.00)	(1,553,777.00)	(1,553,777.00)	(1,553,777.00)	(1,553,777.00)	(1,553,777.00)	(1,553,777.00)	(1,553,777.00)	(1,553,777.00)
55	1,232.02 - Accounts Payable General	(501,870.00)	(480,964.22)	(271,349.37)	(312,163.87)	(654,131.96)	(841,019.91)	(998,896.52)	(488,803.65)	(376,653.31)	(508,910.59)	(573,726.02)	(255,493.81)	(446,180.58)	(465,359.50)
56	1,232.02 - Accounts Payable Customers	(3,269,251.00)	(3,269,251.00)	(3,269,251.00)	(3,269,251.00)	(3,269,251.00)	(3,269,251.00)	(3,269,251.00)	(3,269,251.00)	(3,269,251.00)	(3,269,251.00)	(3,269,251.00)	(3,269,251.00)	(3,269,251.00)	(3,269,251.00)
57	1,232.06 - Accounts Payable Gas Purchases	(3,106,623.52)	(1,057,421.72)	(736,382.58)	(737,271.20)	(1,249,149.10)	(803,297.40)	(327,743.03)	(583,089.32)	(344,232.53)	(359,707.57)	(486,536.60)	(1,024,275.44)	(1,273,292.95)	(930,632.73)
58	1,232.07 - Contractor's Retainage Payable	(31,741.05)	(31,741.05)	(31,741.05)	(31,741.05)	(31,741.05)	(31,741.05)	(31,741.05)	(31,741.05)	(31,741.05)	(31,741.05)	(31,741.05)	(31,741.05)	(31,741.05)	(31,741.05)
59	1,232.08 - Miscellaneous Payables	(3,111.84)	(184.87)	(399.33)	(558.53)	(60.127.65)	(60.127.65)	(60.127.65)	(60.127.65)	(60.127.65)	(60.127.65)	(60.127.65)	(60.127.65)	(60.127.65)	(60.127.65)
60	1,232.08 - Accounts Payable Fidelity Esc	(4,175.02)	(4,175.02)	(4,175.02)	(4,175.02)	(4,175.02)	(4,175.02)	(4,175.02)	(4,175.02)	(4,175.02)	(4,175.02)	(4,175.02)	(4,175.02)	(4,175.02)	(4,175.02)
61	1,236.01 - Taxes Accrued Federal Income	216,745.00	216,745.00	216,745.00	216,745.00	216,745.00	216,745.00	216,745.00	216,745.00	216,745.00	216,745.00	216,745.00	216,745.00	216,745.00	216,745.00
62	1,236.01 - Taxes Accrued State Income	285,844.00	285,844.00	285,844.00	285,844.00	285,844.00	285,844.00	285,844.00	285,844.00	285,844.00	285,844.00	285,844.00	285,844.00	285,844.00	285,844.00
63	1,236.03 - Taxes Accrued Sales	(81,344.74)	(86,026.99)	(44,908.65)	(41,145.81)	(33,760.29)	(4,840.47)	(65,575.44)	(23,538.87)	(28,993.62)	(16,511.54)	(25,539.74)	(31,302.33)	(35,011.96)	(41,601.47)
64	1,236.04 - Taxes Accrued Property	(29,852.89)	(29,852.89)	(29,852.89)	(29,852.89)	(29,852.89)	(29,852.89)	(29,852.89)	(29,852.89)	(29,852.89)	(29,852.89)	(29,852.89)	(29,852.89)	(29,852.89)	(29,852.89)
65	1,236.05 - Taxes Accrued Real Estate	(655,485.87)	(474,999.49)	(350,112.00)	(310,912.70)	(361,647.86)	(392,605.80)	(446,924.68)	(507,124.69)	(539,794.42)	(457,712.05)	(483,003.01)	(415,308.16)	(276,070.79)	(322,112.51)
66	1,236.06 - Taxes Accrued Severance	(4,448.92)	(2,780.62)	(3,972.35)	(4,550.51)	(4,985.97)	(4,080.00)	(3,527.57)	(3,094.19)	(3,350.55)	(3,965.55)	(3,778.37)	(4,380.25)	(4,380.25)	(4,380.25)
67	1,236.08 - Taxes Accrued School	(6,400.00)	(594,800.00)	(994,500.00)	(1,325,500.00)	(1,645,100.00)	(1,966,800.00)	(2,291,800.00)	(2,616,800.00)	(2,941,800.00)	(3,266,800.00)	(3,591,800.00)	(3,916,800.00)	(4,241,800.00)	(4,566,800.00)
68	1,236.08 - Taxes Accrued Franchise	(227,946.47)	(184,913.58)	(337,377.95)	(337,377.95)	(337,377.95)	(337,377.95)	(337,377.95)	(337,377.95)	(337,377.95)	(337,377.95)	(337,377.95)	(337,377.95)	(337,377.95)	(337,377.95)
69	1,236.09 - Taxes Accrued Franchise	(58,931.27)	(34,114.64)	(63,212.64)	(63,212.64)	(63,212.64)	(63,212.64)	(63,212.64)	(63,212.64)	(63,212.64)	(63,212.64)	(63,212.64)	(63,212.64)	(63,212.64)	(63,212.64)
70	1,233.00 - Refunds Due Customers	(461,146.78)	(355,720.27)	(266,690.68)	(140,207.25)	(115,073.45)	(88,404.47)	(68,404.47)	(48,404.47)	(28,404.47)	(8,404.47)	(1,404.47)	(1,404.47)	(1,404.47)	(1,404.47)
71	1,235.00 - Customer Service Deposits	(488,566.16)	(609,564.15)	(515,674.90)	(403,759.00)	(207,500.00)	(97,500.00)	(31,250.00)	(14,500.00)	(7,500.00)	(3,500.00)	(1,500.00)	(750.00)	(375.00)	(187.50)
72	1,237.03 - Interest Accrued Debt 8.3%	(221,719.05)	(292,668.03)	(225,000.00)	(385,261.63)	(436,097.98)	(436,097.98)	(436,097.98)	(436,097.98)	(436,097.98)	(436,097.98)	(436,097.98)	(436,097.98)	(436,097.98)	(436,097.98)
73	1,237.03 - Interest Accrued Debt 6.625%	(150,000.00)	(225,000.00)	(300,000.00)	(300,000.00)	(300,000.00)	(300,000.00)	(300,000.00)	(300,000.00)	(300,000.00)	(300,000.00)	(300,000.00)	(300,000.00)	(300,000.00)	(300,000.00)
74	1,237.04 - Interest Accrued Dep 9.000%	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)
75	1,237.05 - Interest Accrued Short-Term Notes	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)	(150,000.00)
76	1,237.06 - Interest Accrued Customer Deposits	(163,948.40)	(170,534.89)	(203,018.92)	(290,170.62)	(290,170.62)	(290,170.62)	(290,170.62)	(290,170.62)	(290,170.62)	(290,170.62)	(290,170.62)	(290,170.62)	(290,170.62)	(290,170.62)
77	1,237.07 - Interest Accrued Deb 7.15% Due Yr 2018	(28,678.12)	(170,534.89)	(30,458.31)	(29,770.62)	(29,770.62)	(29,770.62)	(29,770.62)	(29,770.62)	(29,770.62)	(29,770.62)	(29,770.62)	(29,770.62)	(29,770.62)	(29,770.62)
78	1,212.00 - Installments on Stock	(58,907.48)	(68,184.24)	(77,391.16)	(86,593.42)	(95,795.68)	(104,997.94)	(114,199.20)	(123,401.46)	(132,603.72)	(141,805.98)	(151,008.24)	(160,210.50)	(169,412.76)	(178,615.02)
79	1,241.00 - Payroll Taxes Withheld	(66,576.91)	(62,838.40)	(74,046.99)	(79,861.83)	(85,676.67)	(91,491.51)	(97,306.35)	(103,121.19)	(108,936.03)	(114,750.87)	(120,565.71)	(126,380.55)	(132,195.39)	(138,010.23)
80	1,242.02 - Employee Christmas Savings	(16,437.00)	(23,003.00)	(30,569.00)	(38,135.00)	(45,701.00)	(53,267.00)	(60,833.00)	(68,399.00)	(75,965.00)	(83,531.00)	(91,097.00)	(98,663.00)	(106,229.00)	(113,795.00)
81	1,242.03 - Savings in Lieu of Stock	(501.96)	(585.62)	(669.28)	(752.94)	(836.60)	(920.26)	(1,003.92)	(1,087.58)	(1,171.24)	(1,254.90)	(1,338.56)	(1,422.22)	(1,505.88)	(1,589.54)
82	1,242.05 - Miscellaneous Savings	(655.00)	(575.00)	(495.00)	(415.00)	(335.00)	(255.00)	(175.00)	(95.00)	(15.00)	(15.00)	(15.00)	(15.00)	(15.00)	(15.00)
83	1,242.06 - United Way Deduction	(1,532.00)	(122.00)	(244.00)	(366.00)	(488.00)	(610.00)	(732.00)	(854.00)	(976.00)	(1,098.00)	(1,220.00)	(1,342.00)	(1,464.00)	(1,586.00)
84	1,242.07 - 401K Savings Plan	(0.89)	(0.17)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)
85	1,242.08 - Stock Reinvestment Plan	(1,210.00)	(1,210.00)	(1,210.00)	(1,210.00)	(1,210.00)	(1,210.00)	(1,210.00)	(1,210.00)	(1,210.00)	(1,210.00)	(1,210.00)	(1,210.00)	(1,210.00)	(1,210.00)
86	1,243.00 - Accrued Vacation Annual Leave	(516,031.59)	(516,031.59)	(516,031.59)	(516,031.59)	(516,031.59)	(516,031.59)	(516,031.59)	(516,031.59)	(516,031.59)	(516,031.59)	(516,031.59)	(516,031.59)	(516,031.59)	(516,031.59)
87	1,244.01 - Accounting Services	(38,900.00)	(45,800.00)	(52,700.00)	(59,600.00)	(66,500.00)	(73,400.00)	(80,300.00)	(87,200.00)	(94,100.00)	(101,000.00)	(107,900.00)	(114,800.00)	(121,700.00)	(128,600.00)
88	1,244.02 - Medical Self Insured	(126,000.00)	(126,000.00)	(126,000.00)	(126,000.00)	(126,000.00)	(126,000.00)	(126,000.00)	(126,000.00)	(126,000.00)	(126,000.00)	(126,000.00)	(126,000.00)	(126,000.00)	(126,000.00)
89	1,244.06 - Other - Self Insured	(25,000.00)	(25,000.00)	(25,000.00)	(25,000.00)	(25,000.00)	(25,000.00)	(25,000.00)	(25,000.00)	(25,000.00)	(25,000.00)	(25,000.00)	(25,000.00)	(25,000.00)	(25,000.00)
90	Total Current Liabilities	(28,023,320.92)	(26,203,317.96)	(23,556,700.62)	(21,447,221.63)	(19,338,136.59)	(17,229,292.59)	(15,120,448.59)	(13,011,604.59)	(10,902,760.59)	(8,793,916.59)	(6,685,072.59)	(4,576,228.59)	(2,467,384.59)	(387,549.59)
91	Total Current Liabilities	(19,324,345.45)	(17,633,653.86)	(16,627,471.88)	(15,621,289.82)	(14,615,107.82)	(13,608,925.82)	(12,602,743.82)	(11,596,561.82)	(10,590,379.82)	(9,584,197.82)	(8,578,015.82)	(7,571,833.82)	(6,565,651.82)	(5,559,469.82)

**DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176**

DATA REQUEST DATED JULY 15, 1999

- 11. List each common general office account (asset, reserve, and expense accounts) covering the 12 months of the test year applicable to more than one jurisdiction or utility operation. If any amounts were allocated, show a calculation of the factor used to allocated each amount.**

Response:

Delta has no common general office accounts.

Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

12. Provide the following monthly account balances and a calculation of the average (13-month) account balances for the test year for the total company operations:
- a. Plant in service (Account No. 101).
 - b. Plant purchased or sold (Account No. 102).
 - c. Property held for future use (Account No. 105).
 - d. Construction work in progress (Account No. 107).
 - e. Completed construction not classified (Account No. 106).
 - f. Depreciation reserve (Account No. 108).
 - g. Plant acquisition adjustment (Account No. 114).
 - h. Amortization of utility plant acquisition adjustment (Account No. 115).
 - i. Materials and supplies (include all accounts and subaccounts).
 - j. Balance in accounts payable applicable to each account in (l) above. (If actual is indeterminable, give reasonable estimate.)
 - k. Unamortized investment credit - Pre-Revenue Act of 1971.
 - l. Unamortized investment credit - Revenue Act of 1971.
 - m. Accumulated deferred income taxes.
 - n. A summary of customer deposits as shown in Format 12(n) to this request.
 - o. Computation and development of minimum cash requirements.
 - p. Balance in accounts payable applicable to amounts included in utility plant in service. (If actual is indeterminable, give reasonable estimate.)
 - q. Balance in accounts payable applicable to prepayments by major category or subaccount.

r. Balance in accounts payable applicable to amounts included in plant under construction. (If actual is indeterminable, give reasonable estimated.)

RESPONSE:

- a. See attached schedule.
- b. Delta has no dollar amount for this account (N/A)
- c. N/A
- d. See attached schedule.
- e. See attached schedule.
- f. See attached schedule.
- g. N/A
- h. N/A
- i. See attached schedule.
- j. See attached schedule.
- k. N/A
- l. See attached schedule.
- m. See attached schedule.
- n. See attached schedule.
- o. See attached schedule.
- p. See attached schedule.
- q. See attached schedule.
- r. See attached schedule.

Sponsoring Witness:

John Brown

LINE NUMBER	MONTH ENDED	A/C 101 PLANT IN SERVICE	A/C 107 CONSTR WIP	A/C 10601 FIXED ASSET CLEARING	A/C 10801 DEPRECIATION RESERVE				
1	Dec-98	109,367,104	1,169,046	0	32,717,506				
2	Nov-98	108,018,283	2,011,820	0	32,451,416				
3	Oct-98	107,362,220	2,167,776	0	32,350,713				
4	Sep-98	106,844,771	1,875,475	0	32,058,494				
5	Aug-98	106,328,266	1,761,733	0	31,763,728				
6	Jul-98	104,682,349	2,701,018	0	31,500,080				
7	Jun-98	104,706,845	2,090,856	0	31,200,857				
8	May-98	103,597,421	2,668,236	0	30,965,643				
9	Apr-98	103,402,726	2,317,442	0	30,673,375				
10	Mar-98	102,238,757	3,089,014	0	30,421,803				
11	Feb-98	102,239,154	2,601,079	0	30,111,778				
12	Jan-98	101,690,082	2,789,310	0	29,936,964				
13	Dec-97	100,925,174	3,217,053	0	29,665,700				
14	TOTAL	1,361,403,152	30,459,858	0	405,818,057				
15	AVERAGE	104,723,319	2,343,066	0	31,216,774				

LINE NUMBER	MONTH ENDED	A/C 154 INVENTORY MATERIALS	A/C 18403 OPR EXP VEHICLES	A/C 18404 NON OWNED VEHICLE EXP	A/C 18405 TRANP EXP CLEARED	A/C 18408 WORK EQUIP OPER & MINT COST	A/C 18409 WORK EQUIP EXP CLEARED	TOTAL MATERIALS & SUPPLIES ACCOUNT
16	Dec-98	458,155	2,012,971	546	(2,027,377)	478,922	(471,406)	451,811
17	Nov-98	515,786	1,931,667	546	(1,961,511)	461,636	(458,968)	489,156
18	Oct-98	535,410	1,864,774	546	(1,896,663)	446,563	(443,523)	507,107
19	Sep-98	568,708	1,797,140	546	(1,820,985)	426,696	(424,983)	547,122
20	Aug-98	516,052	1,733,516	546	(1,749,833)	408,513	(407,947)	500,847
21	Jul-98	531,962	1,665,362	546	(1,678,522)	390,089	(390,219)	519,218
22	Jun-98	520,363	1,604,320	546	(1,604,867)	374,903	(374,903)	520,362
23	May-98	555,063	1,539,401	546	(1,452,364)	361,226	(367,283)	636,589
24	Apr-98	588,675	1,478,802	546	(1,392,892)	346,225	(353,506)	667,850
25	Mar-98	623,961	1,416,375	546	(1,334,953)	326,815	(340,719)	692,025
26	Feb-98	714,383	1,341,552	546	(1,273,912)	313,091	(328,432)	767,228
27	Jan-98	703,144	1,278,804	546	(1,217,667)	299,266	(322,063)	742,030
28	Dec-97	689,565	1,209,641	546	(1,157,717)	281,054	(312,731)	710,358
29	TOTAL	7,521,227	20,874,325	7,098	(20,569,263)	4,914,999	(4,996,683)	7,751,703
30	AVERAGE	578,556	1,605,717	546	(1,181,251)	378,077	(384,360)	596,285

BALANCE IN ACCOUNTS PAYABLE

LINE NUMBER	MONTH ENDED	A/C 107 CONSTR WIP	A/C 165 PREPAYMENTS	A/C 16501 PREPAYMENTS ORCOM	TOTAL PREPAYMENTS
1	Dec-98	247,809	0	0	0
2	Nov-98	394,301	0	0	0
3	Oct-98	384,165	0	0	0
4	Sep-98	241,578	0	0	0
5	Aug-98	233,160	(250)	0	(250)
6	Jul-98	288,414	0	0	0
7	Jun-98	168,580	0	0	0
8	May-98	208,194	0	0	0
9	Apr-98	419,766	0	0	0
10	Mar-98	73,640	0	0	0
11	Feb-98	95,887	(1,236)	0	(1,236)
12	Jan-98	79,940	0	0	0
13	Dec-97	417,952	0	0	0
14	TOTAL	3,253,385	(1,486)	-	(1,486)
15	AVERAGE	250,260	(114)	-	(114)

LINE NUMBER	MONTH ENDED	A/C 154 INVENTORY MATERIALS	A/C 18403 OPR EXP VEHICLES	A/C 18404 NON OWNED VEHICLE EXP	A/C 18408 WORK EQUIP OPER & MNT COST	TOTAL MATERIALS & SUPPLIES & ACCOUNT
16	Dec-98	7,635	10,201	0	4,026	21,862
17	Nov-98	38,641	13,258	0	2,704	54,603
18	Oct-98	15,933	16,345	0	7,237	39,515
19	Sep-98	83,685	12,610	0	5,244	101,539
20	Aug-98	49,607	18,400	0	4,116	72,123
21	Jul-98	58,849	11,139	0	1,371	71,359
22	Jun-98	31,440	14,611	0	1,204	47,255
23	May-98	30,434	20,236	0	1,942	52,612
24	Apr-98	52,054	12,787	0	6,580	71,421
25	Mar-98	8,734	11,757	0	1,995	22,486
26	Feb-98	19,813	16,392	0	1,350	37,555
27	Jan-98	32,852	16,276	0	6,184	55,312
28	Dec-97	34,535	9,638	0	3,908	48,081
29	TOTAL	464,213	183,650	-	47,861	695,724
30	AVERAGE	35,709	14,127	-	3,682	53,517

LINE NUMBER	MONTH ENDED	A/C 28201 ACCEL DEPR	A/C 28202 PENSION PLAN	A/C 28203 STOCK PLAN	A/C 28204 CUST DEPR INC	A/C 28205 ALT MIN TAXES	A/C 28206 ANNUAL LEAVE	A/C 28207 CONSTR CONTRIBNS	A/C 28208 AMORT FERRIN PROM NOTE	A/C 28209 NET UNBILLED REV
1	Dec-98	(10,034,325)	(567,200)	22,600	0	1,274,100	153,500	43,700	16,200	670,100
2	Nov-98	(9,643,775)	(567,200)	22,600	0	1,274,100	153,500	43,700	16,200	670,100
3	Oct-98	(9,643,775)	(567,200)	22,600	0	1,274,100	153,500	43,700	16,200	670,100
4	Sep-98	(9,643,775)	(567,200)	22,600	0	1,274,100	153,500	43,700	16,200	670,100
5	Aug-98	(9,643,775)	(567,200)	22,600	0	1,274,100	153,500	43,700	16,200	670,100
6	Jul-98	(9,643,775)	(567,200)	22,600	0	1,274,100	153,500	43,700	16,200	670,100
7	Jun-98	(9,643,775)	(567,200)	22,600	0	1,274,100	153,500	43,700	16,200	670,100
8	May-98	(9,311,900)	(431,300)	20,600	0	1,534,100	144,300	43,500	10,300	(532,600)
9	Apr-98	(9,311,900)	(431,300)	20,600	0	1,534,100	144,300	43,500	10,300	(532,600)
10	Mar-98	(9,311,900)	(431,300)	20,600	0	1,534,100	144,300	43,500	10,300	(532,600)
11	Feb-98	(9,311,900)	(431,300)	20,600	0	1,534,100	144,300	43,500	10,300	(532,600)
12	Jan-98	(9,311,900)	(431,300)	20,600	0	1,534,100	144,300	43,500	10,300	(532,600)
13	Dec-97	(9,311,900)	(431,300)	20,600	0	1,534,100	144,300	43,500	10,300	(532,600)
14	TOTAL	(123,768,375)	(6,558,200)	281,800	-	18,123,300	1,940,300	566,900	175,200	1,495,100
15	AVERAGE	(9,520,644)	(504,477)	21,677	-	1,394,100	149,254	43,608	13,477	115,008
16	Dec-98	(455,800)	47,300	1,100	(500)	392,500	(8,436,725)			(602,550)
17	Nov-98	(455,800)	47,300	1,100	(500)	415,200	(8,023,475)			(637,300)
18	Oct-98	(455,800)	47,300	1,100	(500)	415,200	(8,023,475)			(637,300)
19	Sep-98	(455,800)	47,300	1,100	(500)	415,200	(8,023,475)			(637,300)
20	Aug-98	(455,800)	47,300	1,100	(500)	415,200	(8,023,475)			(637,300)
21	Jul-98	(455,800)	47,300	1,100	(500)	415,200	(8,023,475)			(637,300)
22	Jun-98	(455,800)	47,300	1,100	(500)	415,200	(8,023,475)			(637,300)
23	May-98	(353,300)	44,900	200	(500)	438,700	(8,393,000)			(673,500)
24	Apr-98	(353,300)	44,900	200	(500)	438,700	(8,393,000)			(673,500)
25	Mar-98	(353,300)	44,900	200	(500)	438,700	(8,393,000)			(673,500)
26	Feb-98	(353,300)	44,900	200	(500)	438,700	(8,393,000)			(673,500)
27	Jan-98	(353,300)	44,900	200	(500)	438,700	(8,393,000)			(673,500)
28	Dec-97	(353,300)	44,900	200	(500)	438,700	(8,393,000)			(673,500)
29	TOTAL	(5,310,400)	600,500	8,900	(6,500)	5,515,900	(106,935,575)			(8,467,350)
	AVERAGE	(408,492)	46,192	685		424,300	(8,225,813)			(711,335)

A/C 255
DEF INVESTMT
TAX CREDIT

			Item 12 Page 4 of 5	
Delta Natural Gas Company, Inc.				
CASE NO. 99-176				
Summary of Customer Deposits				
Test Year				
Line No.	Month (a)	Receipts (b)	Refunds (c)	Balance (d)
1.	Balance Beginning of test year	29,970	16,604	498,566
2.	1st Month	26,433	15,435	509,564
3.	2nd Month	26,297	20,187	515,675
4.	3rd Month	23,403	29,979	509,098
5.	4th Month	19,973	40,497	488,575
6.	5th Month	15,051	46,008	457,618
7.	6th Month	11,062	30,546	438,134
8.	7th Month	19,806	28,022	429,917
9.	8th Month	24,951	18,179	436,689
10.	9th Month	29,514	17,110	449,093
11.	10th Month	87,420	15,309	521,204
12.	11th Month	58,414	12,253	567,366
13.	12th Month	48,128	20,630	594,863
14.	Total (L1 through L13)	420,421	310,757	6,416,362
15.	Average balance (L14 ~ 13)	32,340	23,904	493,566
16.	Amount of deposits received during test period	420,421		
17.	Amount of deposits refunded during test period		310,757	
18.	Number of deposits on hand end of test year			4,487
19.	Average amount of deposit (L15, Col. (d) ~ L18)			110
20.	Interest paid during test period			18,665

MINIMUM CASH REQUIRMENTS

Cash is required to pay for operating expenses, capital expenditures, debt interest and principal repayments and dividends. Cash generated from operations (gas sales) provides some cash. Also, short-term borrowings are used as interim measures for cash needs and are periodically replaced with long-term debt or equity financing.

Delta's current cash needs, other than operating expenses, on an annual basis, in the approximate amounts, are:

(1) Common Dividends	-	\$2,751,894
(2) Estimated Capital Expenditures	-	\$9,900,000
(3) Long-Term Debt Principal	-	\$2,450,000

Historical funds flows are also shown in Delta's Statement of Cash Flows as shown in response to Item 8.

Minimum cash requirements would be those required to pay for all operating expenses requiring cash (primarily all except depreciation and deferred taxes), plus dividends, debt principal and capital needs as discussed above.

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

13. Provide the cash account balances at the beginning of the test year and at the end of each month during the test year for the total company.

RESPONSE:

Provided as part of response to Item 10. See attached schedule.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.
CASE NUMBER 99-176
Account 1,131's and 1,135's- Cash
For the 12 Months Ended December 1998

Line/No.	OWINGSVILLE	BEREA	NICHOLASVILLE	STANTON	LONDON	WILLIAMSBURG	BARBOURVILLE	MIDDLESBORO	CORBIN	MANCHESTER	ADMIN	GENERAL ACCT	EFT	WORKING FUNDS	PER FS
1	AC 113101	AC 113102	AC113103	AC 113105	AC 113106	AC113107	AC113108	AC113110	AC113111	AC113112	AC113120	AC113121	AC113122	AC1135	TOTAL
2	BEG BAL	17,673.45	68,186.67	50,438.72	37,618.39	11,042.07	19,465.96	33,839.94	77,767.72	15,228.42	83,483.12	164,302.39		29,875.00	608,921.85
3	1/31/98	16,762.46	6,878.20	2,643.01	8,250.03	11,914.47	7,071.23	40,646.71	95,920.67	11,345.58	2,173.53	120,080.31	85,036.69	7,825.00	416,547.89
4	2/28/98	9,333.94	15,950.18	7,194.68	5,303.48	7,625.58	7,951.96	34,049.90	58,527.30	11,122.96	2,955.83	57,782.35	76,734.54	7,825.00	302,357.70
5	3/31/98	8,163.88	30,947.02	28,532.84	25,580.45	5,113.19	10,950.06	17,001.96	46,120.63	3,609.80	2,744.20	8,753,002.47	1,048.65	7,825.00	8,940,640.15
6	4/30/98	11,110.84	6,162.22	2,201.97	4,131.59	7,983.18	4,003.00	25,433.01	60,134.26	6,715.06	54,864.88	17,612.58	1,002.00	7,825.00	209,179.59
7	5/31/98	6,251.39	10,460.29	3,100.89	7,188.03	5,423.78	5,893.63	17,490.70	33,547.50	7,080.40	63,894.45	806,316.33	38,646.72	7,825.00	1,013,119.11
8	6/30/98	3,854.53	12,585.95	7,508.97	8,187.63	2,525.39	5,305.47	13,137.60	16,957.68	2,761.88	1,082.27	35,300.84	754.58	7,825.00	117,787.79
9	7/31/98	8,628.40	6,374.38	2,791.80	2,756.95	5,769.52	3,385.70	35,803.54	42,059.66	6,322.56	68,698.07	(141,331.67)	29,687.31	7,825.00	78,771.22
10	8/31/98	6,184.92	10,371.17	6,000.72	4,818.64	5,368.13	7,471.41	29,714.84	58,653.17	4,251.96	2,558.59	(551,490.61)	836.30	7,825.00	(407,435.76)
11	9/30/98	4,488.60	17,809.49	17,160.12	13,634.44	4,367.06	7,097.29	10,525.72	26,723.05	2,204.52	1,468.69	80,291.09	826.46	7,825.00	194,421.53
12	10/31/98	4,317.54	6,339.14	2,172.81	1,827.35	3,345.06	3,522.84	16,473.81	19,390.00	4,315.51	54,094.07	(133,849.21)	36,466.35	7,825.00	26,240.27
13	11/30/98	21,710.83	16,004.39	11,044.21	6,722.74	8,602.48	6,831.79	20,686.09	39,068.41	9,426.41	2,457.00	(297,242.13)	856.03	7,325.00	(146,506.75)
14	12/31/98	17,111.29	42,554.66	39,380.02	32,413.94	8,473.30	39,083.40	28,735.55	51,682.65	14,123.26	1,406.20	140,320.03	(230.09)	7,325.00	422,379.21

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

14. Provide the following information for each item of gas plant held for future use at the end of the test year:
- a. Depreciation of property.
 - b. Location.
 - c. Date purchased.
 - d. Cost.
 - e. Estimated date to be placed in service.
 - f. Brief description of intended use.
 - g. Current status of each project.

RESPONSE:

As of December 31, 1998, Delta had no property held for future use.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

15. Provide schedules, in comparative form, showing by months for the test year, and the year preceding the test year, the total company balance in each gas plant and reserve account or subaccount included in Delta's chart of accounts as shown in Format 15.

RESPONSE:

See attached schedule.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.

Case Number 99-176

Comparison of Total Company Test Year Account Balances
With Those of the Preceding Year

ITEM 15

"000 Omitted"

LINE NO. AC 101 GAS PLANT IN SERVICE

	1st Month	2nd Month	3rd Month	4th Month	5th Month	6th Month	7th Month	8th Month	9th Month	10th Month	11th Month	12th Month	Total
1998	101,690	102,239	102,239	103,403	103,597	104,707	104,682	106,328	106,845	107,362	108,018	109,367	1,260,477
1997	95,034	95,025	96,529	96,529	96,894	97,457	97,441	97,441	98,662	99,688	100,221	100,925	1,171,846
Incl/(Dec)	6,656	7,214	5,710	6,874	6,703	7,250	7,241	8,887	8,183	7,674	7,797	8,442	88,631

AC 107 CONSTRUCTION WORK IN PROGRESS

	1st Month	2nd Month	3rd Month	4th Month	5th Month	6th Month	7th Month	8th Month	9th Month	10th Month	11th Month	12th Month	Total
1998	2,789	2,601	3,089	2,317	2,668	2,091	2,701	1,762	1,875	2,168	2,012	1,169	27,242
1997	1,889	2,325	1,422	2,035	2,274	2,286	3,146	3,660	3,407	2,970	3,031	3,217	31,662
Incl/(Dec)	900	276	1,667	282	394	(195)	(445)	(1,898)	(1,532)	(802)	(1,019)	(2,048)	(4,420)

AC 10801 ACCUMULATED PROVISION FOR DEPRECIATION OF GAS PLANT

	1st Month	2nd Month	3rd Month	4th Month	5th Month	6th Month	7th Month	8th Month	9th Month	10th Month	11th Month	12th Month	Total
1998	29,937	30,112	30,422	30,673	30,966	31,201	31,500	31,764	32,058	32,351	32,451	32,718	376,153
1997	27,260	27,509	27,705	27,998	28,261	28,312	28,631	28,925	29,170	29,291	29,456	29,666	342,184
Incl/(Dec)	2,677	2,603	2,717	2,675	2,705	2,889	2,869	2,839	2,888	3,060	2,995	3,052	33,969

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

16. Provide the journal entries relating to the purchase of gas utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise since Delta's inception. Also, provide a schedule showing the calculation of the acquisition adjustment at the date of purchase of each item of utility plant, the amortization period, and the unamortized balance at the end of the test year.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John Brown

Line Number Delta, effective March 31, 1985, merged with its wholly owned subsidiary, Laurel Valley Pipe Line Company. The journal entry recording this merger was as follows:

	<u>Account Number</u>	<u>Account Description</u>	<u>General Ledger</u>	
			<u>Debit</u>	<u>Credit</u>
1	101	Gas Plant In Service	553,948	
2	1081	Accumulated Provision for Depreciation		328,711
3	117	Gas Stored Underground Non Current	328,092	
4	123	Investment in Subsidiary		226,850
5	1462	Receivable from Subsidiary		253,382
6	232	Accounts Payable		25,769
7	236	Taxes Payable		6,728
8	255	Investment Tax Credit		2,100
9	282	Deferred Income Taxes		38,500

There was no acquisition adjustment when Delta acquired this company in October, 1977, as it was acquired at book value.

Line Number Delta acquired approximately 57 miles of transmission lines and related measuring and regulating equipment from The Wisser Oil Company. The acquisition occurred effective January 31, 1982. A copy the journal entries to record the purchase is included below:

	<u>Account Number</u>	<u>Account Description</u>	<u>General Ledger</u>	
			<u>Debit</u>	<u>Credit</u>
1	101	Gas Plant In Service	2,198,023	
2	1081	Accumulated Provision for Depreciation		622,147
3	131	Cash		1,575,876
		To record the purchase of the Wisser Transmission Facilities at 1/31/82		
4	131	Cash	1,575,876	
5	231	Notes Payable		1,575,876
		To record the short-term debt used to finance the purchase of the Wisser Transmission Facilities at 1/31/82		

There was no acquisition adjustment. The assets were purchased at net book value on the date of purchase.

Line Number Delta acquired the assets and assumed certain liabilities of People Gas Company of Kentucky. This acquisition occurred effective January 31, 1981. A copy of the journal entry to record the purchase is included below:

	<u>Account Number</u>	<u>Account Description</u>	<u>General Ledger</u>	
			<u>Debit</u>	<u>Credit</u>
1	101	Gas Plant In Service	3,854,706	
2	107	Construction Work In Progress	12,822	
3	1081	Accumulated Provision for Depreciation		1,750,111
4	131	Cash	74,976	
5	142	Accounts Receivable	776,445	
6	144	Reserve for Bad Debts		3,700
7	154	Inventory Materials	45,483	
8	173	Accrued Utility Revenues	151,230	
9	232	Accounts Payable		701,634
10	235	Customer Deposits		151,240
11	236	Taxes Accrued		58,003
12	237	Interest Accrued		20,850
13	241	Tax Collections Payable		4,990
14	231	Note Payable		2,225,134

There was no acquisition adjustment. The assets were purchased at net book value on the date of purchase.

Line Number Delta, effective December 31, 1979, merged with its wholly owned subsidiaries, Gas Service Company and Cumberland Valley Pipe Line Co. The journal entry made recording this merger was as follows:

Line Number	Account Number	Account Description	General Ledger	
			Debit	Credit
1	101	Gas Plant In Service	5,738,581	
2	107	Construction Work In Progress	30,742	
3	1081	Accumulated Provision for Depreciation		2,184,448
4	114	Gas Plant Acquisition Adjustments	411,160	
5	115	Amortization of Gas Plant Acquisition		240,799
6	121	Non Utility Property	30,330	
7	122	Accumulated Provision for Depreciation		4,787
8	123	Investment in Associated Companies		3,436,099
9	131	Cash	98,825	
10	135	Working Funds	10,215	
11	142	Accounts Receivable Customers	656,298	
12	143	Accounts Receivable Misc.	31,441	
13	144	Provision for Uncollectible Accounts		39,691
14	146	Accounts Receivable from Associated Companies		351,900
15	154	Inventory Construction Materials	39,623	
16	164	Gas Stored Underground	240,235	
17	165	Prepayments	146,293	
18	167	Advance for Gas	73,146	
19	173	Accrued Utility Revenue	394,000	
20	182	Extraordinary Property Loss	7,500	
21	184	Clearing Account	26,121	
22	186	Prepaid Income Tax	14,600	
23	212	Installment Received on Capital Stock		7,440
24	224	Long-Term Debt		133,101
25	231	Notes Payable		500,000
26	232	Accounts Payable		468,949
27	235	Customer Deposits		146,698
28	236	Taxes Accrued		131,973
29	237	Interest Accrued		24,575
30	241	Tax Collection Payable		7,292
31	242	Misc. Accrued Liabilities		1,215
32	243	Accrued Vacation Pay		4,800
33	253	Gas Refunds Payable		143,743
34	265	Deferred Investment Tax Credit		57,400
35	282	Deferred Income Taxes		64,200

There was no acquisition adjustment when Delta purchased these companies in October, 1977. Delta acquired these companies at net book value. The acquisition costs shown above were incurred by Gas Service Company prior to Delta acquiring the properties. The acquisition adjustment was amortized over a 25 year period and is fully amortized, as allowed by the Commission in prior Orders.

Line Number Delta, effective December 31, 1971, merged with its wholly owned subsidiary, Delta Natural Gas of Stanton, Inc. The journal entry made recording this merger was as follows:

	<u>Account Number</u>	<u>Account Description</u>	<u>General Ledger</u>	
			<u>Debit</u>	<u>Credit</u>
1	101	Gas Plant In Service	445,663	
2	107	Construction Work In Progress	115	
3	1081	Accumulated Provision for Depreciation		102,635
4	123	Investment in Associated Companies		26,000
5	131	Cash	3,661	
6	135	Special Deposits - Working Fund	675	
7	141	Notes Receivable	550	
8	142	Customers Accounts Receivable	47,722	
9	143	Other Accounts Receivable	3,404	
10	144	Provision for Uncollectible Accounts		706
11	145	Receivable from Associated Company		251,858
12	154	Plant Materials	5,400	
13	155	Merchandise Materials	400	
14	165	Prepayments	4,132	
15	173	Accrued Utility Revenues	20,700	
16	1843	Clearing Account - Transportation Expense		1,185
17	1844	Clearing Account - Miscellaneous	383	
18	1862	Prepaid Taxes - Gas Refunds	2,900	
19	212	Installments Received on Capital Stock		1,215
20	216	Unappropriated Earned Surplus		69,077
21	224	Other Long-Term Debt		13,500
22	232	Accounts Payable		17,736
23	235	Customer Deposits		11,780
24	2361	Federal Income Taxes - Accrued	4,580	
25	2363	Kentucky Sales Taxes - Accrued		1,508
26	2364	Payroll Taxes - Accrued		278
27	2365	Property Taxes - Accrued		1,741
28	2374	Interest Accrued - Customer Deposits		3,480
29	241	Tax Collections - Payable		689
30	2421	Accrued Net Payroll Liability		189
31	2422	Employees Christmas Funds Payable		135
32	243	Accrued Vacation Pay		2,100
33	244	Accrued Insurance Expense		1,185
34	2521	Customer Advances for Construction		2,516
35	253	Refunds Due Under Purchase Gas Clause		9,884
36	265	Reserve for Investment Credit		5,200
37	271	Contribution in Aid of Construction		1,088
38	282	Reserve for Deferred Income Taxes		14,600

There was no acquisition adjustment when Delta acquired this Company in December of 1958.

Line Number Delta acquired the North Middletown natural gas distribution system from the City of North Middletown. The acquisition occurred effective November 18, 1996. A copy of the journal entry to record the purchase is included below:

	<u>Account Number</u>	<u>Account Description</u>	<u>General Ledger</u>	
			<u>Debit</u>	<u>Credit</u>
1	101	Gas Plant in Service	230,000.00	
2	131	Cash		230,000.00

There was no acquisition adjustment. The assets were purchased and recorded at cost on the date of purchase.

Line Number Delta acquired the Annville gas transmission line from Annville Gas Transmission Inc. The acquisition occurred July 1997. A copy of the journal entry to record the purchase is included below:

	<u>Account Number</u>	<u>Account Description</u>	<u>General Ledger</u>	
			<u>Debit</u>	<u>Credit</u>
1	101	Gas Plant In Service	104,633.81	
2	131	Cash		104,633.81

There was no acquisition adjustment. The assets were purchased and recorded at cost on the date of purchase.

Property acquired is located in the Jackson County Tax District

Notes

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DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

17. Provide a schedule showing a comparison of the balance in the total company and Kentucky revenue accounts for each month of the test year to the same month of the preceding year for each revenue account or subaccount included in Delta's chart of accounts. Include appropriate footnotes to show the month each rate increase was granted and the month the full increase was recorded in the accounts. See Format 15.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John Brown

Delta Natural Gas Company, Inc.

Case No. 99-176

Comparison of Test Year Revenues to Prior Year

Item 17

Line		MONTH												Total	
		1	2	3	4	5	6	7	8	9	10	11	12		
1	1480010 - GS RATE SALES RESIDENTIAL														
2	1998	3,693,351	3,074,914	2,652,330	2,403,884	1,013,055	525,656	515,881	461,310	471,387	611,130	1,193,553	1,679,112	18,295,562	
3	1997	3,619,125	3,499,183	2,489,299	2,204,494	1,328,976	779,221	550,900	429,723	406,623	623,500	1,762,031	2,832,869	20,525,942	
4	Inc/(Dec)	74,226	-424,269	163,031	199,390	-315,920	-253,566	-35,018	31,587	64,764	-12,370	-568,478	-1,153,757	-2,230,380	
5	1480040 - GS RATE SALES SMALL COMMERCIAL														
6	1998	0	0	0	0	0	0	146,669	134,740	138,040	167,056	279,472	419,627	1,285,604	
7	1997	0	0	0	0	0	0	0	0	0	0	0	0	0	
8	Inc/(Dec)	0	0	0	0	0	0	146,669	134,740	138,040	167,056	279,472	419,627	1,285,604	
9	1480020 - GS RATE SALES OTHER COMMERCIAL														
10	1998	2,147,618	1,770,434	1,517,176	1,402,564	562,043	357,238	223,620	193,908	195,946	291,208	340,598	475,861	9,478,214	
11	1997	2,219,045	2,086,545	1,382,871	1,286,152	775,150	477,184	417,170	330,603	308,895	464,167	997,107	1,604,511	12,349,399	
12	Inc/(Dec)	-71,427	-316,111	134,305	116,413	-213,107	-119,946	-193,549	-136,695	-112,949	-172,959	-656,509	-1,128,650	-2,871,185	
13	1480030 - GS RATE SALES INDUSTRIAL														
14	1998	207,658	168,468	129,968	120,069	57,047	34,063	37,388	28,236	30,857	59,889	62,346	90,299	1,026,288	
15	1997	289,998	259,821	86,380	137,916	91,501	76,007	80,763	67,640	46,852	63,817	97,526	168,366	1,466,587	
16	Inc/(Dec)	-82,340	-91,352	43,588	-17,847	-34,454	-41,944	-43,376	-39,404	-15,995	-3,927	-35,181	-78,067	-440,299	
17	1480050 - UNMETERED GAS LIGHT REVENUE														
18	1998	0	0	0	0	0	0	0	11	32	117	148	204	511	
19	1997	0	0	0	0	0	0	0	0	0	0	0	0	0	
20	Inc/(Dec)	0	0	0	0	0	0	0	11	32	117	148	204	511	
21	1481020 - INTERRUPTIBLE RATE COMMERCIAL														
22	1998	0	0	3,659	3,828	2,354	541	200	200	200	200	1,778	2,768	15,728	
23	1997	25,068	20,116	16,472	17,627	11,843	8,384	0	0	0	0	0	0	99,511	
24	Inc/(Dec)	-25,068	-20,116	-12,813	-13,800	-9,489	-7,843	200	200	200	200	1,778	2,768	-83,783	
25	1481030 - INTERRUPTIBLE RATE INDUSTRIAL														
26	1998	49,292	41,290	33,860	25,592	12,898	8,080	9,028	8,772	8,080	8,980	13,578	19,037	238,486	
27	1997	71,957	84,089	46,702	54,388	29,488	60,630	16,324	15,963	15,454	39,597	32,458	42,783	509,833	
28	Inc/(Dec)	-22,666	-42,800	-12,841	-28,796	-16,590	-52,551	-7,296	-7,190	-7,374	-30,617	-18,881	-23,746	-271,347	
29	1488010 - COLLECTION REVENUE														
30	1998	5,115	6,675	9,420	15,630	10,275	6,885	7,290	3,810	3,675	2,925	2,415	3,840	77,955	
31	1997	15	15	11,160	13,590	12,135	11,130	10,695	4,020	3,030	2,460	1,200	1,665	71,116	
32	Inc/(Dec)	5,100	6,660	-1,740	2,040	-1,860	-4,245	-3,405	-210	645	465	1,215	2,175	6,840	
33	1488020 - RECONNECT REVENUE														
34	1998	2,320	2,740	3,160	6,220	4,200	2,560	2,720	1,440	2,240	4,480	21,040	13,040	66,160	
35	1997	20	320	2,880	4,320	2,040	2,320	2,080	1,240	1,200	5,420	10,100	3,600	35,540	
36	Inc/(Dec)	2,300	2,420	280	1,900	2,160	240	640	200	1,040	-940	10,940	9,440	30,620	

Delta Natural Gas Company, Inc.

Case No. 99-176

Comparison of Test Year Revenues to Prior Year

Item 17

Line		MONTH												Total
		1	2	3	4	5	6	7	8	9	10	11	12	
37	1488030 - METER TEST REVENUE													
38	1998	8	0	20	4	4	4	4	0	0	0	0	0	44
39	1997	0	4	12	4	4	0	4	0	0	0	4	4	36
40	Inc/(Dec)	8	-4	8	0	0	4	0	0	0	0	-4	-4	8
41	1488040 - BAD CHECK REVENUE													
42	1998	1,080	700	1,020	900	590	560	420	530	430	470	410	740	7,850
43	1997	390	355	450	420	310	340	260	180	255	145	115	465	3,685
44	Inc/(Dec)	690	345	570	480	280	220	160	350	175	325	295	275	4,165
45	1489020 - OFF SYSTEM TRANSP REVENUE													
46	1998	36,703	34,415	43,948	43,732	40,347	43,641	41,516	42,766	31,043	35,398	30,118	28,363	451,990
47	1997	46,757	15,307	33,651	31,315	32,473	38,648	44,152	34,448	39,168	45,407	39,790	37,075	438,192
48	Inc/(Dec)	-10,054	19,108	10,296	12,417	7,874	4,993	-2,636	8,317	-8,126	-10,009	-9,672	-8,712	13,798
49	1489040 - ON SYSTEM TRANSP REVENUE													
50	1998	357,080	336,627	349,535	310,749	261,218	277,918	270,103	285,505	295,006	355,844	403,751	410,015	3,913,350
51	1997	332,832	297,768	292,330	295,794	250,706	232,462	282,938	374,324	278,684	307,995	340,310	399,280	3,685,422
52	Inc/(Dec)	24,248	38,859	57,205	14,955	10,513	45,456	-12,835	-88,819	16,322	47,849	63,441	10,735	227,928
	Rate Increases:													
53	<u>General Rate Increase: per Rate Case 97-066</u>													
54	Approved November 30, 1998; Prorated in November 1998; Effective in December 1998													
55	<u>Adjustment to Rate Case 97-066</u>													
56	Adjustment due to revenue requirements													
57	Effective May 1, 1998													
58	General Service Rate .1 - 200 MCF Only													
59	<u>Correction of Adjustment to Rate Case 97-066</u>													
60	correction of error for May 1, 1998 adjustment													
61	Effective in June billing													

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

18. Provide the following:

- a. A schedule showing a comparison of the balance in the total company operating expense accounts for each month of the test year to the same month of the preceding year for each account or subaccount included in Delta's chart of accounts. See Format 15.
- b. A schedule, in comparative form, showing the total company operating expense account balance for the test year and each of the 5 years preceding the test year for each account or subaccount included in Delta's annual report. (FERC Form NO. 2, pages 320-325.) Show the percentage of increase of each year over the prior year.
- c. A schedule of total company salaries and wages for the test year and each of the 5 calendar years preceding the test year as shown in Format 18c. Show for each time period the amount of overtime pay.
- d. A schedule showing the percentage of increase in salaries and wages for both union and non-union employees for the test year and the 5 preceding years.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John Brown

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1803000 - PURCHASED GAS												Layer 1 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	3,685,153.34	2,971,428.57	2,542,766.83	2,302,191.77	735,063.48	328,924.30	335,504.75	303,299.81	312,226.46	495,686.25	893,290.71	1,354,501.33	16,260,037.60
1997	3,844,844.18	3,793,541.25	2,517,349.90	2,265,096.80	1,298,555.84	749,939.61	536,145.86	384,442.73	334,148.09	599,992.47	1,719,006.83	2,796,501.52	20,839,565.08
Increase / (Decrease)	-159,690.84	-822,112.68	25,416.93	37,094.97	-563,492.36	-421,015.31	-200,641.11	-81,142.92	-21,921.63	-104,306.22	-825,716.12	-1,442,000.19	-4,579,527.48

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1753010 - WELLS & GATHERING PAYROLL												Layer 2 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	1,031.44	1,068.34	1,397.60	892.84	1,170.80	1,443.83	1,080.82	1,486.77	869.56	1,064.47	849.66	1,546.89	13,903.02
1997	2,842.41	3,672.66	1,793.03	1,250.25	1,209.21	943.14	1,208.19	736.64	793.53	582.59	987.35	1,288.26	17,307.26
Increase / (Decrease)	-1,810.97	-2,604.32	-395.43	-357.41	-38.41	500.69	-127.37	750.13	76.03	481.88	-137.69	258.63	-3,404.24

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1754010 - COMPRESSOR STATION PAYROLL												Layer 3 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	4,294.83	3,049.92	3,116.34	3,340.07	3,992.33	4,426.59	3,754.58	2,785.31	3,350.89	3,163.25	3,125.19	2,671.66	41,070.96
1997	4,436.99	4,366.08	4,633.99	3,489.27	3,858.94	4,319.60	3,911.07	3,037.55	3,327.76	3,296.81	3,386.35	3,304.84	45,369.25
Increase / (Decrease)	-142.16	-1,316.16	-1,517.65	-149.20	133.39	106.99	-156.49	-252.24	23.13	-133.56	-261.16	-633.18	-4,298.29

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1900010 - TRANS & DIST. PAYROLL												Layer 4 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	202,769.86	219,841.02	197,240.94	176,779.55	180,398.14	193,370.48	178,277.54	176,733.82	173,449.53	177,762.83	161,619.47	171,759.79	2,210,002.97
1997	209,595.40	209,828.21	190,824.37	184,583.37	189,695.71	179,797.46	169,705.70	179,296.97	185,348.92	188,642.88	166,285.17	170,734.91	2,224,339.07
Increase / (Decrease)	-6,825.54	10,012.81	6,416.57	-7,803.82	-9,297.57	13,573.02	8,571.84	-2,563.15	-11,899.39	-10,880.05	-4,665.70	1,024.88	-14,336.10

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1903010 - CASHERING PAYROLL												Layer 5 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	39,874.79	39,371.27	40,285.18	40,645.55	40,211.18	40,764.40	42,301.50	44,454.95	43,430.70	42,407.87	40,767.91	41,156.03	495,671.33
1997	54,549.36	52,675.95	53,625.63	46,565.70	43,143.46	41,719.64	41,911.72	43,144.81	42,571.60	42,033.41	42,324.52	40,698.04	544,963.84
Increase / (Decrease)	-14,674.57	-13,304.68	-13,340.45	-5,920.15	-2,932.28	-955.24	389.78	1,310.14	859.10	374.46	-1,556.61	457.99	-49,292.51

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1920010 - ADMINISTRATIVE PAYROLL												Layer 6 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	163,633.41	164,374.72	164,399.38	164,423.76	164,567.44	165,885.12	171,380.28	170,223.20	167,673.39	170,016.04	169,702.17	170,223.20	2,006,502.11
1997	160,696.99	159,621.00	158,959.97	158,278.91	158,651.60	159,071.39	163,823.07	163,198.76	163,871.11	163,888.51	162,515.67	164,868.12	1,937,447.10
Increase / (Decrease)	2,936.42	4,753.72	5,439.41	6,144.85	5,915.84	6,813.73	7,555.21	7,024.44	3,802.28	6,127.53	7,186.50	5,355.08	69,055.01

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1926010 - TIME OFF PAYROLL												Layer 7 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	40,501.22	17,941.46	16,913.93	36,571.83	35,137.46	43,952.02	42,764.54	26,322.41	38,279.27	30,022.02	57,601.18	68,139.49	454,146.83
1997	20,314.08	15,214.57	27,646.12	21,033.35	31,564.04	64,418.20	40,667.57	37,482.56	41,493.61	27,532.43	63,273.16	67,073.35	457,713.04
Increase / (Decrease)	20,187.14	2,726.89	-10,732.19	15,538.48	3,573.42	-20,466.18	2,096.97	-11,160.15	-3,214.34	2,489.59	-5,671.98	1,066.14	-3,566.21

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1753020 - WELLS & GATHERING MISC												Layer 8 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	-399.57	-500.00	-375.00	-375.00	-156.79	5.43	-450.00	-204.42	-118.57	-375.00	1,325.00	224.90	-1,398.02
1997	-3,308.85	-30.00	123.23	21.00	-60.00	-31.00	-405.00	66.93	0.00	-360.00	-153.93	0.00	-4,137.62
Increase / (Decrease)	2,909.28	-470.00	-498.23	-396.00	-96.79	36.43	-45.00	-271.35	-118.57	-15.00	1,478.93	224.90	2,738.60

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1754020 - COMPRESSOR STATION MISC.												Layer 9 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	976.50	1,429.96	533.58	2,087.46	1,350.36	2,969.26	1,316.62	902.48	4,742.09	1,991.72	1,030.75	2,442.30	21,773.08
1997	6,282.14	3,316.48	1,288.93	2,302.31	1,283.81	2,460.44	6,272.68	4,325.01	2,006.82	5,052.59	1,695.47	2,150.59	38,437.27
Increase / (Decrease)	-5,305.64	-1,886.52	-755.35	-214.85	66.55	508.82	-4,956.06	-3,422.53	2,735.27	-3,060.87	-664.72	291.71	-16,664.19

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1856000 - RIGHT OF WAY CLEARING												Layer 10 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,234.64	11,589.00	12,416.70	14,556.90	6,061.95	54,869.19
1997	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,576.30	13,711.30	11,161.85	3,017.50	30,466.95
Increase / (Decrease)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,234.64	9,022.70	-1,294.60	3,395.05	3,044.45	24,402.24

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1900030 - SMALL TOOLS & WORK EQUIPMENT												Layer 11 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	2,562.64	4,595.36	3,672.63	10,440.66	2,787.66	3,255.87	2,088.62	6,432.50	4,459.23	3,372.66	3,312.84	6,074.93	53,055.60
1997	4,685.30	8,333.71	7,071.96	10,403.77	8,156.95	8,435.18	6,940.12	4,538.39	5,321.01	3,526.04	10,051.21	4,971.71	82,435.35
Increase / (Decrease)	-2,122.66	-3,738.35	-3,399.33	36.89	-5,369.29	-5,179.31	-4,851.50	1,894.11	-861.78	-153.38	-6,738.37	1,103.22	-29,379.75

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1871000 - TELEMETRY COSTS												Layer 12 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	2,842.12	2,794.79	3,196.62	2,919.04	2,844.14	2,822.80	2,892.72	3,116.97	2,931.99	3,015.86	2,902.37	2,861.52	35,140.94
1997	2,845.98	1,116.83	3,888.56	3,255.48	3,281.15	3,386.59	2,450.20	1,805.45	3,207.93	4,482.23	1,102.74	2,788.05	33,611.19
Increase / (Decrease)	-3.86	1,677.96	-691.94	-336.44	-437.01	-563.79	442.52	1,311.52	-275.94	-1,466.37	1,799.63	73.47	1,529.75

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1880010 - OPERATIONS OFFICE TELEPHONE		Layer 13 of 97											
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	7,718.89	6,698.65	4,976.51	7,185.56	6,591.84	5,524.08	6,322.21	7,426.11	5,494.93	6,958.47	7,886.98	5,888.74	78,672.97
1997	7,776.63	5,230.88	4,927.70	9,390.70	6,775.41	5,001.67	6,291.01	7,769.85	5,581.16	7,232.44	8,302.44	5,569.27	79,849.16
Increase / (Decrease)	-57.74	1,467.77	48.81	-2,205.14	-183.57	522.41	31.20	-343.74	-86.23	-273.97	-415.46	319.47	-1,176.19

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1880020 - OPERATIONS OFFICE UTILITIES												Layer 14 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	3,175.94	3,299.12	3,546.99	3,586.91	2,984.13	4,444.64	4,421.85	4,244.38	4,184.52	3,452.99	3,729.23	3,527.88	44,598.58
1997	3,778.30	3,509.79	3,507.77	3,733.86	3,413.35	3,723.11	4,051.83	4,331.27	3,779.87	3,662.02	3,124.50	3,338.72	43,954.39
Increase / (Decrease)	-602.36	-210.67	39.22	-146.95	-429.22	721.53	370.02	-86.89	404.65	-209.03	604.73	189.16	644.19

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1880030 - OPERATIONS OFFICE MISC.												Layer 15 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	4,714.79	4,397.32	4,738.22	5,122.70	4,086.65	7,857.60	10,231.67	2,890.09	33,002.77	5,721.61	6,447.43	9,981.43	99,132.28
1997	10,549.18	5,601.61	14,273.68	6,652.00	11,886.87	8,708.00	6,159.34	6,057.11	6,900.17	9,170.07	5,792.26	10,906.20	102,656.49
Increase / (Decrease)	-5,834.39	-1,204.29	-9,535.46	-1,529.30	-7,800.22	-850.40	4,072.33	-3,227.02	26,102.60	-3,448.46	655.17	-924.77	-3,524.21

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1880040 - FEES TRAINING SCHOOLS												Layer 16 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	800.00	1,377.77	350.00	840.00	485.00	429.00	0.00	3,950.00	2,635.00	2,006.00	1,110.00	190.00	14,172.77
1997	6,415.00	4,154.00	9,016.00	3,175.00	6,028.70	9,535.00	2,105.00	1,567.92	6,126.80	2,596.00	275.00	441.80	51,436.22
Increase / (Decrease)	-5,615.00	-2,776.23	-8,666.00	-2,335.00	-5,543.70	-9,106.00	-2,105.00	2,382.08	-3,491.80	-590.00	835.00	-251.80	-37,263.45

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Delta Natural Gas Company, Inc.
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1880050 - UNIFORMS												Layer 17 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	1,835.01	5,077.83	3,289.89	4,743.45	760.24	2,994.07	6,751.68	409.19	7,037.71	9,030.48	4,297.41	2,925.67	49,152.63
1997	5,651.25	876.55	1,243.73	1,116.28	1,544.70	6,524.74	961.95	2,758.10	3,360.66	5,385.19	1,864.36	0.00	31,287.51
Increase / (Decrease)	-3,816.24	4,201.28	2,046.16	3,627.17	-784.46	-3,530.67	5,789.73	-2,348.91	3,677.05	3,645.29	2,433.05	2,925.67	17,865.12

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1880060 - WELDING SUPPLIES												Layer 18 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	578,64	596,50	231,79	1,136,82	244,57	711,45	469,13	209,81	919,69	366,25	1,223,06	1,082,76	7,770,47
1997	1,361,92	336,75	1,859,27	2,091,71	850,99	1,487,76	1,825,91	275,36	1,717,97	588,12	1,598,86	567,34	14,561,96
Increase / (Decrease)	-783,28	259,75	-1,627,48	-954,89	-606,42	-776,31	-1,356,78	-65,55	-798,28	-221,87	-375,80	515,42	-6,791,49

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1881010 - RENT OPERATING OFFICES												Layer 19 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	509.00	509.00	509.00	509.00	509.00	509.00	100.00	100.00	100.00	100.00	100.00	100.00	3,654.00
1997	509.00	509.00	509.00	509.00	509.00	509.00	509.00	509.00	509.00	509.00	509.00	509.00	6,108.00
Increase / (Decrease)	0.00	0.00	0.00	0.00	0.00	0.00	-409.00	-409.00	-409.00	-409.00	-409.00	-409.00	-2,454.00

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Delta Natural Gas Company, Inc.
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1881020 - RENT LAND & LAND RIGHTS											Layer 20 of 97		
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	400.00	0.00	0.00	100.00	4,070.00	1,075.00	3,112.30	3,027.21	460.00	125.00	250.00	1,900.00	14,519.51
1997	-11,380.00	0.00	0.00	150.00	1,748.00	872.30	3,065.00	2,770.92	660.00	0.00	325.00	1,500.00	-288.78
Increase / (Decrease)	11,780.00	0.00	0.00	-50.00	2,322.00	202.70	47.30	256.29	-200.00	125.00	-75.00	400.00	14,808.29

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1900020 - OPR TRANSPORTATION EXPENSES												Layer 21 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	40,787.39	40,880.78	39,287.49	35,424.55	35,867.46	101,037.19	44,886.12	39,505.44	40,107.21	43,076.41	36,556.39	41,514.85	538,911.22
1997	44,407.31	38,610.73	36,274.63	36,365.99	37,755.18	82,894.30	33,854.33	32,924.23	34,818.49	36,632.84	30,093.32	33,204.57	477,835.92
Increase / (Decrease)	-3,619.98	2,270.05	3,012.86	-941.44	-1,887.72	18,142.89	11,011.79	6,581.21	5,288.72	6,443.57	6,463.07	8,310.28	61,075.30

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1920020 - ADM TRANSPORTATION EXPENSES												Layer 22 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	90,000.00
1997	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	7,500.00	90,000.00
Increase / (Decrease)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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Delta Natural Gas Company, Inc.
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1903020 - CUSTOMER COLLECTIONS & RECORDS												Layer 23 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	16,408,888	20,773,004	14,292,32	22,006,52	15,251,85	19,109,31	18,972,00	19,006,40	11,212,97	19,223,21	10,807,44	27,267,13	214,271.07
1997	15,453,25	18,679,19	10,199,05	10,571,80	28,684,09	17,854,44	7,528,29	11,710,54	28,270,15	7,570,62	13,409,13	18,918,12	188,848.67
Increase / (Decrease)	955,63	2,093,85	4,033,27	11,434,72	-13,432,24	1,254,87	11,443,71	7,295,86	-17,057,18	11,652,59	-2,601,69	8,349,01	25,422.40

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Delta Natural Gas Company, Inc.
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1904000 - UNCOLLECTIBLE ACCOUNTS												Layer 24 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	32,000.00	12,000.00	23,000.00	23,000.00	23,000.00	94,870.00	23,000.00	23,000.00	23,000.00	23,000.00	23,000.00	23,000.00	345,870.00
1997	12,000.00	12,000.00	12,000.00	12,000.00	50,000.00	50,000.00	12,000.00	12,000.00	72,000.00	12,000.00	12,000.00	42,000.00	310,000.00
Increase / (Decrease)	20,000.00	0.00	11,000.00	11,000.00	-27,000.00	44,870.00	11,000.00	11,000.00	-49,000.00	11,000.00	11,000.00	-19,000.00	35,870.00

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1913000 - ADVERTISING												Layer 25 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	20.00	363.60	890.65	75.00	450.00	75.00	0.00	889.30	3,838.34	3,605.68	567.53	10,775.10
1997	599.84	211.58	399.00	556.08	75.08	40.00	20.00	60.00	2,459.76	4,189.75	5,223.64	1,894.52	15,669.25
Increase / (Decrease)	-599.84	-191.58	-35.40	334.57	-0.08	410.00	55.00	-60.00	-1,570.46	-351.41	-1,617.96	-1,266.99	-4,894.15

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1928000 - REGULATORY COMMISSION EXPENSE												Layer 26 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	24,919.86	4,050.00	4,050.00	4,050.00	4,050.00	4,050.00	5,960.66	5,970.00	5,970.00	5,970.00	5,970.00	29,929.80	104,940.32
1997	3,033.25	3,010.00	3,010.00	23,450.38	3,010.00	2,986.75	4,102.59	4,050.00	4,050.00	4,050.00	4,050.00	4,050.00	62,852.97
Increase / (Decrease)	21,886.61	1,040.00	1,040.00	-19,400.38	1,040.00	1,063.25	1,858.07	1,920.00	1,920.00	1,920.00	1,920.00	25,879.80	42,087.35

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1930010 - DIRECTOR FEES & EXPENSES												Layer 27 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	7,400.00	7,400.00	7,400.00	7,400.00	7,400.00	7,400.00	7,400.00	7,400.00	7,400.00	7,400.00	7,400.00	7,400.00	88,800.00
1997	7,400.00	7,400.00	7,400.00	7,400.00	7,400.00	25,650.00	7,400.00	7,400.00	7,400.00	7,400.00	7,400.00	7,400.00	107,050.00
Increase / (Decrease)	0.00	0.00	0.00	0.00	0.00	-18,250.00	0.00	0.00	0.00	0.00	0.00	0.00	-18,250.00

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Delta Natural Gas Company, Inc.
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1930020 - COMPANY MEMBERSHIPS												Layer 28 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	18,016.50	6,273.00	1,702.00	1,070.00	1,200.00	11,588.05	575.00	668.00	0.00	0.00	2,350.50	2,333.00	45,776.05
1997	21,903.00	3,735.00	2,635.00	2,740.00	1,900.00	432.55	0.00	1,050.00	200.00	0.00	657.50	2,000.00	37,253.05
Increase / (Decrease)	-3,886.50	2,538.00	-933.00	-1,670.00	-700.00	11,155.50	575.00	-382.00	-200.00	0.00	1,693.00	333.00	8,523.00

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Delta Natural Gas Company, Inc.
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1930030 - FEES CONVENTIONS & MEETINGS												Layer 29 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	0.00	325.00	500.00	1,490.00	450.00	150.00	0.00	135.00	690.00	1,190.00	0.00	4,930.00
1997	1,150.00	-676.53	875.00	0.00	0.00	275.00	0.00	715.00	950.00	830.00	0.00	0.00	4,118.47
Increase / (Decrease)	-1,150.00	676.53	-550.00	500.00	1,490.00	175.00	150.00	-715.00	-815.00	-140.00	1,190.00	0.00	811.53

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1930040 - MARKETING												Layer 30 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	1,950.00	4,874.19	2,554.86	1,295.45	2,097.88	600.00	1,171.75	2,104.01	13,093.26	3,803.34	2,285.42	1,938.86	37,869.02
1997	2,728.97	3,114.39	1,717.99	830.32	3,783.80	2,145.75	6,246.42	1,819.86	3,341.35	2,572.77	4,548.97	2,210.74	35,061.33
Increase / (Decrease)	-778.97	1,759.80	936.87	465.13	-1,685.92	-1,545.75	-5,074.67	284.15	9,751.91	1,230.57	-2,263.55	-271.88	2,807.69

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1930050 - COMPANY RELATIONS												Layer 31 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	119,80	116,62	1,575.22	10,60	19,90	324.22	1,521.72	87.10	2,022.10	10,114.54	58.27	16,526.18	32,496.27
1997	1,062.64	763.46	1,608.51	1,765.85	356.39	2,711.41	339.01	1,250.54	1,645.31	6,724.74	7,475.88	3,538.79	29,242.53
Increase / (Decrease)	-942.84	-646.84	-33.29	-1,755.25	-336.49	-2,387.19	1,182.71	-1,163.44	376.79	3,389.80	-7,417.61	12,987.39	3,253.74

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1930060 - TRUSTEE, REGISTRAR, AGENT FEES		Layer 32 of 97											
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	375.00	21,510.98	2,500.00	0.00	10,750.65	0.00	4,500.00	4,189.21	125.00	2,511.00	2,218.32	3,552.76	52,232.92
1997	24,689.41	0.00	1,949.40	0.00	2,702.16	0.00	15,388.22	0.00	0.00	2,214.00	7,791.75	0.00	54,734.94
Increase / (Decrease)	-24,314.41	21,510.98	550.60	0.00	8,048.49	0.00	-10,888.22	4,189.21	125.00	297.00	-5,573.43	3,552.76	-2,502.02

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1930080 - STOCKHOLDER REPORTS												Layer 33 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	202.05	11,971.51	989.70	-364.36	1,312.42	774.24	0.00	123.67	27,006.15	9,798.11	3,285.00	2,073.28	57,171.77
1997	2,193.65	744.76	550.60	75.00	390.00	630.75	30.00	819.96	23,660.90	3,370.88	200.00	4,105.71	36,772.21
Increase / (Decrease)	-1,991.60	11,226.75	439.10	-439.36	922.42	143.49	-30.00	-696.29	3,345.25	6,427.23	3,085.00	-2,032.43	20,399.56

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1930090 - CUSTOMER & PUBLIC INFORMATION												Layer 34 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	3,821.72	3,643.35	7,430.08	1,715.32	3,166.15	8,578.64	854.32	1,347.05	3,802.52	5,219.25	2,203.06	9,332.81	51,114.27
1997	5,008.18	56.70	11,947.69	8,452.06	2,878.06	3,025.17	5,692.22	1,387.82	2,563.08	2,805.99	4,988.07	4,078.94	52,883.98
Increase / (Decrease)	-1,186.46	3,586.65	-4,517.61	-6,736.74	288.09	5,553.47	-4,837.90	-40.77	1,239.44	2,413.26	-2,785.01	5,253.87	-1,769.71

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1930100 - PUBLIC & COMMUNITY RELATIONS												Layer 35 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	940.00	475.00	1,012.50	854.81	1,929.16	1,841.51	928.50	1,228.03	1,575.95	440.00	835.00	4,825.00	16,885.46
1997	1,115.00	690.00	468.00	610.00	1,580.74	1,448.50	589.35	2,192.82	5,486.00	1,761.90	640.00	829.45	17,411.76
Increase / (Decrease)	-175.00	-215.00	544.50	244.81	348.42	393.01	339.15	-964.79	-3,910.05	-1,321.90	195.00	3,995.55	-526.30

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1930110 - CONSERVATION PROGRAM												Layer 36 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	3,007.00	1,900.00	5,804.00	2,150.00	5,500.00	2,396.54	6,602.00	3,303.46	4,200.00	5,500.00	4,400.00	4,150.00	48,913.00
1997	7,750.00	9,400.00	3,650.00	3,330.72	9,500.00	400.00	6,550.00	2,200.00	2,650.00	3,550.00	1,450.00	9,100.00	59,530.72
Increase / (Decrease)	-4,743.00	-7,500.00	2,154.00	-1,180.72	-4,000.00	1,996.54	52.00	1,103.46	1,550.00	1,950.00	2,950.00	-4,950.00	-10,617.72

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1930120 - LOBBYING EXPENDITURES												Layer 37 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	1,305.22	15.79	7.70	0.00	0.00	0.00	0.00	0.00	2,831.37	0.00	0.00	109.00	4,269.08
1997	-13.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,400.00	-150.00	0.00	0.00	1,237.00
Increase / (Decrease)	1,318.22	15.79	7.70	0.00	0.00	0.00	0.00	0.00	1,431.37	150.00	0.00	109.00	3,032.08

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1921010 - ADM TELEPHONE												Layer 38 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	10,475.24	10,324.32	9,353.59	13,371.30	8,208.81	14,047.31	8,375.70	10,356.84	10,196.33	13,060.42	10,470.45	8,516.38	126,756.69
1997	9,180.69	12,284.24	14,680.96	13,642.20	10,098.67	10,948.32	10,706.81	10,064.35	11,898.38	13,512.37	9,215.48	10,571.35	136,793.82
Increase / (Decrease)	1,294.55	-1,959.92	-5,327.37	-270.90	-1,889.86	3,098.99	-2,331.11	292.49	-1,692.05	-451.95	1,254.97	-2,054.97	-10,037.13

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Delta Natural Gas Company, Inc.
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1921030 - BOOKS & SUBSCRIPTIONS												Layer 39 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	5,454.64	1,000.51	3,495.84	1,170.24	292.59	304.94	7,573.19	234.52	3,572.91	3,183.68	1,072.82	3,474.97	30,830.85
1997	4,604.60	2,461.47	2,365.09	2,241.40	1,145.78	1,279.00	630.18	1,044.07	3,804.18	1,992.44	1,427.72	1,700.99	24,696.92
Increase / (Decrease)	850.04	-1,460.96	1,130.75	-1,071.16	-853.19	-974.06	6,943.01	-809.55	-231.27	1,191.24	-354.90	1,773.98	6,133.93

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1921040 - COMPANY FORMS												Layer 40 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	11,753.88	6,119.38	254.40	433.01	7,492.63	965.35	8,287.87	4,400.80	100.13	12,572.47	7,015.28	0.00	59,395.20
1997	1,248.68	8,844.66	302.10	1,039.92	7,486.98	2,580.74	4,497.18	7,576.76	1,713.91	6,978.38	7,444.78	1,960.61	51,674.70
Increase / (Decrease)	10,505.20	-2,725.28	-47.70	-606.91	5.65	-1,615.39	3,790.69	-3,175.96	-1,613.78	5,594.09	-429.50	-1,960.61	7,720.50

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1921050 - SMALL SUPPLY ITEMS												Layer 41 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	7,216.64	4,516.94	10,551.35	2,712.88	5,160.97	4,946.01	7,909.41	6,028.35	2,007.02	-6,847.65	4,810.33	5,697.20	54,709.45
1997	15,537.94	3,552.83	3,941.19	7,218.78	2,749.60	7,106.47	2,953.92	4,799.05	4,815.92	2,699.08	7,188.88	3,523.37	66,087.03
Increase / (Decrease)	-8,321.30	964.11	6,610.16	-4,505.90	2,411.37	-2,160.46	4,955.49	1,229.30	-2,808.90	-9,546.73	-2,378.55	2,173.83	-11,377.58

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921060 - MISCELLANEOUS OTHER ITEMS												Layer 42 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	10,263.77	12,251.14	10,690.80	27,634.18	10,731.18	71,020.62	-20,387.91	12,544.67	3,383.76	11,067.73	13,088.65	12,174.38	174,462.97
1997	3,551.50	5,546.88	5,213.46	4,308.98	4,699.87	32,190.20	5,988.28	4,642.31	5,030.32	4,281.48	4,136.15	18,132.71	97,722.14
Increase / (Decrease)	6,712.27	6,704.26	5,477.34	23,325.20	6,031.31	38,830.42	-26,376.19	7,902.36	-1,646.56	6,786.25	8,952.50	-5,958.33	76,740.83

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921070 - EMPLOYEE MEMBERSHIPS												Layer 43 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	105.00	240.00	460.00	60.00	200.00	570.00	645.00	25.00	360.00	393.00	595.00	150.00	3,803.00
1997	0.00	10.00	0.00	225.00	110.00	115.00	980.00	115.00	300.00	718.50	238.00	0.00	2,811.50
Increase / (Decrease)	105.00	230.00	460.00	-165.00	90.00	455.00	-335.00	-90.00	60.00	-325.50	357.00	150.00	991.50

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921080 - SAFETY LITERATURE & EDUCATION												Layer 44 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	199.10	1,383.93	679.77	309.61	211.26	471.38	57.24	146.17	386.68	425.30	546.38	1,743.65	6,560.47
1997	463.50	425.09	0.00	1,782.42	800.96	198.11	641.23	241.15	456.11	591.52	838.06	0.00	6,438.15
Increase / (Decrease)	-264.40	958.84	679.77	-1,472.81	-589.70	273.27	-583.99	-94.98	-69.43	-166.22	-291.68	1,743.65	122.32

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921090 - ENGR & DRAFTING SUPPLIES												Layer 45 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	999.45	578.52	464.00	1,238.16	703.43	1,281.50	954.07	730.87	947.88	1,131.76	1,857.52	598.51	11,485.47
1997	422.54	735.44	1,194.11	707.92	622.50	802.82	1,601.16	687.43	1,627.19	1,531.38	479.84	608.96	11,021.29
Increase / (Decrease)	576.91	-156.92	-730.11	530.24	80.93	478.68	-647.09	43.44	-679.51	-399.62	1,377.68	-10.45	464.18

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921100 - ADM UTILITIES												Layer 46 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	2,976.70	1,720.81	2,326.27	4,040.49	756.15	2,227.85	4,297.93	540.01	3,632.67	2,317.98	2,248.66	2,046.97	29,132.49
1997	2,692.57	3,280.14	3,004.18	877.18	1,497.91	4,025.37	881.28	4,437.49	2,280.94	2,156.26	1,539.01	3,467.73	30,140.06
Increase / (Decrease)	284.13	-1,559.33	-677.91	3,163.31	-741.76	-1,797.52	3,416.65	-3,897.48	1,351.73	161.72	709.65	-1,420.76	-1,007.57

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921110 - INVENTORY - DIFFERENCE												Layer 47 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	-5,046.93	967.78	-1,957.38	435.80	1,368.02	-26.66	4,647.16	-139.76	-9,722.68	-9,171.97	-2,630.19	214.01	-21,062.80
1997	-30.75	-972.06	-3,383.70	-27,239.08	-27.93	-110.93	3,689.74	1,366.69	-1,199.31	3,485.55	1,699.10	700.69	-22,021.99
Increase / (Decrease)	-5,016.18	1,339.84	1,426.32	27,674.88	1,395.95	84.27	957.42	-1,506.45	-8,523.37	-12,657.52	-4,329.29	-486.68	959.19

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921210 - TRAVEL ETC CO BUS PRES & CEO												Layer 48 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	4,436.46	1,096.00	1,547.49	2,158.95	-204.00	1,432.02	861.66	0.00	1,009.52	600.73	2,352.05	1,779.00	17,069.88
1997	1,222.16	1,248.19	1,433.25	0.00	3,232.35	1,669.21	0.00	1,138.03	2,408.47	1,890.41	542.46	1,236.03	16,020.56
Increase / (Decrease)	3,214.30	-152.19	114.24	2,158.95	-3,436.35	-237.19	861.66	-1,138.03	-1,398.95	-1,289.68	1,809.59	542.97	1,049.32

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921220 - TRAVEL ETC CO BUS OFFICERS												Layer 49 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	1,028.00	-692.00	1,318.26	268.75	-131.58	215.94	201.00	1,456.12	1,340.58	2,028.94	746.86	2,194.13	9,975.00
1997	485.90	88.19	573.54	50.75	3,146.12	710.79	1,247.71	1,724.87	696.12	443.40	713.91	1,145.95	11,026.25
Increase / (Decrease)	542.10	-780.19	744.72	218.00	-3,277.70	-494.85	-1,046.71	-268.75	645.46	1,585.54	32.95	1,048.18	-1,051.25

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Delta Natural Gas Company, Inc.
Case NO. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921230 - TRAVEL ETC CO BUS OPER & CONST												Layer 50 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	638,95	1,005,89	885,28	207,53	1,745,23	846,53	1,740,38	464,80	449,59	1,837,12	970,33	769,69	11,561,32
1997	1,959,84	1,376,04	2,473,45	3,335,37	5,853,62	1,113,66	1,949,00	2,563,16	1,529,20	1,835,68	567,53	349,57	24,906,12
Increase / (Decrease)	-1,320,89	-370,15	-1,588,17	-3,127,84	-4,108,39	-267,13	-208,62	-2,098,36	-1,079,61	1,44	402,80	420,12	-13,344,80

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921240 - TRAVEL ETC CO BUS ADM&CUST SEH												Layer 51 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	69.18	443.11	679.83	0.00	53.50	36.58	896.72	109.06	915.81	0.00	0.00	248.00	3,451.79
1997	0.00	0.00	363.19	0.00	1,621.17	1,370.49	343.12	860.54	576.60	371.03	265.49	62.92	5,834.55
Increase / (Decrease)	69.18	443.11	316.64	0.00	-1,567.67	-1,333.91	553.60	-751.48	339.21	-371.03	-265.49	185.08	-2,382.76

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921250 - TRAVEL ETC CO BUS PUB AFFAIRS												Layer 52 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40.43	40.43
1997	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase / (Decrease)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40.43	40.43

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921260 - TRAVEL ETC CO BUS FINANCE												Layer 53 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	586.00	0.00	204.00	-197.00	0.00	-24.75	1,368.76	609.96	119.91	1,199.75	915.99	4,782.62
1997	338.22	129.60	0.00	24.55	2,280.71	1,420.51	934.87	1,358.58	1,333.92	1,358.55	910.90	0.00	10,090.41
Increase / (Decrease)	-338.22	456.40	0.00	179.45	-2,477.71	-1,420.51	-959.62	10.18	-723.96	-1,238.64	288.85	915.99	-5,307.79

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1921290 - CO. BUS. MEALS & ENTERTAINMENT												Layer 54 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	2,010.83	1,839.98	3,151.44	1,872.62	2,678.46	3,010.38	1,781.80	2,283.36	3,108.16	3,921.42	3,659.08	1,480.21	30,757.74
1997	2,025.09	2,646.89	2,261.97	2,922.47	6,179.66	3,546.54	2,200.60	3,087.14	3,778.35	3,519.52	2,433.58	2,057.33	36,659.14
Increase / (Decrease)	-14.26	-806.91	889.47	-1,049.85	-3,501.20	-536.16	-418.80	-823.78	-670.19	401.90	1,225.50	-597.12	-5,901.40

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1922000 - EXPENSES TRANSFERRED												Layer 55 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	-156,382.90	-146,813.15	-163,659.37	-164,240.06	-166,073.89	-170,807.80	-175,197.31	-184,453.18	-182,293.34	-188,790.62	-179,627.91	-168,238.83	-2,046,578.36
1997	-154,100.72	-147,259.22	-153,813.23	-171,225.82	-158,253.80	-225,679.38	-180,614.44	-181,711.43	-177,744.09	-192,809.20	-170,802.12	-169,843.07	-2,083,856.52
Increase / (Decrease)	-2,282.18	446.07	-9,846.14	6,985.76	-7,820.09	54,871.58	5,417.13	-2,741.75	-4,549.25	4,018.58	-8,825.79	1,604.24	37,278.16

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1923010 - OUTSIDE SERVICES LEGAL												Layer 56 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	7,086.16	2,419.10	4,772.77	6,646.92	3,104.14	27,397.69	0.00	3,134.14	3,049.70	8,148.07	7,161.69	206.25	73,125.63
1997	17,136.74	1,143.80	4,295.02	4,156.46	216.55	13,289.08	-6,332.82	4,767.47	8,783.04	3,883.34	5,457.15	2,948.60	59,744.43
Increase / (Decrease)	-10,051.58	1,275.30	477.75	2,490.46	2,887.59	14,108.61	6,332.82	-1,633.33	-5,733.34	4,264.73	1,704.54	-2,742.35	13,381.20

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1923020 - OUTSIDE SERVICES ACCOUNTING												Layer 57 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	6,700.00	9,700.00	10,700.00	6,700.00	6,700.00	11,700.00	6,700.00	6,700.00	6,700.00	6,700.00	6,700.00	6,782.50	92,482.50
1997	6,700.00	-2,100.66	6,778.37	14,715.37	6,726.13	11,694.00	6,700.00	6,700.00	6,700.00	6,700.00	7,099.36	6,700.00	85,112.57
Increase / (Decrease)	0.00	11,800.66	3,921.63	-8,015.37	-26.13	6.00	0.00	0.00	0.00	0.00	-399.36	82.50	7,369.93

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1923030 - OUTSIDE SERVICES JANITORIAL												Layer 58 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	4,178.00	4,178.00	4,218.00	4,283.00	4,073.00	4,218.00	4,194.00	4,289.00	4,234.00	4,214.00	4,198.00	4,125.50	50,402.50
1997	4,178.00	4,194.00	4,178.00	4,194.00	4,194.00	4,194.00	3,856.00	4,682.00	4,036.00	4,074.00	4,258.00	4,178.00	50,216.00
Increase / (Decrease)	0.00	-16.00	40.00	89.00	-121.00	24.00	338.00	-393.00	198.00	140.00	-60.00	-52.50	186.50

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1923040 - OUTSIDE SERVICES OTHER												Layer 59 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	4,218.03	5,445.74	5,193.20	7,249.03	4,456.53	6,579.27	6,439.58	17,500.17	4,388.03	8,958.83	4,253.80	22,370.35	97,052.56
1997	13,140.40	23,029.29	18,465.50	9,715.29	-29,939.18	9,713.16	5,547.49	4,914.86	6,435.83	6,907.90	6,479.41	4,874.48	79,284.43
Increase / (Decrease)	-8,922.37	-17,583.55	-13,272.30	-2,466.26	34,395.71	-3,133.89	892.09	12,585.31	-2,047.80	2,050.93	-2,225.61	17,495.87	17,768.13

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1923050 - OUTSIDE SERVICES COMPUTERS												Layer 60 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	1,796.25	262.03	8,262.26	1,858.75	2,658.75	1,858.75	1,858.75	2,644.78	1,858.75	1,858.75	5,965.19	30,863.01
1997	2,973.31	4,189.50	0.00	2,798.75	2,214.75	8,815.65	2,094.75	0.00	2,642.90	3,865.27	0.00	5,633.94	35,228.82
Increase / (Decrease)	-2,973.31	-2,393.25	262.03	5,463.51	-356.00	-6,156.90	-236.00	1,858.75	1.88	-2,006.52	1,858.75	331.25	-4,345.81

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1924000 - INSURANCE												Layer 61 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	28,685.71	27,120.49	39,856.10	43,327.00	34,785.00	34,616.50	41,002.00	34,885.00	34,323.50	35,859.06	35,400.00	29,397.19	419,057.55
1997	35,061.17	36,651.93	52,496.88	53,418.73	44,129.50	7,047.00	41,887.39	31,275.09	36,174.50	40,953.50	36,580.00	31,428.00	447,103.49
Increase / (Decrease)	-6,375.46	-9,531.44	-12,640.58	-10,091.73	-9,344.50	27,569.50	-885.39	3,409.91	-1,851.00	-5,094.44	-1,180.00	-2,030.81	-28,045.94

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1926020 - PENSION												Layer 62 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	23,020.00	3,863.75	23,481.70	22,600.00	52,104.91	28,679.80	22,600.00	22,600.00	26,067.80	22,600.00	22,600.00	22,600.00	292,817.96
1997	21,100.00	29,900.66	21,100.00	45,384.41	24,216.00	29,951.30	40,140.75	21,100.00	21,100.00	21,100.00	21,100.00	31,243.45	327,436.57
Increase / (Decrease)	1,920.00	-26,036.91	2,381.70	-22,784.41	27,888.91	-1,271.50	-17,540.75	1,500.00	4,967.80	1,500.00	1,500.00	-8,643.45	-34,618.61

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1926030 - EMPLOYEE 401K PLAN												Layer 63 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	10,315.83	28,696.78	13,888.16	9,995.33	9,944.49	14,015.00	31,697.16	10,954.24	14,537.71	11,434.44	9,976.23	14,915.00	180,370.37
1997	14,095.65	9,541.95	9,483.96	15,191.61	9,301.94	13,378.88	10,111.46	10,066.79	16,051.18	10,051.37	10,051.37	12,737.74	140,063.90
Increase / (Decrease)	-3,779.82	19,154.83	4,404.20	-5,196.28	642.55	636.12	21,585.70	887.45	-1,513.47	1,383.07	-75.14	2,177.26	40,306.47

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1926040 - MEDICAL COVERAGE												Layer 64 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	-60,036.19	216,003.20	64,011.91	-47,956.20	51,051.25	67,497.47	87,246.83	62,180.26	60,061.37	80,185.96	58,495.92	90,526.79	729,268.57
1997	50,618.36	48,098.71	83,498.15	40,603.15	56,899.91	56,906.00	128,658.55	57,819.77	65,649.47	74,325.02	75,164.74	149,554.50	889,796.33
Increase / (Decrease)	-110,654.55	167,904.49	-19,486.24	-88,559.35	-7,848.66	10,591.47	-41,411.72	4,360.49	-5,598.10	5,860.94	-16,668.82	-59,027.71	-160,527.76

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1926050 - SALARY CONTINUATION COVERAGE												Layer 65 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	9,373.28	5,786.00	7,449.57	8,355.11	7,769.57	8,545.63	7,927.53	8,390.26	8,227.21	8,208.93	8,208.93	7,811.02	96,053.04
1997	6,936.23	8,010.80	8,287.72	8,295.49	8,380.94	4,746.08	12,550.88	11,203.28	11,003.70	9,388.23	5,127.37	7,788.71	101,719.43
Increase / (Decrease)	2,437.05	-2,224.80	-838.15	59.62	-611.37	3,799.55	-4,623.35	-2,813.02	-2,776.49	-1,179.30	3,081.56	22.31	-5,666.39

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1926060 - EMPLOYEE STOCK PLAN												Layer 66 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	4,680.21	4,645.29	4,642.96	4,439.66	4,645.21	4,666.45	4,803.28	4,729.69	4,779.28	4,675.78	4,756.11	4,756.11	56,220.03
1997	4,320.92	4,134.73	4,298.00	3,976.30	4,246.75	4,223.98	4,734.28	4,736.71	4,737.97	4,737.13	4,737.13	4,716.88	53,600.78
Increase / (Decrease)	359.29	510.56	344.96	463.36	398.46	442.47	69.00	-7.02	41.31	-61.35	18.98	39.23	2,619.25

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1926070 - EMPLOYEE EDUCATION												Layer 67 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	0.00	0.00	0.00	488.30	200.00	0.00	0.00	617.85	16.82	4.00	3.00	1,329.97
1997	565.00	110.24	337.95	0.00	42.39	531.13	0.00	5.29	637.58	-59.95	28.15	0.00	2,197.78
Increase / (Decrease)	-565.00	-110.24	-337.95	0.00	445.91	-331.13	0.00	-5.29	-19.73	76.77	-24.15	3.00	-867.81

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1926080 - EMPLOYEE RECREATION & SOCIAL												Layer 68 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	56.32	1,157.73	1,214.05
1997	0.00	0.00	0.00	13.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,912.84	6,925.84
Increase / (Decrease)	0.00	0.00	0.00	-13.00	0.00	0.00	0.00	0.00	0.00	0.00	56.32	-5,755.11	-5,711.79

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1926090 - HOUSE TRAILERS												Layer 69 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	291.77	505.18	40.45	645.61	60.09	-136.99	2,594.97	-377.48	142.76	267.90	-99.57	-123.05	3,811.64
1997	719.12	28.71	132.29	521.85	343.27	-447.45	509.54	-711.53	-170.71	916.09	299.74	150.02	2,290.94
Increase / (Decrease)	-427.35	476.47	-91.84	123.76	-283.18	310.46	2,085.43	394.05	313.47	-648.19	-399.31	-273.07	1,520.70

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1764010 - MNT WELLS & GATHERING PAYROLL												Layer 70 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	47.59	13.02	0.00	172.32	126.66	0.00	587.07	790.88	56.63	39.59	36.35	0.00	1,870.11
1997	0.00	275.73	50.26	1,426.14	311.40	702.88	320.64	94.70	165.72	10.85	39.06	0.00	3,397.38
Increase / (Decrease)	47.59	-262.71	-50.26	-1,253.82	-184.74	-702.88	266.43	696.18	-109.09	28.74	-2.71	0.00	-1,527.27

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1765010 - MNT COMPRESSOR STATION PAYROLL												Layer 71 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	55.29	822.53	0.00	0.00	75.41	121.93	238.97	112.36	555.26	297.13	254.45	2,533.33
1997	51.50	80.58	203.68	173.90	114.66	272.49	42.06	0.00	91.66	0.00	0.00	59.19	1,089.72
Increase / (Decrease)	-51.50	-25.29	618.85	-173.90	-114.66	-197.08	79.87	238.97	20.70	555.26	297.13	195.26	1,443.61

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1887010 - MNT TRANS & DIST MAINS PAYROLL												Layer 72 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	5,075.65	7,057.93	6,657.58	8,139.71	10,551.54	8,768.84	7,155.22	6,182.22	5,734.63	3,511.38	1,701.52	3,497.15	74,033.37
1997	3,069.76	5,911.45	4,598.37	5,395.83	11,195.87	12,504.98	8,602.60	12,242.57	8,197.78	3,069.49	1,752.35	1,187.40	77,728.45
Increase / (Decrease)	2,005.89	1,146.48	2,059.21	2,743.88	-644.33	-3,736.14	-1,447.38	-6,060.35	-2,463.15	441.89	-50.83	2,309.75	-3,695.08

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1893010 - MNT OF METERS & REG PAYROLL												Layer 73 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	3,182.44	2,414.43	1,090.39	1,765.58	1,856.09	1,649.23	1,760.75	1,888.77	1,296.33	1,487.00	1,402.29	1,330.16	21,123.46
1997	1,311.81	1,749.41	1,732.31	1,928.91	1,601.26	1,367.70	1,402.55	1,600.70	1,497.36	2,565.61	1,250.90	1,220.54	19,229.06
Increase / (Decrease)	1,870.63	665.02	-641.92	-163.33	254.83	281.53	358.20	288.07	-201.03	-1,078.61	151.39	109.62	1,894.40

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1894010 - MNT OF OTHER EQUIPMENT PAYROLL												Layer 74 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	870.27	960.40	705.16	468.43	1,825.32	1,430.20	2,891.63	1,081.05	1,800.63	1,108.61	703.18	551.96	14,396.84
1997	770.16	1,046.47	578.83	2,137.04	836.66	4,645.09	3,522.68	3,445.99	1,448.34	945.45	943.09	1,988.78	22,308.58
Increase / (Decrease)	100.11	-86.07	126.33	-1,668.61	988.66	-3,214.89	-631.05	-2,364.94	352.29	163.16	-239.91	-1,436.82	-7,911.74

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1764020 - MNT WELLS & GATHERING OTHER												Layer 75 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	63.60	188.51	0.00	433.92	0.00	0.00	694.93	6.11	1,758.64	0.00	191.04	3,336.75
1997	59.04	30.66	0.00	0.00	25.90	77.33	93.07	0.00	0.00	138.35	5.00	129.14	558.49
Increase / (Decrease)	-59.04	32.94	188.51	0.00	408.02	-77.33	-93.07	694.93	6.11	1,620.29	-5.00	61.90	2,778.26

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1765020 - MNT COMPRESSOR STATION OTHER												Layer 76 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	150.13	539.33	1,537.27	5,962.99	266.87	354.33	59.32	538.27	3,193.30	363.17	662.44	1,620.87	15,248.29
1997	-1,281.97	5,211.91	2,967.49	1,392.50	160.21	1,237.51	2,131.38	468.16	253.08	595.88	1,894.49	256.60	15,287.24
Increase / (Decrease)	1,432.10	-4,672.58	-1,430.22	4,570.49	106.66	-883.18	-2,072.06	70.11	2,940.22	-232.71	-1,232.05	1,364.27	-38.95

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1886000 - MNT STRUCTURES TRANS & DIST.												Layer 77 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	0.00	778.00	0.00	0.00	0.00	0.00	0.00	1,325.00	0.00	0.00	0.00	2,103.00
1997	0.00	0.00	0.00	0.00	0.00	0.00	1,471.87	0.00	0.00	0.00	0.00	0.00	1,471.87
Increase / (Decrease)	0.00	0.00	778.00	0.00	0.00	0.00	-1,471.87	0.00	1,325.00	0.00	0.00	0.00	631.13

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1889000 - MNT REG STATION TRANS & DIST.		Layer 78 of 97											
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	9.65	28.64	1.55	0.00	180.70	1,070.81	207.81	418.21	633.62	242.16	205.96	1,222.68	4,221.79
1997	1,385.69	109.09	380.51	82.98	158.80	965.47	0.00	506.31	28.39	420.97	803.65	911.48	5,753.34
Increase / (Decrease)	-1,376.04	-80.45	-378.96	-82.98	21.90	105.34	207.81	-88.10	605.23	-178.81	-597.69	311.20	-1,531.55

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1894020 - MNT OF OTHER EQUIPMENT OTHER												Layer 79 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	4,494.14	3,929.55	6,301.56	4,763.16	7,561.82	9,447.14	6,044.31	6,513.32	7,887.96	5,629.50	2,716.19	7,028.46	72,217.11
1997	6,287.88	3,386.39	7,991.20	5,603.36	6,302.77	6,311.78	10,792.66	7,606.71	11,305.74	8,787.19	5,608.71	3,169.57	83,153.96
Increase / (Decrease)	-1,793.74	543.16	-1,689.64	-840.20	1,259.05	3,135.36	-4,748.35	-1,093.39	-3,417.78	-3,257.69	-2,892.52	3,858.89	-10,936.85

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1932010 - MNT COMMUNICATION EQUIPMENT												Layer 80 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	2,433.09	2,335.23	2,381.60	1,701.17	9,944.68	6,252.82	1,695.00	2,919.83	1,709.44	1,746.17	4,728.04	3,405.63	41,252.70
1997	1,904.87	2,789.76	1,759.18	22,669.69	1,629.54	4,162.64	4,497.46	3,057.89	6,059.50	1,413.86	2,402.92	6,659.86	59,007.17
Increase / (Decrease)	528.22	-454.53	622.42	-20,968.52	8,315.14	2,090.18	-2,802.46	-138.06	-4,350.06	332.31	2,325.12	-3,254.23	-17,754.47

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1932020 - MNT OFFICE EQUIPMENT												Layer 81 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	7,982.06	1,573.74	602.87	184.31	494.56	822.40	1,048.37	583.50	486.02	699.89	220.26	7,574.77	22,272.75
1997	7,232.61	447.74	1,567.44	1,279.28	777.23	1,141.82	660.05	184.50	1,768.98	7,741.79	0.00	1,589.85	24,391.29
Increase / (Decrease)	749.45	1,126.00	-964.57	-1,094.97	-282.67	-319.42	388.32	399.00	-1,282.96	-7,041.90	220.26	5,984.92	-2,118.54

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1932030 - MNT GENERAL STRUCTURES												Layer 82 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	2,719.54	652.80	3,296.81	3,104.70	1,993.75	582.29	1,596.72	1,674.35	927.33	1,036.23	3,109.10	569.57	21,263.19
1997	2,763.36	2,233.21	1,498.21	919.37	2,894.11	1,712.09	5,698.25	3,569.24	3,390.23	9,180.86	1,726.82	4,985.30	40,571.05
Increase / (Decrease)	-43.82	-1,580.41	1,798.60	2,185.33	-900.36	-1,129.80	-4,101.53	-1,894.89	-2,462.90	-8,144.63	1,382.28	-4,415.73	-19,307.86

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1992050 - MAINTENANCE COMPUTER EQUIPMENT												Layer 83 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	1,050.42	7,706.63	7,931.47	4,210.17	-863.92	8,654.05	11,856.33	1,412.71	7,958.81	3,591.47	595.77	1,072.51	55,176.42
1997	4,973.27	315.26	7,353.34	7,901.18	712.32	11,442.81	9,186.87	617.75	9,093.66	2,102.77	3,465.30	6,005.87	63,170.40
Increase / (Decrease)	-3,922.85	7,391.37	578.13	-3,691.01	-1,576.24	-2,788.76	2,669.46	794.96	-1,134.85	1,488.70	-2,869.53	-4,933.36	-7,993.98

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1887020 - MNT TRANS & DIST MAINS OTHER												Layer 84 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	2,164.43	1,041.05	5,979.59	2,126.91	4,189.87	9,570.25	14,882.34	9,413.16	3,803.21	9,188.99	3,445.56	2,456.14	68,261.50
1997	3,580.21	1,702.89	4,699.44	4,450.81	12,758.19	3,086.90	13,807.70	10,106.17	6,464.50	1,998.99	1,955.69	2,598.03	67,209.52
Increase / (Decrease)	-1,415.78	-661.84	1,280.15	-2,323.90	-8,568.32	6,483.35	1,074.64	-693.01	-2,661.29	7,190.00	1,489.87	-141.89	1,051.98

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1893020 - MNT OF METERS & REG OTHER												Layer 85 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	2,104.36	9,482.07	20,607.30	1,151.00	1,266.52	4,516.36	4,977.25	3,147.71	6,466.63	5,620.32	3,806.65	757.94	63,874.11
1997	2,060.95	6,804.71	2,345.55	5,452.44	2,086.63	8,327.73	860.62	1,237.04	7,504.43	4,674.83	7,477.98	3,826.93	52,659.84
Increase / (Decrease)	43.41	2,647.36	18,261.75	-4,301.44	-820.11	-3,811.37	4,116.63	1,910.67	-1,037.80	945.49	-3,671.33	-3,068.99	11,214.27

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1898010 - MNT - TRANSP EQUIP EXPENSE-PAYROLL												Layer 86 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	1,972.51	2,122.50	2,024.87	2,562.57	2,946.03	6,558.61	3,303.95	2,793.57	2,387.97	1,936.74	1,118.78	1,517.62	31,245.72
1997	1,186.95	1,961.16	1,570.59	2,523.49	3,171.67	7,125.14	3,037.89	3,399.45	2,564.98	1,524.84	814.82	943.20	29,824.18
Increase / (Decrease)	785.56	161.34	454.28	39.08	-225.64	-566.53	266.06	-605.88	-177.01	411.90	303.96	574.42	1,421.54

Item 18a

Delta Natural Gas Company, Inc.
 Case No. 99-176
 Comparison of Operating Expense Account Balances
 Test Year vs. Prior

1898020 - MNT - POWER OPR EQUIP EXPENSE-PAYROLL		Layer 87 of 97											
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	958.30	1,232.84	1,292.41	1,579.90	1,864.80	1,221.29	1,426.78	1,175.61	1,105.92	681.17	278.78	704.84	13,522.64
1997	602.58	1,085.64	901.38	1,078.19	2,243.51	3,662.38	1,807.80	2,277.00	1,813.32	645.84	339.48	262.20	16,719.32
Increase / (Decrease)	355.72	147.20	391.03	501.71	-378.71	-2,441.09	-381.02	-1,101.39	-707.40	35.33	-60.70	442.64	-3,196.68

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1403000 - DEPRECIATION EXPENSE												Layer 88 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	279,112.69	283,062.96	284,674.05	284,434.65	286,709.49	290,458.94	307,315.86	305,688.35	308,627.09	311,162.36	313,827.87	315,279.45	3,570,353.76
1997	245,300.00	245,300.00	251,200.00	270,900.00	270,900.00	204,998.75	272,939.35	271,939.21	271,811.35	273,930.21	277,948.94	278,220.09	3,135,387.90
Increase / (Decrease)	33,812.69	37,762.96	33,474.05	13,534.65	15,809.49	85,460.19	34,376.51	33,749.14	36,815.74	37,232.15	35,878.93	37,059.36	434,965.86

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1408010 - LICENSE & PRIVILEGE FEES												Layer 89 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	0.00	590.00	1,728.00	0.00	-2,150.33	0.00	0.00	0.00	60.00	20.00	175.00	422.67
1997	169.00	0.00	700.00	490.00	0.00	90.00	4,500.00	0.00	0.00	80.00	0.00	0.00	6,029.00
Increase / (Decrease)	-169.00	0.00	-110.00	1,238.00	0.00	-2,240.33	-4,500.00	0.00	0.00	-20.00	20.00	175.00	-5,606.33

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1408020 - PROPERTY TAXES												Layer 90 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	60,200.00	60,200.00	60,200.00	60,200.00	60,200.00	60,200.00	60,200.00	60,200.00	65,200.00	65,200.00	65,383.97	65,200.00	742,583.97
1997	45,111.80	45,000.00	45,000.00	53,000.00	53,000.00	64,195.27	53,000.00	53,000.00	93,000.00	56,000.00	56,000.00	34,183.71	650,490.78
Increase / (Decrease)	15,088.20	15,200.00	15,200.00	7,200.00	7,200.00	-3,995.27	7,200.00	7,200.00	-27,800.00	9,200.00	9,383.97	31,016.29	92,093.19

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Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1408030 - PAYROLL TAXES												Layer 91 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	44,811.22	42,387.15	41,063.18	38,737.72	38,903.84	38,987.76	43,416.62	39,312.30	38,997.26	38,637.25	37,676.42	37,910.74	480,841.46
1997	45,407.42	44,068.49	42,154.14	40,188.04	39,236.64	38,620.98	44,286.96	41,874.15	40,793.16	40,796.96	38,998.73	38,881.88	495,307.55
Increase / (Decrease)	-596.20	-1,681.34	-1,090.96	-1,450.32	-332.80	366.78	-870.34	-2,561.85	-1,795.90	-2,159.71	-1,322.31	-971.14	-14,466.09

Item 18a

Delta Natural Gas Company, Inc.
 Case No. 99-176
 Comparison of Operating Expense Account Balances
 Test Year vs. Prior

1409010 - CURRENT FED INC TAX												Layer 92 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	1,725.00	0.00	0.00	0.00	0.00	#####	0.00	0.00	0.00	0.00	0.00	-593,840.00	875,125.00
1997	0.00	0.00	0.00	0.00	0.00	#####	0.00	0.00	0.00	0.00	0.00	-523,565.00	491,915.00
Increase / (Decrease)	1,725.00	0.00	0.00	0.00	0.00	451,760.00	0.00	0.00	0.00	0.00	0.00	-70,275.00	383,210.00

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1409070 - ESTIMATED INTERIM INCOME TAXES												Layer 93 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	586,400.00	368,500.00	358,100.00	299,600.00	-400.00	#####	-149,500.00	-137,900.00	-192,900.00	-110,100.00	66,200.00	524,200.00	0.00
1997	499,500.00	452,200.00	206,500.00	170,600.00	-24,300.00	#####	-177,000.00	-117,500.00	-241,500.00	-132,700.00	98,700.00	570,000.00	0.00
Increase / (Decrease)	86,900.00	-83,700.00	151,600.00	129,000.00	23,900.00	-307,700.00	27,500.00	-20,400.00	48,600.00	22,600.00	-32,500.00	-45,800.00	0.00

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1409020 - CURRENT STATE INC TAX												Layer 94 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	0.00	0.00	0.00	0.00	347,760.00	0.00	0.00	0.00	0.00	0.00	-148,460.00	199,300.00
1997	0.00	0.00	0.00	0.00	0.00	98,720.00	0.00	0.00	0.00	0.00	0.00	-130,460.00	-31,740.00
Increase / (Decrease)	0.00	0.00	0.00	0.00	0.00	249,040.00	0.00	0.00	0.00	0.00	0.00	-16,000.00	231,040.00

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1410000 - DEFERRED INCOME TAXES												Layer 95 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	0.00	0.00	0.00	0.00	-393,025.00	0.00	0.00	0.00	0.00	0.00	390,550.00	-2,475.00
1997	0.00	0.00	0.00	0.00	0.00	67,500.00	0.00	0.00	0.00	0.00	0.00	449,200.00	516,700.00
Increase / (Decrease)	0.00	0.00	0.00	0.00	0.00	-460,525.00	0.00	0.00	0.00	0.00	0.00	-58,650.00	-519,175.00

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1410010 - AMORT OF REGULATORY LIABILITY												Layer 96 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	-3,850.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-27,225.00
1997	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Increase / (Decrease)	-3,850.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-2,125.00	-27,225.00

Item 18a

Delta Natural Gas Company, Inc.
Case No. 99-176
Comparison of Operating Expense Account Balances
Test Year vs. Prior

1411000 - INVESTMENT TAX CREDIT NET												Layer 97 of 97	
	01	02	03	04	05	06	07	08	09	10	11	12	Total
1998	0.00	0.00	0.00	0.00	0.00	-36,200.00	0.00	0.00	0.00	0.00	0.00	-34,750.00	-70,950.00
1997	0.00	0.00	0.00	0.00	0.00	-35,500.00	0.00	0.00	0.00	0.00	0.00	-34,900.00	-70,400.00
Increase / (Decrease)	0.00	0.00	0.00	0.00	0.00	-700.00	0.00	0.00	0.00	0.00	0.00	150.00	-550.00

DELTA NATURAL GAS COMPANY, INC.

Item 18b

COMPARATIVE OPERATING STATISTICS
For the Calendar Years 1993 Through 1998

Line No.		12 Months Ended												Test Year				
		Calendar Years Prior to Test Year											1998					
		1993	1994	1995	1996	1997	1998	1998	change									
1	MANUFACTURED GAS PRODUCTION	cost 20,736	cost 0	change -100.00%	cost 0	change #DIV/0!	cost 0	change	cost 0	change	cost 0	change	cost 0	change	cost 0	change	cost 0	change
2	NATURAL GAS PRODUCTION																	
3	Operations:																	
4	Field Lines Expenses	53,756	30,737	-42.82%	29,135	-5.21%	27,954	-4.05%	13,169	-52.89%	12,504	-5.05%	83,806	-14.59%	62,844	-25.01%		
5	Field Compressor Station Expenses	102,674	105,594	2.84%	93,115	-11.82%	98,125	5.38%										
6	Maintenance:																	
7	Maintenance on Field Lines	18,644	1,641	-91.20%	2,397	46.07%	2,583	7.76%	3,956	53.16%	5,207	31.62%						
8	Maintenance of Field Compressor Station Equipment	36,282	21,356	-41.14%	22,946	7.45%	14,188	-38.17%	16,377	15.43%	17,781	8.57%						
9	TOTAL NATURAL GAS PRODUCTION	211,356	159,328	-24.62%	147,583	-7.37%	142,850	-3.21%	117,308	-17.88%	98,336	-16.17%						
10	NATURAL GAS TRANSMISSION LINE PURCHASES	11,930,188	14,363,048	20.39%	12,869,138	-11.79%	14,959,447	18.08%	20,839,565	39.31%	16,260,037	-21.98%						
23	MAINS RAW CLEARING	39,661	34,864	-12.10%	41,755	19.77%	42,458	1.68%	30,467	-28.24%	54,869	80.09%						
24	DISTRIBUTION																	
25	Operations:																	
26	Payroll and Transportation	2,152,766	2,189,183	1.69%	2,167,658	-0.97%	2,315,783	6.82%	2,502,175	8.05%	2,548,914	1.87%						
27	Distribution Load Dispatching	73,256	55,740	-23.91%	55,952	0.38%	42,272	-24.45%	33,611	-20.48%	35,141	4.55%						
28	Other Expenses	326,923	373,663	14.30%	328,089	-12.20%	429,397	30.88%	406,180	-5.41%	346,556	-14.68%						
29	Rents	25,720	23,709	-7.82%	17,306	-27.01%	29,545	70.72%	5,819	-80.30%	18,174	212.32%						
30	Maintenance:																	
31	Maintenance Supervision and Engineering-TE & WE	29,321	32,362	10.37%	51,013	57.63%	35,574	-30.26%	46,544	30.84%	44,769	-3.81%						
32	Maintenance of Structures and Improvements	84	644	666.67%	235	-63.51%	345	46.81%	1,472	326.67%	2,103	42.87%						
33	Maintenance of Mains	97,287	103,721	6.61%	168,823	62.77%	148,286	-12.16%	144,938	-2.26%	142,295	-1.82%						
34	Maintenance of Meas. and Reg. Sta. Equip.-General	4,724	4,532	-4.06%	4,801	5.94%	3,129	-34.83%	7,189	83.89%	4,221	-26.64%						
35	Maintenance of Meters and House Regulators	44,909	54,405	21.14%	50,674	-6.86%	58,916	16.26%	71,889	22.02%	84,997	18.23%						
36	Maintenance of Other Equipment	71,801	95,242	32.65%	86,076	-9.62%	88,521	2.84%	105,463	19.14%	86,614	-17.87%						
37	TOTAL DISTRIBUTION	2,826,791	2,933,201	3.76%	2,930,827	-0.08%	3,151,768	7.54%	3,323,945	5.46%	3,313,784	-0.30%						

Line No.		1993		1994		1995		1996		1997		1998	
		cost	change	cost	change	cost	change	cost	change	cost	change	cost	change
1	CUSTOMER ACCOUNTS EXPENSES												
2	Operations:												
3	Meter Reading Expenses	577,793	1.83%	588,365	1.83%	664,613	12.96%	632,043	-4.90%	733,813	11.11%	200,000	0.00%
4	Customer Records and Collection Expenses	100,800	0.00%	100,800	0.00%	168,400	67.06%	150,000	-10.93%	310,000	106.67%	709,942	-3.25%
5	Uncollectible Accounts	678,593	1.56%	689,165	1.56%	833,013	20.87%	962,043	15.49%	1,243,813	29.28%	345,870	11.57%
6	TOTAL CUSTOMER ACCOUNTS EXPENSES	4,099		15,709	283.24%	11,919	-24.13%	18,562	55.73%	15,669	-15.59%	10,775	-31.23%
7	SALES EXPENSE - Advertising												
8	ADMINISTRATIVE & GENERAL												
9	Operations:												
10	Administrative and General Salaries	1,840,859	3.22%	1,900,170	3.22%	1,925,794	1.35%	1,933,842	0.42%	2,027,447	4.84%	2,086,502	3.41%
11	Office Supplies and Expenses	342,017	8.53%	371,196	8.53%	390,860	5.30%	524,632	34.23%	510,511	-2.69%	553,711	8.46%
12	Administrative Expenses Transferred	(1,774,361)	2.57%	(1,820,004)	2.57%	(1,814,335)	-0.31%	(1,906,234)	5.07%	(2,083,857)	9.32%	(2,046,578)	-1.79%
13	Outside Services Employed	448,170	-22.94%	345,382	-22.94%	353,521	2.36%	451,622	27.75%	309,586	-31.45%	343,948	11.10%
14	Property Insurance	522,395	-3.98%	501,592	-3.98%	468,270	-6.64%	466,248	-0.43%	447,103	-4.11%	419,058	-6.27%
15	Employee Pensions and Benefits	2,030,942	12.15%	2,277,786	12.15%	1,828,009	-19.75%	2,162,286	18.29%	1,981,745	-8.35%	1,815,233	-8.40%
16	Regulatory Commission Expenses	47,085	22.45%	57,655	22.45%	71,937	24.77%	63,755	-11.37%	62,853	-1.41%	104,940	66.96%
17	Miscellaneous General Expenses	488,622	3.50%	485,017	3.50%	454,049	-6.38%	502,320	10.63%	435,302	-13.34%	440,458	1.18%
18	Maintenance of General Plant	87,423	35.09%	118,101	35.09%	179,022	51.58%	123,402	-31.07%	187,132	51.64%	139,966	-25.20%
19	TOTAL ADMINISTRATIVE & GENERAL	4,013,152	5.58%	4,236,895	5.58%	3,857,127	-8.96%	4,321,873	12.05%	3,877,822	-10.27%	3,867,238	-0.27%
20	TOTAL OPERATING EXPENSES	19,724,576	13.73%	22,432,210	13.73%	20,491,372	-8.65%	23,599,001	15.17%	29,448,489	24.79%	24,860,851	-15.58%

DELTA NATURAL GAS COMPANY
Case No. 99-176
Schedule of Total Company Salaries and Wages

Item 18 (c & d)

	1998		1997		1996		1995		1994		1993	
	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change
Salaries and Wages	6,175,661	(2.9)	6,361,132	9.2	5,826,952	5.6	5,519,409	1.8	5,419,856	4.5	5,187,795	0.4
Overtime (incl above)	167,766	(55.5)	486,185	31.0	371,112	29.3	286,929	14.1	251,558	58.7	158,478	(17.4)

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

19. Provide the following payroll information for employee classification or category:
- a. The actual regular hours worked during the test year.
 - b. The actual overtime hours worked during the test year.
 - c. The test-year-end wage rate for each employee classification or category and the date of the last increase.
 - d. A calculation of the percent of increase granted during the test year.

RESPONSE:

See attached schedule.

Also see Delta's response to Item 34.

Sponsoring Witness:

John F. Hall

Delta Natural Gas Company, Inc.
Case No. 97-176

Item 19

Line Number		(a) Actual Regular Hours For Test Year	(b) Actual Overtime Hours For Test Year	(c) Yearly Wage Rate	(d) Percent of Increase
1	Field Personnel	244,604	8,137	3,475,750	2.82%
2	Cashiers	41,178	169	492,518	2.94%
3	Administrative & General	<u>102,942</u>	<u>44</u>	<u>1,983,734</u>	<u>2.98%</u>
4	Total	388,724	8,350	5,952,002	2.88%

The date of the last increase was 7/1/98.

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

20. Provide the amount of excess deferred federal income taxes resulting from the reduction in the corporate tax rate from 48 percent to 46 percent in 1979, as of the end of the test year.

RESPONSE:

In Delta's rate case No. 90-346, for the test year ended 6/30/90, the Company computed, assuming that all deferred taxes through 1979 were accrued at 48% and the accruals were recomputed at 46%, that the tax balance would be \$9,848 lower. This was not recorded on Delta's books. Since it is now nine years later, and if this had been recorded, it would now have been amortized, thus no adjustment was made in this case.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

21. Provide the following tax data for the test year for total company:

a. Income taxes:

(1) Federal operating income taxes deferred - accelerated tax depreciation.

(2) Federal operating income taxes deferred - other (explain).

(3) Federal income taxes - operating.

(4) Income credits resulting from prior deferrals of federal income taxes.

(5) Investment tax credit net.

i) Investment credit realized.

ii) Investment credit amortized - Pre-Revenue Act of 1971.

iii) Investment credit amortized - Revenue Act of 1971.

(6) The information in Item 21(a)(1-4) for state income taxes.

(7) A reconciliation of book to taxable income as shown in Format 21(a)(7) and a calculation of the book federal and state income tax expense for the test year using book taxable income as the starting point.

(8) A copy of federal and state income tax returns for the taxable year ended during the test year, including supporting schedules.

(9) A schedule of franchise fees paid to cities, towns, or municipalities during the test year, including the basis of these fees.

b. An analysis of Kentucky other operating taxes as shown in Format 21(b).

RESPONSE:

21. a. (1) See attached schedule

(2) See attached schedule

(3) See attached schedule

(4) See attached schedule

(5) See attached schedule

i) See attached schedule

ii) N/A

iii) Same as i) above

(6) See attached schedule

(7) See attached schedules

(8) See attached tax return

(9) See attached schedules for the cities, towns or municipalities with which Delta has a franchise agreement. The fee is 3% of gross annual revenue and is levied on the monthly bills to those customers in the franchise area (with the exception of the City of Barbourville, where the fee is 5%; North Middletown, where the fee is 3.5%; and Annville, where the fee is 5%).

b. See attached schedule

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-176

Reconciliation of Book Net Income and Federal Taxable Income
Test Year Ended December 1998

LINE NO.		Federal			Kentucky		
		Total Company	Company Non-Oper	KY Retail Jurisdiction	Total Company	Company Non-Oper	KY Retail Jurisdiction
1	NET INCOME PER BOOKS	2,451,272	493,462	1,957,810	2,451,272	493,462	1,957,810
2	ADD INCOME TAXES						
3	(A) FIT - CURRENT OPER	1,472,100		1,472,100	1,472,100		1,472,100
4	(B) DEFERRED - DEPR	(879,000)		(879,000)	(879,000)		(879,000)
5	(C) DEFERRED - OTHER	760,275		760,275	760,275		760,275
6	(D) ITC ADJUSTMENT	(71,100)		(71,100)	(71,100)		(71,100)
	(E) SFAS AMORTATION ADJ	(14,475)			(14,475)		
7	(F) FIT OTHER INCOME	31,900	251,300	(219,400)	31,900	251,300	(219,400)
8	(G) KIT CURRENT OPER	133,200		133,200	133,200		133,200
9	(H) KIT OTHER INCOME	8,000	56,300	(48,300)	8,000	56,300	(48,300)
10	TOTAL TAXES	1,440,900	307,600	1,133,300	1,440,900	307,600	1,133,300
11	LOSS CARRYFORWARD			0	1,696,617		1,696,617
12	BOOK TAXABLE INCOME	3,892,172	801,062	3,091,110	2,195,555	801,062	1,394,493
13	SCHEDULE M'S						
14	PERMANENT:						
15	CHANGE CSV KEYMEN POLICIES	(9,302)		(9,302)	(9,302)		(9,302)
16	BUSINESS MEALS	15,820		15,820	15,820		15,820
16	LOBBYING EXP	2,579		2,579	2,579		2,579
17	TIMING:						
18	TAX DEPR VS BOOK	(2,376,556)	151	(2,376,707)	(3,437,906)		(3,437,906)
19	GAIN (LOSS) ASSETS RETIRED	45,541		45,541	45,541		45,541
20	SELF CONSTRUCTION INTEREST	491,072		491,072	491,072		491,072
21	PENSION COST AMORTIZATION	(344,466)		(344,466)	(344,466)		(344,466)
22	EMPLOYEE STOCK PLAN	5,053		5,053	5,053		5,053
23	CUSTOMER DEPOSITS	0		0	0		0
24	DEFERRED COMPENSATION	0		0	0		0
25	PERSONAL LEAVE PLAN	23,447		23,447	23,447		23,447
26	CONTRIBUTION FOR CONSTRUCTION	404		404	404		404
27	SOFTWARE AMORTIZATION	0		0	0		0
28	DEFERRED GAS COST	3,328,624		3,328,624	3,328,624		3,328,624
29	UNBILLED REVENUE AMORTIZATION			0	0		0
30	UNBILLED REVENUE	(279,532)		(279,532)	(279,532)		(279,532)
31	DEBT EXPENSE AMORTIZATION	(259,891)		(259,891)	(259,891)		(259,891)
32	AMORT OF FERRIN PROM NOTE	14,900		14,900	14,900		14,900
33	RESERVE FOR BAD DEBT	6,057		6,057	6,057		6,057
34	UNICAP - STORAGE GAS	2,190		2,190	2,190		2,190
35	TOTAL SCHEDULE M'S	665,940	151	665,789	(395,410)		(395,410)
36	TAXABLE INCOME	4,558,112	801,213	3,756,899	1,800,145	801,062	999,083
37	STATE TAX PROVISION	141,200	56,300	84,900			
38	TAXABLE INCOME PER RETURNS	4,416,912	744,913	3,671,999	1,800,145	801,062	999,083
39	FEDERAL TAX PAYABLE AT 34%	1,501,750	253,270	1,248,480			
40	KENTUCKY PAYABLE AT 8.25%				148,512	66,088	82,424
41	LESS SUR TAX				7,312	7,312	0
42	KY TAX PAYABLE				141,200	58,776	82,424

Calculation of Book Income Tax Expense
Test Year Ended December 1998

See Item 21 a (7) Schedule 1 for the reconciliation of book to taxable income.

The calculation of book taxes is as follows:

Line #		
1	BOOK INCOME BEFORE TAXES per Schedule 1 Line 12	<u>3,892,172</u>
2	STATE AT 8.25%	321,104
3	LESS SURTAXES (SUBS FILE SEPARATELY)	<u>13,609</u>
4	TOTAL KY INCOME TAX	<u>307,495</u>
5		
6	FEDERAL TAXABLE INCOME	<u>3,584,677</u>
7	FEDERAL TAX AT 34%	<u>1,218,790</u>
8		
9	BOOK STATE AND FEDERAL	1,526,285
10		
11	LESS TAX CALCULATION PER Schedule 1	
12	FEDERAL	Line 39
13	STATE	Line 37
14		
15	DIFFERENCE	(116,715)
16	MISC	<u>(2,210)</u>
17		
18	Deferred Taxes	<u>(118,925)</u>

Form **1120**

U.S. Corporation Income Tax Return

OMB No. 1545-0123

For calendar year 1997 or tax year beginning July 1, 1997, ending June 30, 1998

1997

Department of the Treasury
Internal Revenue Service

Instructions are separate. See page 1 for Paperwork Reduction Act Notice.

- Check if a:
 - 1 Consolidated return (attach Form 851)
 - 2 Personal holding co. (attach Sch. PH)
 - 3 Personal service corp. (as defined in Temporary Regs. sec. 1.441-4T - see instructions)

Name Delta Natural Gas Company, Inc., & Subsidiaries	B Employer identification number 61-0458329
Number, street, and room or suite no. (If a P.O. box, see page 5 of instructions.) 3617 Lexington Road	C Date incorporated 10-7-49
City or town, state, and ZIP code Winchester, KY 40391	D Total assets (see page 5 of instructions) \$ 101,718,596.

E Check applicable boxes: (1) Initial return (2) Final return (3) Change of address

	1 a Gross receipts or sales	63,559,395.	b Less returns and allowances	c Bal		1c	63,559,395.
Income	2	Cost of goods sold (Schedule A, line 8)				2	42,840,597.
	3	Gross profit. Subtract line 2 from line 1c				3	20,718,798.
	4	Dividends (Schedule C, line 19)				4	
	5	Interest				5	150,427.
	6	Gross rents				6	
	7	Gross royalties				7	
	8	Capital gain net income (attach Schedule D (Form 1120))				8	
	9	Net gain or (loss) from Form 4797, Part II, line 18 (attach Form 4797)				9	45,541.
	10	Other income (see page 8 of instructions - attach schedule) Miscellaneous.				10	24,549.
	11	Total income. Add lines 3 through 10				11	20,939,315.

Deductions (See instructions for limitations on deductions.)	12	Compensation of officers (Schedule E, line 4)				12	
	13	Salaries and wages (less employment credits)				13	2,931,828.
	14	Repairs and maintenance				14	172,807.
	15	Bad debts				15	363,813.
	16	Rents				16	68,547.
	17	Taxes and licenses				17	1,353,258.
	18	Interest				18	3,791,343.
	19	Charitable contributions (see page 8 of instructions for 10% limitation)				19	
	20	Depreciation (attach Form 4562)	20	6,318,760.			
	21	Less depreciation claimed on Schedule A and elsewhere on return	21a	542,646.		21b	5,776,114.
	22	Depletion				22	
	23	Advertising				23	15,587.
	24	Pension, profit-sharing, etc., plans				24	654,000.
	25	Employee benefit programs				25	1,012,816.
	26	Other deductions (attach schedule)				26	382,290.
	27	Total deductions. Add lines 12 through 26				27	16,522,403.
	28	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11				28	4,416,912.
	29	Less: a Net operating loss deduction (see page 9 of instructions)	29a			29c	
		b Special deductions (Schedule C, line 20)	29b				

30	30 Taxable income. Subtract line 29c from line 28				30	4,416,912.
31	31 Total tax (Schedule J, line 10)				31	1,221,289.

Tax and Payments	32	Payments: a 1996 overpayment credited to 1997	32a	34,044.			
		b 1997 estimated tax payments	32b	1,076,600.			
		c Less 1997 refund applied for on Form 4466	32c				
		d Tax deposited with Form 7004			d Bal	32d	1,110,644.
		e Credit for tax paid on undistributed capital gains (attach Form 2439)				32e	380,400.
		f Credit for Federal tax on fuels (attach Form 4136). See instructions				32f	
		g Credit for Federal tax on fuels (attach Form 4136). See instructions				32g	
		32h	32h			32h	1,491,044.
33	33 Estimated tax penalty (see page 10 of instructions). Check if Form 2220 is attached <input checked="" type="checkbox"/>				33	1,006.	
34	34 Tax due. If line 32h is smaller than the total of lines 31 and 33, enter amount owed				34		
35	35 Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid				35	268,749.	
36	36 Enter amount of line 35 you want: Credited to 1998 estimated tax 268,749. Refunded				36		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: *John J. Hall* Date: **3/8/99** Title: **VP Finance, SEC & Treas**

Paid Preparer's Use only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security no.
	Firm's name (or yours if self-employed) and address		EIN	
			ZIP code	

Schedule A Cost of Goods Sold (See page 10 of instructions.)

1	Inventory at beginning of year	1	1,209,171.
	Purchases	2	36,220,014.
3	Cost of labor	3	2,341,324.
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule)	5	5,120,092.
6	Total. Add lines 1 through 5	6	44,890,601.
7	Inventory at end of year	7	2,050,004.
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	42,840,597.

9 a Check all methods used for valuing closing inventory:

- (i) Cost as described in Regulations section 1.471-3
- (ii) Lower of cost or market as described in Regulations section 1.471-4
- (iii) Other (Specify method used and attach explanation.)

b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c)

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970)

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO

9d

e If property is produced or acquired for resale, do the rules of Section 263A apply to the corporation?

Yes No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes,"

Yes No

attach explanation

Schedule C Dividends and Special Deductions (See page 11 of instructions.)

	(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1 Dividends from less-than-20% -owned domestic corporations that are subject to the 70% deduction (other than debt-financed stock)		70	
2 Dividends from 20%-or-more-owned domestic corporations that are subject to the 80% deduction (other than debt-financed stock)		80	
3 Dividends on debt-financed stock of domestic and foreign corporations (section 246A)		see instr.	
Dividends on certain preferred stock of less-than-20%-owned public utilities		42	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities		48	
6 Dividends from less-than-20%-owned foreign corporations and certain FSCs that are subject to the 70% deduction		70	
7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs that are subject to the 80% deduction		80	
8 Dividends from wholly owned foreign subsidiaries subject to the 100% deduction (section 245(b))		100	
9 Total. Add lines 1 through 8. See page 12 of instructions for limitation			
10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11 Dividends from certain FSCs that are subject to the 100% deduction (section 245(c)(1))		100	
12 Dividends from affiliated group members subject to the 100% deduction (section 243(a)(3))		100	
13 Other dividends from foreign corporations not included on lines 3, 6, 7, 8, or 11			
14 Income from controlled foreign corporations under subpart F (attach Form(s) 5471)			
15 Foreign dividend gross-up (section 78)			
16 IC-DISC and former DISC dividends not included on lines 1, 2, or 3 (section 246(d))			
17 Other dividends			
18 Deduction for dividends paid on certain preferred stock of public utilities			
19 Total dividends. Add lines 1 through 17. Enter here and on line 4, page 1			
20 Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on line 29b, page 1			

Schedule E Compensation of Officers (See instructions for line 12, page 1.)

Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1, Form 1120) are \$500,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned		(f) Amount of compensation
			(d) Common	(e) Preferred	
1		%	%	%	
SEE ATTACHED SCHEDULE		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
2 Total compensation of officers					573,919.
3 Compensation of officers claimed on Schedule A and elsewhere on return					573,919.
4 Subtract line 3 from line 2. Enter the result here and on line 12, page 1					

Schedule J Tax Computation (See page 12 of instructions.)

1 Check if the corporation is a member of a controlled group (see sections 1561 and 1563) **Important: Members of a controlled group, see instructions on page 12.**

2 a If the box on line 1 is checked, enter the corporation's share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):
 (1) (2) (3)

b Enter the corporation's share of:
 (1) Additional 5% tax (not more than \$11,750)
 (2) Additional 3% tax (not more than \$100,000)

3 Income tax. Check this box if the corporation is a qualified personal service corporation as defined in section 448(d)(2) (see instructions on page 13) **3** 1,501,750.

4 a Foreign tax credit (attach Form 1118) **4a**

b Possessions tax credit (attach Form 5735) **4b**

c Check: Nonconventional source fuel credit QEV credit (attach Form 8834) **4c**

d General business credit. Enter here and check which forms are attached:
 3800 3468 5884 6478 6765 8586 8830 8826
 8835 8844 8845 8846 8820 8847 8861 **4d**

e Credit for prior year minimum tax (attach Form 8827) 280,461. **4e**

5 Total credits. Add lines 4a through 4e **5** 280,461.

6 Subtract line 5 from line 3 **6** 1,221,289.

7 Personal holding company tax (attach Schedule PH (Form 1120)) **7**

8 Recapture taxes. Check if from: Form 4255 Form 8611 **8**

9 Alternative minimum tax (attach Form 4626) **9**

10 Total tax. Add lines 6 through 9. Enter here and on line 31, page 1 **10** 1,221,289.

Schedule K Other Information (See page 14 of instructions.)

		Yes	No			Yes	No
1	Check method of accounting: a <input type="checkbox"/> Cash			7	Was the corporation a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.)		X
	b <input checked="" type="checkbox"/> Accrual c <input type="checkbox"/> Other (specify) <input type="text"/>				If "Yes," attach Form 5471 for each such corporation. Enter number of Forms 5471 attached <input type="text"/>		
	See page 16 of the instructions and state the principal:			8	At any time during the 1997 calendar year, did the corporation have an interest in or a signature or other authority over a financial account (such as bank account, securities account, or other financial account) in a foreign country?		X
a	Business activity code no. <input type="text"/> 4920				If "Yes," the corporation may have to file Form TD F 90-22.1. If "Yes," enter name of foreign country <input type="text"/>		
b	Business activity <input type="text"/> Distributor			9	During the tax year, did the corporation receive a distribution from, or was it the grantor of, or transferor to, a foreign trust?		X
c	Product or service <input type="text"/> Natural Gas				If "Yes," see page 15 of the instructions for other forms the corporation may have to file <input type="text"/>		
3	At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).)	X		10	At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of: (a) the total voting power of all classes of stock of the corporation entitled to vote, or (b) the total value of all classes of stock of the corporation? If "Yes,"		X
	If "Yes," attach a schedule showing: (a) name and identifying number, (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.				a Enter percentage owned <input type="text"/>		
4	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?		X		b Enter owner's country <input type="text"/>		
	If "Yes," enter employer identification number and name of the parent corporation <input type="text"/>				c The corporation may have to file Form 5472. Enter number of Forms 5472 attached <input type="text"/>		
5	At the end of the tax year, did any individual, partnership, corporation, estate or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).)		X	11	Check this box if the corporation issued publicly offered debt instruments with original issue discount <input type="checkbox"/>		
	If "Yes," attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.) Enter percentage owned <input type="text"/>				If so, the corporation may have to file Form 8281.		
	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See secs. 301 and 316.)		X	12	Enter the amount of tax-exempt interest received or accrued during the tax year <input type="text"/>		
	If "Yes," file Form 5452. If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.			13	If there were 35 or fewer shareholders at the end of the tax year, enter the number <input type="text"/>		
				14	If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here <input type="checkbox"/>		
				15	Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.) <input type="text"/>		

Schedule L Balance Sheets per Books	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash		480.		117,788.
Trade notes and accounts receivable	2,990,877.		2,683,551.	
b Less allowance for bad debts	(113,945.)	2,876,932.	(120,002.)	2,563,549.
3 Inventories		1,209,171.		2,050,004.
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach schedule)		3,669,790.		(385,928.)
7 Loans to stockholders				
8 Mortgage and real estate loans				
9 Other investments (attach schedule)				
10 a Buildings and other depreciable assets	116,829,159.		127,028,158.	
b Less accumulated depreciation	(31,734,977.)	85,094,182.	(34,929,481.)	92,098,677.
11 a Depletable assets				
b Less accumulated depletion	()		()	
12 Land (net of any amortization)				
13 a Intangible assets (amortizable only)				
b Less accumulated amortization	()		()	
14 Other assets (attach schedule)		3,350,667.		5,274,506.
15 Total assets		96,201,222.		101,718,596.
Liabilities and Stockholders' Equity				
16 Accounts payable		2,386,717.		2,050,625.
17 Mtges., notes, bonds payable in less than 1 year		12,852,600.		3,665,000.
18 Other current liabilities (attach schedule)		4,120,503.		3,870,263.
19 Loans from stockholders				
20 Mtges., notes, bonds payable in 1 year or more		38,107,860.		52,612,494.
21 Other liabilities (attach schedule)		9,738,916.		9,709,920.
Capital stock: a Preferred stock				
b Common stock	2,342,223.	2,342,223.	2,375,093.	2,375,093.
23 Additional paid-in capital		25,286,291.		25,828,107.
24 Retained earnings-Appropriated (attach schedule)				
25 Retained earnings -Unappropriated		1,846,055.		1,607,094.
26 Adjustments to shareholders' equity (attach schedule)				
27 Less cost of treasury stock		()		()
28 Total liabilities and stockholders' equity		96,681,165.		101,718,596.

Note: You are not required to complete Schedules M-1 and M-2 below if the total assets on line 15, column (d) of Schedule L are less than \$25,000.

Schedule M-1 Reconciliation of Income(Loss) per Books With Income per Return (See page 15 of instructions.)

1 Net income (loss) per books	2,451,272.	7 Income recorded on books this year not included on this return (itemize):	
2 Federal income tax	1,299,700.	Tax-exempt interest \$	
3 Excess of capital losses over capital gains			
4 Income subject to tax not recorded on books this year (itemize):		*	9,302.
*SEE ATTACHED	3,382,816.	8 Deductions on this return not charged against book income this year (itemize):	
5 Expenses recorded on books this year not deducted on this return (itemize):		a Depreciation \$	
a Depreciation \$		b Contributions carryover \$	
b Contributions carryover \$			
c Travel and entertainment \$		*	3,260,445.
*	552,871.	9 Add lines 7 and 8	3,269,747.
6 Add lines 1 through 5	7,686,659.	10 Income (line 28, page 1) -line 6 less line 9	4,416,912.

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

Balance at beginning of year	1,846,055.	5 Distributions:	a Cash	2,690,233.
Net income (loss) per books	2,451,272.		b Stock	
3 Other increases (itemize):			c Property	
		6 Other decreases (itemize):		
4 Add lines 1, 2, and 3	4,297,327.	7 Add lines 5 and 6		2,690,233.
		8 Balance at end of year (line 4 less line 7)		1,607,094.

DELTA NATURAL GAS COMPANY AND SUBSIDIARIES
 ATTACHMENT TO FORM 1120 FOR THE YEAR ENDED
 6-30-98 61-0458329

DELTA NATURAL DELTA DELTA FEDERAL & KY INCOME TAX RETURN ENPRC DELTRAN DELGASCO TRANEX TOTAL

SCHEDULE A COST OF GOODS SOLD

LINE 1 INVENTORY BEGIN OF YEAR	1,209,171	0	0	0	0	0	0	0	0	0	1,209,171
LINE 2 PURCHASES	14,634,562	9,909,306	9,861,533	1,814,613	0	0	0	0	0	0	36,220,014
LINE 3 COST OF LABOR	2,285,266	0	0	0	0	0	0	0	0	15,958	2,341,324
LINE 4 ADD SECTION 263A COSTS	0	0	0	0	0	0	0	0	0	0	0
LINE 5 OTHER COSTS	0	0	0	0	0	0	0	0	0	0	0
REPAIRS AND MAINTENANCE	418,820	0	0	0	0	0	0	0	0	1,773	415,825
UTILITIES	156,024	0	0	0	0	0	0	0	0	0	156,024
TRANSPORTATION EXPENSE	556,130	3,372,291	317	0	0	0	0	0	0	27,554	3,977,362
SUPPLIES	442,924	0	0	0	0	0	0	0	0	1,514	445,438
DEPLETION EXPENSE	0	0	0	0	0	0	0	0	0	0	45,825
WORKING INTEREST & ROYALTIES	0	0	0	0	0	0	0	0	0	0	59,568
TOTAL LINE 5	1,588,848	3,372,291	317	0	0	0	0	0	0	134,234	5,120,082
LINE 6 TOTAL LINE 1 THRU 5	19,758,047	13,281,597	9,861,850	1,814,613	0	0	0	0	0	22,302	44,890,601
LINE 7 INVENTORY END OF YEAR	2,050,004	0	0	0	0	0	0	0	0	0	2,050,004
LINE 8 COST OF GOODS SOLD (6-7)	17,708,043	13,281,597	9,861,850	1,814,613	0	0	0	0	0	22,302	42,840,597

SCHEDULE 6 OFFICER COMPENSATION

NAME	SSN	% OF TIME DEVOTED	% OF COMMON SHARES	COMPENSATION AMOUNT
JOHNNY CAUDILL	402-74-5690	100	.09	98,755
JOHN HALL	405-58-3944	100	.00	98,759
ROBERT HAZELRIGB	401-64-3412	100	.10	78,296
ALAN HEATH	313-52-4321	100	.14	107,929
GLENN R. JENNINGS	407-72-5620	100	.27	190,180
TOTAL				573,919

AFFILIATED COMPANIES

COMPANY NAME	FIN
DELTA NATURAL GAS COMPANY, INC	61-0458329
DELTA RESOURCES, INC	61-1056941
DELGASCO, INC	61-1103681
DELTRAN, INC	61-1103682
ENPRC, INC	61-1103680
TRANEX CORPORATION	61-1082046

DELTA NATURAL GAS COMPANY AND SUBSIDIARIES 61-058822P
 ATTACHMENT TO FORM 1120 FOR THE YEAR ENDED 6-30-98

SCHEDULE L:
 DELTA NATURAL DELBASCO DELTRAN ENPRO TRANEX CONSOLIDATED
 BEGINNING ENDING BEGINNING ENDING BEGINNING ENDING BEGINNING ENDING BEGINNING ENDING

ASSETS	DELTA NATURAL	DELBASCO	DELTRAN	ENPRO	TRANEX	CONSOLIDATED
	BEGINNING	ENDING	BEGINNING	ENDING	BEGINNING	ENDING
LINE 1 CASH	372,707	117,788			107,716	480,423
LINE 2A TRADE NOTES & RECEIVABLES	1,977,343	2,245,251	8,534		985,000	2,970,877
LINE 2B ALLOWANCE FOR BAD DEBTS	(113,945)	(120,002)				(113,945)
LINE 2 NET RECEIVABLES	1,863,398	2,125,249	8,534	0	985,000	2,876,932
LINE 3 INVENTORIES	1,209,171	2,050,004				1,209,171
LINE 4 US GOV'T OBLIGATIONS						0
LINE 5 TAX EXEMPT SECURITIES						0
LINE 6 OTHER CURRENT ASSETS:						0
UNRECOVERED GAS COSTS	2,180,606	(1,148,020)				2,180,606
MATERIALS AND SUPPLIES	773,108	520,382				773,108
PREPAID EXPENSES	716,076	241,730				716,076
TOTAL LINE 6	3,669,790	(385,928)				3,669,790
LINE 7 LOAN TO STOCKHOLDERS						0
LINE 8 MORTGAGES/REAL ESTATE LOANS						0
LINE 9 OTHER INVESTMENTS:						0
INTERCOMPANY RECEIVABLE/PAYABLE	2,205,737	1,359,398	1,000	1,000	(953,565)	(698,191)
PARENT OWNS COMMON STOCK OF SUBS	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
RETAINED EARNINGS OF SUBS	25,164	(130,746)	(27,038)	(25,803)	72,869	(1,170,273)
TOTAL LINE 9	2,205,737	1,359,398	873,236	1,217,065	(1,953,565)	(1,625,322)
LINE 10A BLDGS/OTHER DEPR ASSETS	111,504,984	121,382,693			2,095,947	2,097,722
LINE 10B ACCUMULATED DEPR	(28,815,546)	(31,737,068)			(752,052)	(797,876)
LINE 10 NET PLANT	82,689,438	89,645,625	0	0	1,343,895	1,299,846
LINE 11A DEPLETABLE ASSETS						0
LINE 12 LAND						0
LINE 13A INTANGIBLE ASSETS						0
LINE 14 OTHER ASSETS:						0
CSV KEYPERSONS INSURANCE	321,339	339,215				321,339
NOTE RECEIVABLE FROM OFFICER	134,000	110,000				134,000
UNAUTHORIZED EXPENSES AND OTHER	2,895,328	4,825,291				2,895,328
TOTAL LINE 14	3,350,667	5,274,506	0	0	0	3,350,667
LINE 15 TOTAL ASSETS	95,580,908	100,196,642	881,770	1,217,065	191,402	101,718,596

1.1A NATURAL GAS COMPANY AND SUBSIDIARIES 61-0458329
 SCHEDULE TO FORM 1120 FOR THE YEAR ENDED 6-30-98

DELTA NATURAL DELTA RESOURCES DELGASCO DELTRAM ENPRO TRANEX CONSOLIDATED
 BEGINNING ENDING BEGINNING ENDING BEGINNING ENDING BEGINNING ENDING BEGINNING ENDING BEGINNING ENDING

SCHEDULE L1

LIABILITIES & STOCKHOLDERS EQUITY

THE 16 ACCOUNTS PAYABLE	1,499,394	828,236	4,968	2,416	860,365	1,195,224	21,990	24,565	184	2,386,717	2,050,625
THE 17 MORTGAGES ET AL LESS THAN 1 YR	12,852,600	3,665,000								12,852,600	3,665,000
THE 18 OTHER CURRENT LIABILITIES:											
ACCRUED TAXES	949,381	816,205	22,117	159,128	21,405	21,841	139,412	132,596	(44,000)	1,132,315	1,085,770
REFUNDS DUE CUSTOMERS	577,874	117,123								577,874	117,123
CUSTOMER DEPOSITS	368,561	438,134								368,561	438,134
ACCRUED INTEREST	1,033,220	1,215,265								1,033,220	1,215,265
ACCRUED VACATION	516,032	528,952								516,032	528,952
OTHER ITEMS	482,501	455,019					30,000	30,000		482,501	465,019
TOTAL LINE 18	3,907,569	3,570,698	22,117	159,128	21,405	21,841	169,412	162,596	(44,000)	4,160,503	3,870,263
THE 19 LOANS FROM STOCKHOLDERS	38,107,860	52,612,494								38,107,860	52,612,494
THE 20 MORTGAGES ET AL OVER 1 YR											
THE 21 DEFERRED INCOME TAXES	7,921,100	8,023,475								7,921,100	8,023,475
INVESTMENT TAX CREDITS	708,400	637,300								708,400	637,300
REGULATORY LIABILITY	892,100	831,425								892,100	831,425
ADVANCES FOR CONSTRUCTION	217,316	217,720								217,316	217,720
TOTAL LINE 21	9,738,916	9,709,920	0	0	0	0	0	0	0	9,738,916	9,709,920
THE 22 COMMON STOCK	2,342,223	2,375,093								2,342,223	2,375,093
THE 23 PAID IN CAPITAL SURPLUS	25,286,291	25,828,107								25,286,291	25,828,107
THE 24 EARNINGS APPROPRIATED	1,846,055	1,607,094								1,846,055	1,607,094
THE 25 EARNINGS UNAPPROPRIATED											
THE 26 TREASURY STOCK											
THE 27 TOTAL LIAB & STOCKHOLDERS EQUITY	95,580,908	100,196,642	27,085	161,544	881,770	1,217,065	191,402	187,161	(43,816)	96,681,165	101,718,596

DELTA NATURAL GAS COMPANY AND SUBSIDIARIES
ATTACHMENT TO FORM 1120 FOR THE YEAR ENDED 6-30-98

61-0458329

SCHEDULE M-1 DETAILS:

DELTA NATURAL GAS COMPANY INC:

SCHEDULE M-1, LINE 4 - INCOME NOT ON BOOKS	AMOUNT
CUSTOMER DEPOSIT - 481A	0
DEBT EXPENSE	0
BAD DEBT CURRENT YEAR	6,057
DEFERRED GAS COSTS	3,328,624
UNBILLED REVENUE	0
CONTRIBUTION IN AID OF CONSTRUCTION	404
UNICAP GAS STORAGE	2,190
BOOK/TAX RETIREMENTS	45,541
TOTAL	3,382,816

SCHEDULE M-1, LINE 5 - BOOK EXPENSE NOT DEDUCTED	AMOUNT
SELF CONSTRUCTION INTEREST	491,072
PERSONAL LEAVE PLAN	23,447
EMPLOYEE STOCK PLAN	5,053
MEALS AND ENTERTAINMENT	15,820
AMORTIAZION OF FERRIN NOTE	14,900
DEBT EXPENSE	0
LOBBYING EXPENSES	2,579
VACATION PAY	0
TOTAL	552,871

SCHEDULE M-1, LINE 7 - BOOK INCOME NOT INCLUDED	AMOUNT
CSV OF LIFE INSURANCE	9,302
TOTAL	9,302

SCHEDULE M-1, LINE 8 - DEDUCTIONS NOT ON BOOKS	AMOUNT
ACCRUED PENSION	344,466
UNBILLED REVENUE	279,532
DEBT EXPENSE	259,891
DEFERRED GAS COSTS	0
TAX DEPRECIATION VS BOOKS	2,376,707
VACATION PAY	0
TOTAL	3,260,596

TRANEX CORPORATION:

SCHEDULE M-1, LINE 8 - DEDUCTIONS NOT ON BOOKS	AMOUNT
TAX DEPRECIATION VS BOOKS	(151)

Affiliations Schedule

► File with each consolidated income tax return
 Tax year ending June 30, 1998

OMB No. 1545-0025

Common parent corporation
 Delta Natural Gas Company, Inc., & Subsidiaries
 Number, street, and room or suite no. (If a P.O. box, see instructions.)

Employer identification number
 61-0458329

3617 Lexington Road
 City or town, state, and ZIP code

Winchester, KY 40391

Part I Prepayment Credits

No.	Name and address of corporation	Employer identification number	Prepayment Credits	
			Portion of Form 7004 tax deposits	Portion of estimated tax credits and deposits
	Common parent corporation Delta Natural Gas Company, Inc.		380,400.	1,110,644.
	Subsidiary corporations:			
	Delta Resources, Inc.	61-1056941		
	Delgasco, Inc.	61-1103681		
	Deltran, Inc.	61-1103682		
	Enpro, Inc.	61-1103680		
	Tranex, Corporation	61-1082046		
Totals (Must equal amounts shown on the consolidated tax return) ►			380,400.	1,110,644.

Part II Voting Stock Information, Principal Business Activity, Etc. (See instructions.)

No.	Principal business activity (PBA)	PBA Code No.	Did the subsidiary make any nondividend distributions? (See instructions.)		Stock holdings at beginning of year			
			Yes	No	Number of shares	Percent of voting power	Percent of value	Owned by corporation no.
	Common parent corporation Delta Natural Gas	4920						
	Subsidiary corporations:							
	Delta Resources, Inc.	4920		X	100	100	100	1
	Delgasco, Inc.	4920		X	100	100	100	1
	Deltran, Inc.	4920		X	100	100	100	1
	Enpro, Inc.	4920		X	100	100	100	1
	Tranex, Corporation	4920		X	100	100	100	1

Part III Changes in Stock Holdings During the Year (See instructions.)

Corporation		Stockholder (Corporation No.)	Change in stock holdings during the year				
No.	Name		Date	(a) Changes		(b) Shares held after changes described in column (a)	
				Shares acquired	Shares disposed of	Percent of voting power	Percent of value
						%	%
						%	%
						%	%
						%	%
						%	%
						%	%
						%	%
						%	%

Note: If additional stock was issued, or if any stock was retired during the year, show the dates and amounts for these transactions.

If the equitable owners of any capital stock shown above were other than the holders of record, give full details.

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Part IV Additional Information (See instructions.)

1 During the tax year, did the corporation have more than one class of stock outstanding?

Name	Answer to Question 1		If yes, list and describe each class of stock.
	Yes	No	
APPLICABLE TO ALL COMPANIES		X	

2 During the tax year, was there any member of the consolidated group that reaffiliated within 60 months of disaffiliation, or was there any member of the affiliated group that was deconsolidated under Rev. Proc. 91-11, 1991-1 C.B. 470 (as modified by Rev. Proc. 91-39, 1991-2 C.B. 694), Rev. Proc. 95-11, 1995-1 C.B. 505, or Rev. Proc. 95-39, 1995-2 C.B. 399?

No.	Name	Answer to Question 2		If yes for any part of question 2, list and explain the circumstances.
		Yes	No	
	APPLICABLE TO ALL COMPANIES		X	

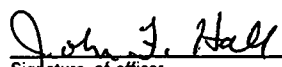
3a During the tax year, was there any arrangement in existence by which one or more persons that were not members of the affiliated group could acquire any stock, or acquire any voting power without acquiring stock, in the corporation, other than a de minimis amount, from the corporation or another member of the affiliated group?

No.	Name	Answer to Question 3a		Item 3b (see instructions)	Item 3c (see instructions)	Item 3d (see instructions)
		Yes	No			
	APPLICABLE TO ALL COMPANIES		X	%	%	%
				%	%	%
				%	%	%
				%	%	%

No.	Item 3e - Description of arrangements.

Please Sign here

Under penalties of perjury, I declare that I have examined this form, including accompanying statements, and to the best of my knowledge and belief, it is true, correct, and complete for the tax year as stated.


13/8/99
V.P. - FINANCE, SEC & TREAS.

Signature of officer
Date
Title

Name: ... Employer Identification number: ...

Note: In most cases, the corporation does not need to file Form 2220. (See Part I below for exceptions.) The IRS will figure any penalty owed and bill the corporation.

Part I: Reasons for Filing - Check the boxes below that apply to the corporation. If any box is checked or the Note below applies, the corporation must file Form 2220 with the corporation's tax return, even if it does not owe the penalty.

- 1 [X] The corporation is using the annualized income installment method.
2 [] The corporation is using the adjusted seasonal installment method.
3 [X] The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

Note: The corporation must also file Form 2220 if it is claiming a waiver of the penalty. See Waiver of penalty on page 2 of the instructions.

Part II: Figuring the Underpayment

Table with 4 main columns (a, b, c, d) and 18 rows. Row 4: Total tax 1,221,289. Row 5: Personal holding company tax, interest, credit. Row 6: Subtract line 5d from line 4. Row 7: Enter tax shown on 1996 income tax return. Row 8: Enter smaller of line 6 or line 7. Row 9: Installment due dates. Row 10: Required installments. Row 11: Estimated tax paid. Row 12-16: Calculations for underpayment. Row 17: Underpayment amount 44,359. Row 18: Overpayment amount 34,044.

Complete Part III on page 2 to figure the penalty. If there are no entries on line 17, no penalty is owed.

Part III Figuring the Penalty

	(a)	(b)	(c)	(d)
19 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (see page 3 of the instructions). (Form 990-PF and Form 990-T filers: Use 5th month instead of 3rd month.)				9-15-98
20 Number of days from due date of installment on line 9 to the date shown on line 19				92
21 Number of days on line 20 after 4/15/97 and before 4/1/98				
22 Underpayment on line 17 x $\frac{\text{Number of days on line 21} \times 9\%}{365}$				
23 Number of days on line 20 after 3/31/98 and before 7/1/98				15
24 Underpayment on line 17 x $\frac{\text{Number of days on line 23} \times 9\%}{365}$				164.
25 Number of days on line 20 after 6/30/98 and before 10/1/98				77
26 Underpayment on line 17 x $\frac{\text{Number of days on line 25} \times 9\%}{365}$				842.
27 Number of days on line 20 after 9/30/98 and before 1/1/99				
28 Underpayment on line 17 x $\frac{\text{Number of days on line 27} \times 9\%}{365}$				
29 Number of days on line 20 after 12/31/98 and before 2/16/99				
30 Underpayment on line 17 x $\frac{\text{Number of days on line 29} \times 9\%}{365}$				
31 Add lines 22, 24, 26, 28, and 30				1,006.
32 Penalty. Add columns (a) through (d), of line 31. Enter the total here and on Form 1120, line 33; Form 1120-A, line 29; or the comparable line for other income tax returns				1,006.

*For underpayments paid after March 31, 1998, see Lines 24, 26, 28, and 30 on page 3 of the instructions.

Schedule A Annualized Income Installment Method and/or the Adjusted Seasonal Installment Method Under Section 6655(e) (see pages 3 and 4 of the instructions)

Form 1120S filers: For lines 2, 14, 15, and 16, below, "taxable income" refers to excess net passive income or the amount on which tax imposed under section 1374(a) (or the corresponding provisions of prior law), whichever applies.

Part I - Annualized Income Installment Method		(a)	(b)	(c)	(d)
1 Annualization periods (see page 3 of the instructions).	1	First 3 months	First 3 months	First 6 months	First 9 months
2 Enter taxable income for each annualization period.	2	(3,698,312.)	(3,698,312.)	(3,907,519.)	3,166,473.
3 Annualization amounts (see page 3 of the instructions).	3	4	4	2	1.333
4 Annualized taxable income. Multiply line 2 by line 3.	4	(14,793,248.)	(14,793,248.)	(7,815,038.)	4,221,954.
5 Figure the tax on the amount in each column on line 4 using the instructions for Form 1120, Schedule J, line 3 (or the comparable line of the tax return).	5				1,435,464.
6 Enter other taxes for each payment period (see page 3 of the instructions).	6				
7 Total tax. Add lines 5 and 6.	7				1,435,464.
8 For each period, enter the same type of credits as allowed on Form 2220, lines 4 and 5c (see page 3 of the instructions).	8				280,461.
9 Total tax after credits. Subtract line 8 from line 7. If zero or less, enter -0-.	9				1,155,003.
10 Applicable percentage.	10	25%	50%	75%	100%
11 Multiply line 9 by line 10.	11				1,155,003.
12 Add the amounts in all preceding columns of line 11 (see page 3 of the instructions).	12				
13 Annualized income installments. Subtract line 12 from line 11. If zero or less, enter -0-.	13				1,155,003.

Part II - Adjusted Seasonal Installment Method (Caution: Use this method only if the base period percentage for any 6 consecutive months is at least 70%. See pages 3 and 4 of the instructions for more information.)

		(a)	(b)	(c)	(d)
14 Enter taxable income for the following periods:		First 3 months	First 5 months	First 8 months	First 11 months
a Tax year beginning in 1994	14a				
b Tax year beginning in 1995	14b				
c Tax year beginning in 1996	14c				
15 Enter taxable income for each period for the tax year beginning in 1997.	15				
		First 4 months	First 6 months	First 9 months	Entire year
16 Enter taxable income for the following periods:					
a Tax year beginning in 1994	16a				
b Tax year beginning in 1995	16b				
c Tax year beginning in 1996	16c				
17 Divide the amount in each column on line 14a by the amount in column (d) on line 16a.	17				
18 Divide the amount in each column on line 14b by the amount in column (d) on line 16b.	18				
19 Divide the amount in each column on line 14c by the amount in column (d) on line 16c.	19				

		(a)	(b)	(c)	(d)
		First 4 months	First 6 months	First 9 months	Entire year
20	Add lines 17 through 19.	20			
21	Divide line 20 by 3.	21			
22	Divide line 15 by line 21.	22			
23	Figure the tax on the amount on line 22 using the instructions for Form 1120, Schedule J, line 3 (or the comparable line of the return).	23			
24	Divide the amount in columns (a) through (c) on line 16a by the amount in column (d) on line 16a.	24			
25	Divide the amount in columns (a) through (c) on line 16b by the amount in column (d) on line 16b.	25			
26	Divide the amount in columns (a) through (c) on line 16c by the amount in column (d) on line 16c.	26			
27	Add lines 24 through 26.	27			
28	Divide line 27 by 3.	28			
29	Multiply the amount in columns (a) through (c) of line 23 by columns (a) through (c) of line 28. In column (d), enter the amount from line 23, column (d).	29			
30	Enter other taxes for each payment period (see page 4 of the instructions).	30			
31	Total tax. Add lines 29 and 30.	31			
32	For each period, enter the same type of credits as allowed on Form 2220, lines 4 and 5c (see page 4 of the instructions).	32			
33	Total tax after credits. Subtract line 32 from line 31. If zero or less, enter -0-.	33			
34	Add the amounts in all preceding columns of line 41 (see page 4 of the instructions).	34			
35	Adjusted seasonal installments. Subtract line 34 from line 33. If zero or less, enter -0-.	35			

Part III - Required Installments

			1st	2nd	3rd	4th
			installment	installment	installment	installment
36	If only one of the above parts is completed, enter the amount in each column from line 13 or line 35. If both parts are completed, enter the smaller of the amounts in each column from line 13 or line 35.	36				1,155,003.
37	Enter 25% of line 8 on page 1 of Form 2220 in each column. (Note: "Large corporations" see the instructions for Form 2220, line 10, on page 2 for the amounts to enter.)	37				1,115,003.
38	Enter the amount from line 40 of the preceding column.	38				
39	Add lines 37 and 38.	39				1,115,003.
40	If line 39 is more than line 36, subtract line 36 from line 39. Otherwise, enter -0-.	40				
41	Required Installments. Enter the smaller of line 36 or line 39 here and on page 1 of Form 2220, line 10.	41				1,115,003.

Depreciation and Amortization (Including Information on Listed Property)

1997

Department of the Treasury Internal Revenue Service (99)

See separate instructions.

Attach this form to your return.

Attachment Sequence No. 67

(e)(s) shown on return

Identifying number

Delta Natural Gas Company, Inc., & Subsidiaries

61-0458329

Business or activity to which this form relates

Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "listed property," complete Part V before you complete Part I.)

Table with 5 rows for lines 1-5 and 6-13. Line 1: \$18,000; Line 3: \$200,000; Line 13: 13.

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1997 Tax Year (Do Not Include Listed Property.)

Section A - General Asset Account Election

14 If you are making the election under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See page 3 of the instructions

Section B - General Depreciation System (GDS) (See page 3 of the instructions.)

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Includes rows for 3-year, 5-year, 7-year, 10-year, 15-year, 20-year, 25-year property, residential rental, and nonresidential real property.

Section C - Alternative Depreciation System (ADS) (See page 6 of the instructions.)

Table with 3 rows: 16a Class life, b 12-year, c 40-year.

Part III Other Depreciation (Do Not Include Listed Property.) (See page 6 of the instructions.)

Table with 3 rows: 17 GDS and ADS deductions, 18 Property subject to section 168(f)(1) election, 19 ACRS and other depreciation: 4,668,696.

Part IV Summary (See page 7 of the instructions.)

Table with 3 rows: 20 Listed property: 1,011,014; 21 Total: 6,318,760; 22 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs.

Part V Listed Property - Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 23a, 23b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See page 8 of the instructions for limits for passenger automobiles.)

23a Do you have evidence to support the business/investment use claimed?		X Yes		No		23b If "Yes," is the evidence written?		X Yes		No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
24 Property used more than 50% in a qualified business use (See page 7 of the instructions.):											
VEHICLES	VARIOUS	100.0000 %	2603702		5YR.	HY	433,613				
COMPUTERS	VARIOUS	100.0000 %	1498625		5YR.	HY	281,113				
SOFTWARE	VARIOUS	100.0000 %	960870		3YR.	STR	296,288				
25 Property used 50% or less in a qualified business use (See page 7 of the instructions.):											
		%				S/L -					
		%				S/L -					
		%				S/L -					
26 Add amounts in column (h). Enter the total here and on line 20, page 1							26	1,011,014			
27 Add amounts in column (i). Enter the total here and on line 7, page 1								27			

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
28 Total business/investment miles driven during the year (DO NOT include commuting miles)												
29 Total commuting miles driven during the year												
30 Total other personal (noncommuting) miles driven												
Total miles driven during the year.												
Add lines 28 through 30												
32 Was the vehicle available for personal use during off-duty hours?												
33 Was the vehicle used primarily by a more than 5% owner or related person?												
34 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
35 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		X
36 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 9 of the instructions for vehicles used by corporate officers, directors, or 1% or more owners	X	
37 Do you treat all use of vehicles by employees as personal use?		X
38 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?	X	
39 Do you meet the requirements concerning qualified automobile demonstration use? See page 9 of the instructions		X

Note: If your answer to 35, 36, 37, 38, or 39 is "Yes," you need not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
Amortization of costs that begins during your 1997 tax year.					
41 Amortization of costs that began before 1997					41
42 Total. Enter here and on "Other Deductions" or "Other Expenses" line of your return					42

Department of the Treasury
Internal Revenue Service

▶ See separate instructions.
▶ Attach to the corporation's tax return.

Name
Delta Natural Gas Company, Inc., & Subsidiaries

Employer identification number
61-0458329

1	1	Taxable income or (loss) before net operating loss deduction	1	4,416,912.
2	Adjustments and preferences:			
	2a	Depreciation of post-1986 property		1,585,288.
	2b	Amortization of certified pollution control facilities		
	2c	Amortization of mining exploration and development costs		
	2d	Amortization of circulation expenditures (personal holding companies only)		
	2e	Adjusted gain or loss		(1,819.)
	2f	Long-term contracts		
	2g	Installment sales		
	2h	Merchant marine capital construction funds		
	2i	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)		
	2j	Tax shelter farm activities (personal service corporations only)		
	2k	Passive activities (closely held corporations and personal service corporations only)		
	2l	Loss limitations		
	2m	Depletion		
	2n	Tax-exempt interest from specified private activity bonds		
	2o	Charitable contributions		
	2p	Intangible drilling costs		
	2q	Accelerated depreciation of real property (pre-1987)		
	2r	Accelerated depreciation of leased personal property (pre-1987) (personal holding companies only)		
	2s	Other adjustments		
	2t	Combine lines 2a through 2s	2t	1,583,469.
3	Preadjustment alternative minimum taxable income (AMTI). Combine lines 1 and 2t			3
4	Adjusted current earnings (ACE) adjustment:			
	4a	Enter the corporation's ACE from line 10 of the worksheet on page 8 of the instructions		6,141,797.
	4b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount (see examples beginning on page 4 of the instructions) ..		141,416.
	4c	Multiply line 4b by 75% (.75). Enter the result as a positive amount		106,062.
	4d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see page 5 of the instructions). Note: You must enter an amount on line 4d (even if line 4b is positive)		5,116,872.
	4e	ACE adjustment: • If you entered a positive number or zero on line 4b, enter the amount from line 4c here as a positive amount. • If you entered a negative number on line 4b, enter the smaller of line 4c or line 4d here as a negative amount.	4e	106,062.
5	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe alternative minimum tax			5
6	Alternative tax net operating loss deduction (see page 5 of the instructions)			6
7	Alternative minimum taxable income. Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see page 5 of the instructions			7
				6,106,443.

For Paperwork Reduction Act Notice, see separate instructions.

8	8	6,106,443
9 Exemption phase-out computation (if line 8 is \$310,000 or more, skip lines 9a and 9b and enter -0- on line 9c):		
a Subtract \$150,000 from line 8 (if you are completing this line for a member of a controlled group, see page 5 of the instructions). If zero or less, enter -0-	9a	
b Multiply line 9a by 25% (.25)	9b	
c Exemption. Subtract line 9b from \$40,000 (if you are completing this line for a member of a controlled group, see page 5 of the instructions). If zero or less, enter -0-	9c	
10 Subtract line 9c from line 8. If zero or less, enter -0-	10	6,106,443
11 Multiply line 10 by 20% (.20)	11	1,221,289
12 Alternative minimum tax foreign tax credit. See page 5 of the instructions	12	
13 Tentative minimum tax. Subtract line 12 from line 11	13	1,221,289
14 Regular tax liability before all credits except the foreign tax credit and possessions tax credit	14	1,501,750
15 Alternative minimum tax. Subtract line 14 from line 13. Enter the result on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 9). If zero or less, enter -0-	15	

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F(b)(2))

Department of the Treasury
Internal Revenue Service (99)

Attach to your tax return. See separate instructions.

Attachment
Sequence No. 27

Name(s) shown on return: Delta Natural Gas Company, Inc., & Subsidiaries
Identifying number: 61-0458329

1 Enter here the gross proceeds from the sale or exchange of real estate reported to you for 1997 on Form(s) 1099-S (or a substitute statement) that you will be including on line 2, 10, or 20 1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Property Held More Than 1 Year

Table with 8 columns: (a) Description of property, (b) Date acquired, (c) Date sold, (d) Gross sales price, (e) Depreciation allowed, (f) Cost or other basis, (g) GAIN or (LOSS) for entire year, (h) 28% RATE GAIN or (LOSS).

3 Gain, if any, from Form 4684, line 39
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824
6 Gain, if any, from line 32, from other than casualty or theft
7 Combine lines 2 through 6 in columns (g) and (h). Enter gain or (loss) here, and on the appropriate line as follows: Partnerships, S corporations, All others
8 Nonrecaptured net section 1231 losses from prior years
9 Subtract line 8 from line 7. If zero or less, enter -0. Also enter on the appropriate line as follows (see instructions): S corporations, All others

Corporations (other than S corporations) should not complete column (h). Partnerships and S corporations must complete column (h). All others must complete column (h) only if line 7, column (g), is a gain. 28% rate gain or loss includes all gains and losses in column (g) from sales, exchanges, or conversions (including installment payments received) either (a) before 5/7/97 or (b) after 7/18/97 for assets held more than 1 year but not more than 18 months.

Part II Ordinary Gains and Losses

10 Ordinary gains and losses not included on lines 11 through 17 (include property held 1 year or less):

11 Loss, if any, from line 7, column (g)
12 Gain, if any, from line 7, column (g) or amount from line 8, column (g) if applicable
13 Gain, if any, from line 31
14 Net gain or (loss) from Form 4684, lines 31 and 38a
15 Ordinary gain from installment sales from Form 6252, line 25 or 36
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824
17 Recapture of section 179 expense deduction for partners and S corporation shareholders from property dispositions by partnerships and S corporations (see instructions)
18 Combine lines 10 through 17 in columns (g). Enter gain or (loss) here, and on the appropriate line as follows:
a For all except individual returns: Enter the gain or (loss) from line 18 on the return being filed.
b For individual returns:
(1) If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here and on line 22 of Schedule A (Form 1040). Identify as from "Form 4797, line 18b(1)." See instructions
(2) Redetermine the gain or (loss) on line 18, excluding the loss, if any, on line 18b(1). Enter here and on Form 1040, line 14

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A EQUIPMENT	VARIOUS	VARIOUS
B		
C		
D		

These columns relate to the properties on lines 19A through 19D. ▶		Property A	Property B	Property C	Property D
20 Gross sales price (Note: See line 1 before completing.)	20	166,941			
21 Cost or other basis plus expense of sale	21	818,671			
22 Depreciation (or depletion) allowed or allowable	22	697,271			
23 Adjusted basis. Subtract line 22 from line 21	23	121,400			
24 Total gain. Subtract line 23 from line 20	24	45,541			
25 If section 1245 property:					
a Depreciation allowed or allowable from line 22	25a	697,271			
b Enter the smaller of line 24 or 25a	25b	45,541			
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.					
a Additional depreciation after 1975 (see instructions)	26a				
b Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)	26b				
c Subtract line 26a from line 24. If residential rental property or line 24 is not more than line 26a, skip lines 26d and 26e	26c				
d Additional depreciation after 1969 and before 1976	26d				
e Enter the smaller of line 26c or 26d	26e				
f Section 291 amount (corporations only)	26f				
g Add lines 26b, 26e, and 26f	26g				
27 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership.					
a Soil, water, and land clearing expenses	27a				
b Line 27a multiplied by applicable percentage (see instructions)	27b				
c Enter the smaller of line 24 or 27b	27c				
28 If section 1254 property:					
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)	28a				
b Enter the smaller of line 24 or 28a	28b				
29 If section 1255 property:					
a Applicable percentage of payments excluded from income under section 126 (see instructions)	29a				
b Enter the smaller of line 24 or 29a (see instructions)	29b				

Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.

30 Total gains for all properties. Add property columns A through D, line 24	30	45,541
31 Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	45,541
32 Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6, column (g), and if applicable, column (h)	32	

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less

See instructions.

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years	33	
34 Recomputed depreciation. See instructions	34	
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35	

Form **7004**

(Rev. July 1997)

Department of the Treasury
Internal Revenue Service

Application for Automatic Extension of Time To File Corporation Income Tax Return

OMB No. 1545-0233

Name of corporation
DELTA NATURAL GAS COMPANY, INC., & SUBSIDIARIES

Employer identification number
61-0458329

Number, street, and room or suite no. (If a P.O. box or outside the United States, see instructions.)
3617 LEXINGTON ROAD

City or town, state, and ZIP code
WINCHESTER KY 40391

Check type of return to be filed:

- Form 1120 Form 1120-FSC Form 1120-ND Form 1120-REIT Form 1120-SF
- Form 1120-A Form 1120-H Form 1120-PC Form 1120-RIC Form 990-C
- Form 1120-F Form 1120-L Form 1120-POL Form 1120S Form 990-T

Form 1120-F filers: Check here if you do not have an office or place of business in the United States

1a I request an automatic 6-month (or, for certain corporations, 3-month) extension of time
until March 15, 1999, to file the income tax return of the corporation named above for calendar
year _____ or tax year beginning July 1, 1997, and ending June 30, 1998

b If this tax year is for less than 12 months, check reason:
 Initial return Final return Change in accounting period Consolidated return to be filed

2 If this application also covers subsidiaries to be included in a consolidated return, complete the following:

Name and address of each member of the affiliated group	Employer identification number	Tax period
Delta Natural Gas Company, Inc. 3617 Lexington Road; Winchester, KY 40391	61-0458329	6/30/98
Delta Resources, Inc. same as above	61-1056941	6/30/98
Delgasco, Inc. same as above	61-1103681	6/30/98
Deltran, Inc. same as above	61-1103682	6/30/98
Enpro, Inc. same as above	61-1103680	6/30/98
TranEx Corporation same as above	61-1082046	6/30/98

3 Tentative tax (see instructions) **3** **1,457,000**

4 Credits:

a Overpayment credited from prior year ...	4a	
b Estimated tax payments for the tax year	4b	1,076,600
c Less refund for the tax year applied for on Form 4466	4c	() Bal ▶
	4d	1,076,600
e Credit from regulated investment companies	4e	
f Credit for Federal tax on fuels	4f	

5 Total. Add lines 4d through 4f. *per* **5** **1,076,600**

Balance due. Subtract line 5 from line 3. Deposit this amount electronically or with a Federal Tax Deposit (FTD) Coupon (see instructions) **6** **380,400**

Signature. — Under penalties of perjury, I declare that I have been authorized by the above-named corporation to make this application, and to the best of my knowledge and belief, the statements made are true, correct, and complete.

John J. Hall
(Signature of officer or agent)

VP Finance, Sec. & Treasurer
(Title)

9/09/98
(Date)

Form **8827****Credit For Prior Year Minimum Tax-Corporations**

OMB No. 1545-1257

Department of the Treasury
Internal Revenue Service

▶ Attach to the corporation's tax return.

1997

Employer identification number	
Delta Natural Gas Company, Inc., & Subsidiaries	
61-0458329	
1	Alternative minimum tax for 1996. Enter the amount from line 15 of the 1996 Form 4626 225,046
2	Minimum tax credit carryforward from 1996. Enter the amount from line 9 of the 1996 Form 8827 1,307,987
3	Enter the total of any 1996 unallowed nonconventional source fuel credit and 1996 unallowed qualified electric vehicle credit. See instructions
4	Add lines 1, 2, and 3 1,533,033
5	Enter the corporation's 1997 regular income tax liability minus allowable tax credits. See instructions 1,501,750
6	Enter the tentative minimum tax from line 13 of the 1997 Form 4626 1,221,289
7	Subtract line 6 from line 5. If zero or less, enter -0- 280,461
8	Minimum tax credit. Enter the smaller of line 4 or line 7. Also enter this amount on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 4e). If the corporation had a post-1986 ownership change or has preacquisition excess credits, see instructions 280,461
9	Minimum tax credit carryforward to 1998. Subtract line 8 from line 4. See instructions 1,252,572

General Instructions*Section references are to the Internal Revenue Code.***Purpose of Form**

Form 8827 is used by corporations to figure the minimum tax credit, if any, for alternative minimum tax (AMT) incurred in prior tax years and to figure any minimum tax credit carryforward.

Who Should File

Form 8827 should be filed by corporations that had:

- An AMT liability in 1996;
- A minimum tax credit carryforward from 1996 to 1997; or
- A nonconventional source fuel credit or a qualified electric vehicle credit not allowed for 1996 (see the instructions for line 3).

Specific Instructions**Line 3**

Enter the total of any nonconventional source fuel credit and qualified electric vehicle credit not allowed for 1996 solely because of the limitations under sections 29(b)(6)(B) and 30(b)(3)(B).

Line 5

Enter the corporation's 1997 regular income tax liability (as defined in section 26(b)) minus any credits allowed under

Subchapter A, Part IV, subparts B, D, E, and F of the Internal Revenue Code (e.g., if you are filing Form 1120, subtract any credits on Schedule J, lines 4a through 4d, from the amount on Schedule J, line 3).

Line 8

If the corporation had a post-1986 ownership change (as defined in section 382(g)), the amount of pre-change minimum tax credits that can be applied against the corporation's tax for any tax year ending after the ownership change may be limited. See section 383 and the related regulations. To figure the amount of the pre-change credit, the corporation must allocate the credit for the change year between the pre-change period and the post-change period. The corporation must use the same method of allocation (ratable allocation or closing-of-the-books) for purposes of sections 382 and 383. See Regulations section 1.382-6 for details. Also, preacquisition excess credits of one corporation generally cannot be used to offset the tax attributable to recognized built-in gains of another corporation. See section 384 for details.

If either limit applies, attach a computation of the minimum tax credit allowed. Enter that amount on line 8. Write "Sec. 383" or "Sec. 384" on the dotted line to the left of the line 8 entry space.

Line 9

Keep a record of this amount to carry forward and use in future years.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 1 hour.

If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.

Form 8827 (1997)

Kentucky Corporation Income and License Tax Return

(S Corporations Use Form 720S)

See separate instructions.

1997

Commonwealth of Kentucky
REVENUE CABINET

Taxable period beginning July 1, 1997, and ending June 30, 1998

<input type="checkbox"/> License Tax Return <input checked="" type="checkbox"/> Separate entity <input type="checkbox"/> Consolidated <input type="checkbox"/> Return not required	Name of Corporation or Affiliated Group (Use preaddressed label; otherwise print or type.) Delta Natural Gas Company, Inc.			C Kentucky Account Number 005964	
	Number and Street 3617 Lexington Road			D Federal Identification Number 61-0458329	
<input checked="" type="checkbox"/> License Tax Return <input type="checkbox"/> Separate entity <input type="checkbox"/> Consolidated <input type="checkbox"/> Return not required	City Winchester	State KY	ZIP Code 40391	Telephone Number 606-744-6171	
	State and Date of Incorporation KY 10-7-49		Principal Business Activity in Kentucky Natural Gas		E Federal Business Code Number 4920
B Name of common Parent				Kentucky Account Number	

F Check if applicable: Initial return Final return Short-period return Change of name/address

PART I - TAXABLE INCOME COMPUTATION		PART III - LICENSE TAX COMPUTATION	
1. Federal taxable income (Form 1120, line 28; Form 1120A, line 24)	3,778,309.	8. Estimated payments	
ADDITIONS:		9. Extension payment	
2. Interest income (state and local obligations)		10. Prior year's credit	
3. State taxes based on net/gross income	86,400.	11. License tax overpayment (Part III, line 23)	
4. Transition amount (income)		12. Income tax due	86,431.
5. Safe harbor lease adjustment		13. Income tax overpayment	
6. Deductions attributable to nontaxable income		14. Credited to 1997 license tax	
7. Other (attach schedule)		15. Claimed on 1998 estimate	
8. Total (add lines 1 through 7)	3,864,709.	16. Refunded	

SUBTRACTIONS:		1. Capital stock	
9. Interest income (U.S. obligations)		2. Paid-in or capital surplus	
10. Dividend income		3. Retained earnings - appropriated	
11. Transition amount (deduction)	1,061,350.	4. Retained earnings - unappropriated	Regulated
12. Federal jobs credit		5. Mortgages, notes payable in less than 1 year	Company
13. Safe harbor lease adjustment		6. Advances by affiliated companies	
14. Other (attach schedule)		7. Mortgages, notes payable in 1 year or more	
15. Net income (line 8 less lines 9 through 14)	2,803,359.	8. Other liabilities	
16. Taxable net income (attach Sch. A if applicable)	2,803,359.	9. Intercompany accounts	
17. Net operating loss deduction	1,696,617.	10. Other capital accounts	
18. Taxable net income (after NOLD)	1,106,742.	11. Less monies borrowed for inventory	
		12. Less KRS 136.071 deduction	
		13. Total capital (combine lines 1 through 12)	
		14. Apportionment fraction (attach Sch. A if applicable)	%
		15. Capital employed subject to tax	
		16. Tax before credit (line 15 multiplied by .0021)	
		17. License tax credit	
		18. License tax liability	
		19. Extension payment	
		20. Income tax overpayment (Part II, line 14)	
		21. License tax due	
		22. License tax overpayment	
		23. Credited to 1997 income tax	
		24. Credited to 1998	
		25. Refunded	

PART II - INCOME TAX COMPUTATION		
Taxable Net Income	Rate	
1. (a) First \$25,000	25,000. x 4%	1,000.
(b) Next \$25,000	25,000. x 5%	1,250.
(c) Next \$50,000	50,000. x 6%	3,000.
(d) Next \$150,000	150,000. x 7%	10,500.
(e) All over \$250,000	856,742. x 8.25%	70,681.
2. Income tax liability (add lines 1(a) through (e))		86,431.
3. Unemployment tax credit		
4. Recycling/composting equipment tax credit		
5. Coal conversion tax credit		
6. Enterprise zone tax credit		
7. Net income tax liability		86,431.

TAX PAYMENT Income	86,431.	License	
SUMMARY Interest	3,241.	Penalty	5,550.
		TOTAL	95,222.

Check(s) payable to Kentucky State Treasurer. Mail return with payment to Kentucky Revenue Cabinet, Frankfort, Kentucky 40620.

I, undersigned, declare under the penalties of perjury, that I have examined these returns, including all accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct and complete.

Signature of principal officer or chief accounting officer: John J. Hall VP-Finance
 Date: 3/8/99
 Name and Social Security or federal identification number of person or firm preparing return: _____

SCHEDULE Q - KENTUCKY CORPORATION QUESTIONNAIRE

Note: Do not enter name and account numbers if entered on Form 720 on reverse.

Table with 3 columns: Name of Corporation, Federal Identification No., Kentucky Account No.
Delta Natural Gas Company, Inc. 61-0458329 005964

IMPORTANT: Questions 4-12 must be completed by all corporations. If this is the corporation's initial return or if the corporation did not file a return under the same name and same federal I.D. number for the preceding year, questions 1, 2 and 3 must be answered. Failure to do so may result in a request for a delinquent return.

- 1. Indicate whether: (a) completely new business; (b) successor to previously existing business which was organized as: (1) corporation; (2) partnership; (3) sole proprietorship; or (4) other

If successor to previously existing business, give name, address and federal I.D. number of the previous business organization.

- 2. List the following Kentucky account numbers. Enter N/A for any number not applicable.

Employer Withholding
Sales and Use Tax Permit
Consumer Use Tax
Unemployment Insurance
Coal Severance and/or
Processing Tax

- 3. If a foreign corporation, enter the date qualified to do business in Kentucky.

- 4. The corporation's books are in care of: John Brown

- 5. Did the corporation at any time during the taxable year own 50 percent or more of the voting stock of another corporation, either domestic or foreign? Yes No

- 6. Did any corporation, individual, partnership, trust or association at any time during the taxable year own 50 percent or more of the corporation's voting stock? Yes No
If "Yes," attach a schedule listing the name, address and federal I.D. number of the entity.

- 7. If the corporation has a KNOL for the taxable year and is electing to forego the net operating loss carryback period, check here

- 8. Is the corporation a partner in a partnership doing business in Kentucky? Yes No
If "Yes," list name and federal I.D. number of the partnership.

Did the corporation have property or payroll in Kentucky, other than partnership property or payroll? Yes No

- 9. Was this return prepared on: (a) cash basis, (b) accrual basis, (c) other

- 10. Is the corporation a public service corporation subject to taxation under KRS 136.120? Yes No

- 11. (a) Did the corporation file a Kentucky intangible property tax return for January 1, 1998? Yes No
(b) Did the corporation file a Kentucky tangible personal property tax return for January 1, 1998? Yes No

- 12. Is the corporation currently under audit by the Internal Revenue Service? Yes No
If "Yes," enter years under audit

If the Internal Revenue Service has made final and unappealable adjustments to the corporation's taxable income which have not been reported to this Cabinet, check here and file Form 720X, Amended Kentucky Corporation Income Tax and Corporation License Tax Return, for each year adjusted and attach a copy of the final determination.

OFFICER INFORMATION (Failure to Provide Requested Information May Result in a Penalty)

President's Name:

President's Address:

See Attached

President's Social Security Number:

Percent of Stock Owned: %

Vice President's Name:

Vice President's Address:

Vice President's Social Security Number:

Percent of Stock Owned: %

Treasurer's Name:

Treasurer's Address:

Treasurer's Social Security Number:

Percent of Stock Owned: %

Secretary's Name:

Secretary's Address:

Secretary's Social Security Number:

Percent of Stock Owned: %

7/14/98 11:18:45

SIX MONTHS TOTAL COST OF MONTHLY TAXES - FRANCHISES(1998)

PAGE 1

Code Taxing District

	JAN	FEB	MAR	APR	MAY	JUN	Six Month Total
301 Franchise Fee-Richmond	2,630.82	2,442.68	2,094.53	1,177.71	530.65	295.11	9,171.50
302 Franchise Fee-Owingsville	2,580.23	2,537.07	2,391.11	2,430.43	891.36	468.50	11,298.80
303 Franchise Fee-Jeffersonville	1,338.37	1,154.40	877.91	834.62	306.78	138.04	4,585.12
304 Franchise Fee-Beattyville	930.47	716.53	725.21	475.14	207.45	123.73	3,178.53
305 Franchise Fee-Berea	13,969.26	12,552.29	11,599.31	8,729.07	4,817.99	3,323.50	55,091.42
306 Franchise Fee-N. Middletown	782.76	510.76	622.81	530.80	171.55	188.53	2,727.01
307 Franchise Fee-Barbourville	11,825.34	8,842.92	8,248.73	6,585.44	2,066.97	1,584.52	39,154.92
308 Franchise Fee-Fayette	225.75	241.05	186.06	200.69	78.45	47.90	979.90
309 Franchise Fee-Amviiie	.01	.01	798.97	799.91	40.21	122.00	1,644.69
TOTAL	34,138.01	29,097.71	27,564.64	21,698.61	9,030.99	6,271.93	127,801.89

** END OF REPORT **

01/21/99 09:11:12

SIX MONTHS TOTAL COST OF MONTHLY TAXES - FRANCHISE

Code	Taxing District	JUL	AUG	SEP	OCT	NOV	DEC	Six Month Total
FR01	Franchise Fee-Richmond	328.59	340.86	313.76	542.10	937.20	1,294.52	3,757.03
FR02	Franchise Fee-Owingsville	428.58	412.97	376.45	455.87	720.40	1,243.38	3,637.75
FR03	Franchise Fee-Jeffersonville	204.38	212.05	202.30	288.55	470.52	588.95	1,966.96
FR04	Franchise Fee-Beattyville	142.90	127.67	117.50	188.55	401.49	563.23	1,541.44
FR05	Franchise Fee-Berea	3,255.10	3,152.88	3,347.95	4,177.44	5,689.38	7,408.83	28,032.58
FR06	Franchise Fee-N. Middletown	76.97	91.58	90.99	109.85	188.74	350.80	908.93
FR07	Franchise Fee-Barbourville	1,843.33	1,928.25	1,721.08	2,775.99	4,343.64	5,283.31	17,895.60
FR08	Franchise Fee-Fayette	48.53	53.29	52.15	69.87	148.34	222.42	594.60
FR09	Franchise Fee-Annville	82.82	81.78	88.05	106.89	197.91	368.95	926.40
TOTAL		6,412.30	6,401.33	6,310.23	8,715.32	14,097.72	17,324.39	59,261.29

*** END OF REPORT ***

FRANCHISE/DUNCUSON

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176
Analysis of Other Operating Taxes
12 Months Ended 1998
(000's)

Line No.	Item	Charged Expense	Charged to Construction	Charged to Other Accounts	Amounts Accrued	Amount Paid
1.	Kentucky Retail:					
	(a) State Income	208				30
	(b) Sales, Utility & Franchise Fees				1,406	1,616
	(c) Ad Valorem	743				1,132
	(d) Payroll (Employers Portion)	481	*	*		482
	(e) Other Taxes	-			-	-
2.	Total Retail (L1(a) through L1(e))	1,432	-	-	1,406	3,260
3.	Other Jurisdictions	-	-	-	-	-
	Total Per Books (L2 and L3)	1,432	-	-	1,406	3,260

* Amounts applicable to construction or other accounts are allocated and cleared from operating expenses via a/c 922 along with payroll costs and benefits and thus the specific payroll tax is not set out.

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

22. Provide a schedule of total company net income, per Mcf sold, per company books for the test year and the 5 calendar years preceding the test year. This data should be provided as shown in Format 22.

RESPONSE:

See attached schedule.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.

ITEM 22
FORMAT 22

NET INCOME PER MCF SOLD For the Calendar Years 1993 Through 1998

Line No.	Item	1993					1994					1995					1996					1997					Test Year 1998									
1	OPERATING INCOME:																																			
2	OPERATING REVENUES	3.44					3.74					3.70					4.24					5.03					4.47									
3	OPERATING EXPENSES:																																			
4	OPERATION EXPENSES	2.39					2.73					2.58					2.92					1.04					1.05									
5	MAINTENANCE EXPENSES	0.05					0.05					0.07					0.06					0.08					0.07									
6	DEPRECIATION EXPENSES	0.23					0.25					0.29					0.34					0.40					0.46									
7	AMORTIZATION EXPENSES	0.00					0.00					0.00					0.00					0.00					0.00									
8	TAXES OTHER THAN INCOME	0.10					0.11					0.12					0.13					0.15					0.16									
9	INCOME TAXES	0.14					0.11					0.11					0.14					0.12					0.12									
10	TOTAL	2.92					3.26					3.17					3.59					4.29					3.67									
11	OPERATING INCOME	0.52					0.49					0.53					0.65					0.74					0.80									
12	OTHER INCOME - NET	0.06					0.07					0.08					0.05					0.06					0.07									
13	INCOME BEFORE INTEREST CHARGE	0.57					0.56					0.60					0.70					0.79					0.86									
14	INTEREST CHARGES:																																			
15	INTEREST ON LONG-TERM DEBT	0.23					0.23					0.24					0.29					0.51					0.56									
16	AMORT. OF DEBT DISC. AND EXPENSES	0.01					0.01					0.01					0.01					0.00					0.02									
15	OTHER INTEREST EXPENSE	0.03					0.04					0.07					0.11					0.01					0.00									
18	TOTAL	0.27					0.29					0.32					0.41					0.53					0.58									
19	NET INCOME	0.30					0.28					0.28					0.29					0.26					0.29									
20	MCF PER YEAR	8,069,995					8,105,979					7,796,383					8,425,985					7,702,212					7,605,351									

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

23. Provide the comparative operating statistics as shown in Format 23.

RESPONSE:

See attached schedule.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.

CASE NUMBER 99-176

COMPARATIVE OPERATING STATISTICS

For the Calendar Year 1993 through 1997

and the 12-Month Period Ended December 1998

(Total Company)

12 Months Ended

Line No.	Item (a)	5th		4th		3rd		2nd		1st		Test Year	
		Cost (b)	% Increase (c)	Cost (d)	% Increase (e)	Cost (f)	% Increase (g)	Cost (h)	% Increase (i)	Cost (j)	% Increase (k)	Cost (l)	% Increase (m)
1	Cost per Mcf of Purchased Gas	3.18	2	3.44	8	2.79	(19)	4.07	46	4.13	1	3.72	(10)
2	Cost of Propane Gas Per Mcf Equivalent for Peak Shaving	-	-	-	-	-	-	-	-	-	-	-	-
3	Cost Per Mcf Of Gas Sold	2.97	5	3.51	18	3.15	(10)	3.21	2	4.73	47	4.39	(7)
4	Maintenance Cost per Transmission Mile	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
5	Maintenance Cost Per Transmission & Distribution Mile	79	(37)	81	3	125	54	105	(16)	98	(7)	92	(6)
6	Sales Promotion Expense Per Customer	0.13	(72)	0.48	269	0.35	(27)	0.53	51	0.43	(19)	0.29	(33)
7	Administration and General Expense Per Customer	124.61	3	128.41	3	113.17	(12)	111.16	(2)	64.55	(42)	43.55	(33)
8	Wages and Salaries - Charged Expense:												
9	Per Average Employee	23,140.54	5	24,770.01	7	24,275.79	(2)	23,064.30	(5)	23,873.90	4	24,364.08	2
10	Depreciation Expense:												
11	Per \$100 of Average Gross Plant In Service	2.77	7	2.77	0	2.76	0	2.86	0	3.09	0	3.21	0
12	Rents:												
13	Per \$100 of Average Gross Plant In Service	0.04	(20)	0.03	(25)	0.02	(33)	0.03	50	0.01	(67)	0.02	100
14	Property Taxes:												
15	Per \$100 of Average Net Plant in Service	0.75	(1)	0.79	5	0.78	(1)	0.81	4	0.87	7	0.91	5
16	Payroll Taxes:												
17	Per Average Employee Whose Salary is Charged to Expense	2,409.21	4	2,575.61	7	2,549.86	(1)	2,561.22	0	2,620.68	2	2,585.17	(1)

DELTA NATURAL GAS COMPANY, INC.

CASE NUMBER 99-176

COMPARATIVE OPERATING STATISTICS

For the Calendar Year 1993 through 1997
and the 12-Month Period Ended December 1998
(Total Company)

12 Months Ended

Line No.	Item (a)	Calendar Years-Prior to Test Year												Test Year	
		5th		4th		3rd		2nd		1st		Cost (l)	% Increase (m)		
		Cost (b)	% Increase (c)	Cost (d)	% Increase (e)	Cost (f)	% Increase (g)	Cost (h)	% Increase (i)	Cost (j)	% Increase (k)	Cost (l)	% Increase (m)		
18	Interest Expense:														
19	Per \$100 of Average Debt Outstanding	7.64	3	7.42	(3)	6.99	(6)	7.43	6	5.89	(21)	7.68	30		
20	Per \$100 of Average Plant Investment	4.53	(4)	4.32	(5)	4.10	(5)	4.57	11	4.15	(9)	5.55	34		
21	Per Mcf Sold	0.55	(4)	0.57	4	0.62	9	0.69	11	0.71	1		(100)		

NOTES:

- (1) Unable to segregate maintenance cost between Transmission and Distribution Main
Therefore, Line 5 is maintenance cost per Transmission and Distribution Main Mile
Approx. 80% of Delta's mains are Distribution

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

24. Provide a statement of gas plant in service, per company books, for the test year. This data should be presented as shown in Format 24.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.

CASE NUMBER 99-176 ITEM 24

STATEMENT OF GAS PLANT IN SERVICE

12 MONTHS ENDED 12/31/98

(Total Company)

Line No.	Account Number	Title of Accounts (a)	Beginning Balance (b)	Additions (c)	Retirements (d)	Transfers (e)	Ending Balance (f)
		<u>Intangible Plant</u>					
1	301	Organization	53,151				53,151
2	302	Franchises and Consents	2,739		953		1,786
3		Total Intangible Plant	55,890	0	953	0	54,937
		<u>Production Plant</u>					
		<u>Natural Gas Production & Gathering Plant</u>					
4	304	Land & Rights	35,377				35,377
5	305	Structures and Improvements	60,604				60,604
6	325	Right of Ways	75,975				75,975
7	327	Compressor Station Structures	42,950				42,950
8	331	Well Equipment	13,392				13,392
	332	Field Lines	1,815,170	22,148	1,435		1,835,883
10	333	Compressor Station Equipment	800,454				800,454
11	334	Measuring & Regulating Stations	82,734				82,734
12		Total Production and Gathering Plant	2,926,656	22,148	1,435	0	2,947,369
		<u>Natural Gas Storage & Processing Plant</u>					
		<u>Underground Storage Plant</u>					
13	3505	Gas Rights Wells	45,400				45,400
14	3506	Gas Rights Storage	171,665				171,665
16		Total Underground Storage Plant	217,065	0	0	0	217,065
		<u>Transmission Plant</u>					
17	3651	Land & Rights	43,284				43,284
18	3652	Rights of Way	414,009	14,199			428,208
19	3653	Land Rights CVPL	163,626				163,626
20	366	Structures & Improvements	145,444				145,444
21	367	Mains	19,917,363	1,073,527	22,418		20,968,472
22	368	Compressor Station Equipment	1,267,850	8,439			1,276,289
23	369	Meas & Reg Stat Equipment	880,470	198,341			1,078,811
24	371	Other Equipment	418,719	19,174			437,893
25		Total Transmission Plant	23,250,765	1,313,680	22,418	0	24,542,027
		<u>Distribution Plant</u>					
26	374	Land & Land Rights	242,871	5,607			248,478
27	375	Structures & Improvements	101,108	2,265			103,373
	376	Mains	42,377,397	4,460,036	338,435		46,498,998
29	378	Meas & Reg Stat Equip - General	906,431	62,585	3,424		965,592
30	379	Meas & Reg Stat Equip - City Gate	390,893				390,893

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

25. Provide the following information. If any amounts were allocated, show a calculation of the factor used to allocate each amount.

a. A detailed analysis of all charges booked during the test period for advertising expenditures. Include a complete breakdown of Account 913 - Advertising Expenses, as shown in Format 25a showing any other advertising expenditures included in any other expense accounts. The analysis should specify the purpose of the expenditure and the expected benefit to be derived.

b. An analysis of Account No. 930 - Miscellaneous General Expenses for the test period. Include a complete breakdown of this account as shown in Format 25b and provide detailed workpapers supporting this analysis. At a minimum, the workpapers should show the date, vendor, reference (i.e., voucher no., etc.), dollar amount, and brief description of each expenditure of \$500 or more, provided that lesser items are grouped by classes as shown in Format 25b.

c. An analysis of Account No. 426 - Other Income Deductions for the test period. Include a complete breakdown of this account as shown in Format 25c, and provide detailed workpapers supporting this analysis. At a minimum, the workpapers should show the date, vendor, reference (i.e., voucher no., etc.), dollar amount, and brief description of each expenditure of \$500 or more, provided that lesser items are grouped by classes as shown in Format 25c.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John F. Hall

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176
Account 913 - Advertising Expense
For the 12 Months Ended 12/31/98

Format 25a

Line No.	Item (a)	Sales or Promotional Advertising (b)	Educational (c)	Conservation Advertising (d)	Rate Case (e)	Economic Development / Appreciation of Customers (f)	Total (g)
1	NEWSPAPER					170.00	170.00
2	MAGAZINES & OTHER	10,005.10	75.00			525.00	10,605.10
3	TELEVISION						0.00
4	RADIO						0.00
5	DIRECT MAIL						0.00
6	SALES AIDS						0.00
7	TOTAL FOR A/C 1.913	10,005.10	75.00	0.00	0.00	695.00	10,775.10
8	AMOUNT ASSIGNED TO KY RETAIL						0.00

Delta Natural Gas Company, Inc.
CASE NO. 99-176

Format 25a

Account 913 - Advertising Expense
For the 12 months Ended 12-31-98

Line No.	DATE	Vendor #	Check #	Vendor Name	Net Amount	Line Description
1	1998-02-19	2411	142212	TIMES-TRIBUNE, THE	\$ 20.00	ECONOMIC DEVELOPMENT, APPRECIATION OF CUSTOMERS
2	1998-03-31	1261	143782	JESSAMINE JOURNAL	\$ 180.00	PROMOTE RESIDENTIAL CUSTOMERS
3	1998-03-31	1645	143401	MIDDLESBORO DAILY NEWS	\$ 183.60	PROMOTE RESIDENTIAL CUSTOMERS
4	1998-04-30	1557	144404	MANCHESTER ENTERPRISE INC	\$ 325.00	PROMOTE RESIDENTIAL CUSTOMERS
5	1998-04-30	1923	144430	PINEVILLE SUN	\$ 141.75	PROMOTE RESIDENTIAL CUSTOMERS
6	1998-04-30	2069	144438	RICHMOND REGISTER	\$ 273.90	PROMOTE RESIDENTIAL CUSTOMERS
7	1998-04-30	2152	144684	SENTINEL-ECHO, THE	\$ 150.00	PROMOTE RESIDENTIAL CUSTOMERS
8	1998-05-05	1233	144198	J FRANK PUBLISHING	\$ 75.00	1998 SKHBA DIRECTOR
9	1998-06-09	0	145459	GOLF CLASSICS	\$ 300.00	ECONOMIC DEVELOPMENT, APPRECIATION OF CUSTOMERS
10	1998-06-30	3561	146281	SOUTHEAST KENTUCKY HBA	\$ 150.00	ECONOMIC DEVELOPMENT, APPRECIATION OF CUSTOMERS
11	1998-07-31	3561	147175	SOUTHEASTERN KENTUCKY HBA	\$ 75.00	EDUCATIONAL
12	1998-09-30	1261	148913	JESSAMINE JOURNAL	\$ 329.00	PROMOTE RESIDENTIAL CUSTOMERS
13	1998-09-30	2069	148979	RICHMOND REGISTER	\$ 560.30	PROMOTE RESIDENTIAL CUSTOMERS
14	1998-10-31	33	150096	ADVOCATE PUBLISHING COMPANY	\$ 112.32	PROMOTE RESIDENTIAL CUSTOMERS
15	1998-10-31	210	150407	BATH COUNTY NEWS OUTLOOK	\$ 216.00	PROMOTE RESIDENTIAL CUSTOMERS
16	1998-10-31	266	149898	BEREA CITIZEN, THE	\$ 503.13	PROMOTE RESIDENTIAL CUSTOMERS
17	1998-10-31	1261	149963	JESSAMINE JOURNAL	\$ 358.50	PROMOTE RESIDENTIAL CUSTOMERS
18	1998-10-31	1557	149793	MANCHESTER ENTERPRISE INC	\$ 110.00	PROMOTE RESIDENTIAL CUSTOMERS
19	1998-10-31	1645	149798	MIDDLESBORO DAILY NEWS	\$ 488.48	PROMOTE RESIDENTIAL CUSTOMERS
20	1998-10-31	1789	150002	NEWS JOURNAL	\$ 253.75	PROMOTE RESIDENTIAL CUSTOMERS
21	1998-10-31	2069	150020	RICHMOND REGISTER	\$ 608.70	PROMOTE RESIDENTIAL CUSTOMERS
22	1998-10-31	2152	150276	SENTINEL-ECHO, THE	\$ 425.25	PROMOTE RESIDENTIAL CUSTOMERS
23	1998-10-31	2411	150047	TIMES-TRIBUNE, THE	\$ 762.21	PROMOTE RESIDENTIAL CUSTOMERS
24	1998-11-20	564	150147	CLAY CITY TIMES, THE	\$ 376.04	PROMOTE RESIDENTIAL CUSTOMERS
25	1998-11-30	33	150682	ADVOCATE PUBLISHING COMPANY	\$ 281.01	PROMOTE RESIDENTIAL CUSTOMERS
26	1998-11-30	256	150701	BEREA CITIZEN, THE	\$ 283.50	PROMOTE RESIDENTIAL CUSTOMERS
27	1998-11-30	1261	150790	JESSAMINE JOURNAL	\$ 358.50	PROMOTE RESIDENTIAL CUSTOMERS
28	1998-11-30	1557	150817	MANCHESTER ENTERPRISE INC	\$ 220.00	PROMOTE RESIDENTIAL CUSTOMERS
29	1998-11-30	1645	150825	MIDDLESBORO DAILY NEWS	\$ 496.83	PROMOTE RESIDENTIAL CUSTOMERS
30	1998-11-30	1789	151338	NEWS JOURNAL	\$ 232.00	PROMOTE RESIDENTIAL CUSTOMERS
31	1998-11-30	1923	150843	PINEVILLE SUN	\$ 120.00	PROMOTE RESIDENTIAL CUSTOMERS
32	1998-11-30	2069	150854	RICHMOND REGISTER	\$ 646.50	PROMOTE RESIDENTIAL CUSTOMERS
33	1998-11-30	2152	151371	SENTINEL-ECHO, THE	\$ 318.90	PROMOTE RESIDENTIAL CUSTOMERS
34	1998-11-30	2411	151398	TIMES-TRIBUNE, THE	\$ 122.40	PROMOTE RESIDENTIAL CUSTOMERS
35	1998-11-30	3622	150771	GOLF CLASSICS	\$ 150.00	ECONOMIC DEVELOPMENT, APPRECIATION OF CUSTOMERS
36	1998-12-16	564	151246	CLAY CITY TIMES, THE	\$ 81.92	PROMOTE RESIDENTIAL CUSTOMERS
37	1998-12-17	210	151487	BATH COUNTY NEWS OUTLOOK	\$ 233.70	PROMOTE RESIDENTIAL CUSTOMERS
38	1998-12-31	256	151959	BEREA CITIZEN, THE	\$ 108.00	PROMOTE RESIDENTIAL CUSTOMERS
39	1998-12-31	1261	152021	JESSAMINE JOURNAL	\$ 143.91	PROMOTE RESIDENTIAL CUSTOMERS
40				TOTAL A/C 1.913	\$ 10,775.10	

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

Format 25b

Account 930 - Miscellaneous Expenses
For the 12 Months Ended 12/31/98

Line No.	Item (a)	A/C #	Amount (b)
1	Industry Association Dues	193002	\$45,776
2	Stockholder and Debt Servicing Expenses	193008	\$57,172
3	Institutional Advertising (Marketing)	193004	\$37,869
4	Conservation Advertising	193011	\$48,913
5	Directors' Fees and Expenses	193001	\$88,800
6	Trustees, Register, Agent Fees	193006	\$52,233
7	Company Relations	193005	\$32,496
8	Customer & Public Information	193009	\$51,114
9	Public Community Relations	193010	\$16,885
10	Fees Conventions & Meetings	193003	\$4,930
11	Lobbying Expenses	193012	\$4,269
12	TOTAL		\$440,458

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176
Account 930 - Miscellaneous Expenses
For the 12 Months Ended 12/31/98

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
193001000000000	1998-01-02	140756	BYRON, ROGER A	411	\$200.00	DIRECTORS RETAINER FEE
193001000000000	1998-01-02	140762	CROWE, DONALD R	689	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-01-02	140780	HALL, BILLY JOE	1063	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-01-02	140781	HARRISON, JOHN D	1096	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-01-02	140777	GREEN, JANE HYLTON	1201	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-01-02	140842	PEET, H D	1890	\$3,000.00	DIRECTORS RETAINER FEE
193001000000000	1998-01-02	140809	SCOTT, VIRGIL E	2148	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-01-02	140819	THOMPSON, HENRY C	2405	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-01-02	140821	WALKER JR, ARTHUR E	2500	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-02-02	141544	BYRON, ROGER A	411	\$200.00	DIRECTORS RETAINER FEE
193001000000000	1998-02-02	141555	CROWE, DONALD R	689	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-02-02	141579	HALL, BILLY JOE	1063	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-02-02	141580	HARRISON, JOHN D	1096	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-02-02	141574	GREEN, JANE HYLTON	1201	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-02-02	141697	PEET, H D	1890	\$3,000.00	DIRECTORS RETAINER FEE
193001000000000	1998-02-02	141633	SCOTT, VIRGIL E	2148	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-02-02	141643	THOMPSON, HENRY C	2405	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-02-02	141649	WALKER JR, ARTHUR E	2500	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-03-02	142301	BYRON, ROGER A	411	\$200.00	DIRECTORS RETAINER FEE
193001000000000	1998-03-02	142310	CROWE, DONALD R	689	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-03-02	142324	HALL, BILLY JOE	1063	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-03-02	142327	HARRISON, JOHN D	1096	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-03-02	142322	GREEN, JANE HYLTON	1201	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-03-02	142400	PEET, H D	1890	\$3,000.00	DIRECTORS RETAINER FEE
193001000000000	1998-03-02	142361	SCOTT, VIRGIL E	2148	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-03-02	142371	THOMPSON, HENRY C	2405	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-03-02	142375	WALKER JR, ARTHUR E	2500	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-04-01	143151	BYRON, ROGER A	411	\$200.00	DIRECTORS RETAINER FEE
193001000000000	1998-04-01	143155	CROWE, DONALD R	689	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-04-01	143160	HALL, BILLY JOE	1063	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-04-01	143161	HARRISON, JOHN D	1096	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-04-01	143158	GREEN, JANE HYLTON	1201	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-04-01	143180	PEET, H D	1890	\$3,000.00	DIRECTORS RETAINER FEE
193001000000000	1998-04-01	143166	SCOTT, VIRGIL E	2148	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-04-01	143169	THOMPSON, HENRY C	2405	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-04-01	143170	WALKER JR, ARTHUR E	2500	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-05-01	143943	BYRON, ROGER A	411	\$200.00	DIRECTORS RETAINER FEE
193001000000000	1998-05-01	143957	CROWE, DONALD R	689	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-05-01	143981	HALL, BILLY JOE	1063	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-05-01	143983	HARRISON, JOHN D	1096	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-05-01	143976	GREEN, JANE HYLTON	1201	\$600.00	DIRECTORS RETAINER FEE
193001000000000	1998-05-01	144093	PEET, H D	1890	\$3,000.00	DIRECTORS RETAINER FEE
193001000000000	1998-05-01	144038	SCOTT, VIRGIL E	2148	\$600.00	DIRECTORS RETAINER FEE

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-176

Account 930 - Miscellaneous Expenses
For the 12 Months Ended 12/31/98

Item 25b

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930010000000000	1998-05-01	144054	THOMPSON, HENRY C	2405	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-05-01	144061	WALKER JR, ARTHUR E	2500	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-06-01	144802	BYRON, ROGER A	411	\$200.00	DIRECTORS RETAINER FEE
1930010000000000	1998-06-01	144812	CROWE, DONALD R	689	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-06-01	144835	HALL, BILLY JOE	1063	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-06-01	144837	HARRISON, JOHN D	1096	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-06-01	144833	GREEN, JANE HYLTON	1201	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-06-01	144930	PEET, H D	1890	\$3,000.00	DIRECTORS RETAINER FEE
1930010000000000	1998-06-01	144883	SCOTT, VIRGIL E	2148	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-06-01	144896	THOMPSON, HENRY C	2405	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-06-01	144901	WALKER JR, ARTHUR E	2500	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-07-01	145867	BYRON, ROGER A	411	\$200.00	DIRECTORS RETAINER FEE
1930010000000000	1998-07-01	145869	CROWE, DONALD R	689	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-07-01	145874	HALL, BILLY JOE	1063	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-07-01	145875	HARRISON, JOHN D	1096	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-07-01	145872	GREEN, JANE HYLTON	1201	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-07-01	145893	PEET, H D	1890	\$3,000.00	DIRECTORS RETAINER FEE
1930010000000000	1998-07-01	145883	SCOTT, VIRGIL E	2148	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-07-01	145886	THOMPSON, HENRY C	2405	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-07-01	145887	WALKER JR, ARTHUR E	2500	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-08-03	146865	BYRON, ROGER A	411	\$200.00	DIRECTORS RETAINER FEE
1930010000000000	1998-08-03	146876	CROWE, DONALD R	689	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-08-03	146900	HALL, BILLY JOE	1063	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-08-03	146901	HARRISON, JOHN D	1096	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-08-03	146895	GREEN, JANE HYLTON	1201	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-08-03	147000	PEET, H D	1890	\$3,000.00	DIRECTORS RETAINER FEE
1930010000000000	1998-08-03	146953	SCOTT, VIRGIL E	2148	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-08-03	146974	THOMPSON, HENRY C	2405	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-08-03	146980	WALKER JR, ARTHUR E	2500	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-09-01	147806	BYRON, ROGER A	411	\$200.00	DIRECTORS RETAINER FEE
1930010000000000	1998-09-01	147810	CROWE, DONALD R	689	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-09-01	147815	HALL, BILLY JOE	1063	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-09-01	147816	HARRISON, JOHN D	1096	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-09-01	147814	GREEN, JANE HYLTON	1201	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-09-01	147842	PEET, H D	1890	\$3,000.00	DIRECTORS RETAINER FEE
1930010000000000	1998-09-01	147825	SCOTT, VIRGIL E	2148	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-09-01	147828	THOMPSON, HENRY C	2405	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-09-01	147830	WALKER JR, ARTHUR E	2500	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-10-01	148626	BYRON, ROGER A	411	\$200.00	DIRECTORS RETAINER FEE
1930010000000000	1998-10-01	148631	CROWE, DONALD R	689	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-10-01	148636	HALL, BILLY JOE	1063	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-10-01	148637	HARRISON, JOHN D	1096	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-10-01	148635	GREEN, JANE HYLTON	1201	\$600.00	DIRECTORS RETAINER FEE

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-176

Account 930 - Miscellaneous Expenses
For the 12 Months Ended 12/31/98

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930010000000000	1998-10-01	148657	PEET, H D	1890	\$3,000.00	DIRECTORS RETAINER FEE
1930010000000000	1998-10-01	148642	SCOTT, VIRGIL E	2148	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-10-01	148646	THOMPSON, HENRY C	2405	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-10-01	148647	WALKER JR, ARTHURE	2500	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-11-02	149557	BYRON, ROGER A	411	\$200.00	DIRECTORS RETAINER FEE
1930010000000000	1998-11-02	149568	CROWE, DONALDR	689	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-11-02	149586	HALL, BILLY JOE	1063	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-11-02	149589	HARRISON, JOHN D	1096	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-11-02	149582	GREEN, JANE HYLTON	1201	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-11-02	149676	PEET, H D	1890	\$3,000.00	DIRECTORS RETAINER FEE
1930010000000000	1998-11-02	149633	SCOTT, VIRGIL E	2148	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-11-02	149646	THOMPSON, HENRY C	2405	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-11-02	149653	WALKER JR, ARTHURE	2500	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-12-01	150418	BYRON, ROGER A	411	\$200.00	DIRECTORS RETAINER FEE
1930010000000000	1998-12-01	150428	CROWE, DONALDR	689	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-12-01	150449	HALL, BILLY JOE	1063	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-12-01	150451	HARRISON, JOHN D	1096	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-12-01	150447	GREEN, JANE HYLTON	1201	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-12-01	150526	PEET, H D	1890	\$3,000.00	DIRECTORS RETAINER FEE
1930010000000000	1998-12-01	150491	SCOTT, VIRGIL E	2148	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-12-01	150498	THOMPSON, HENRY C	2405	\$600.00	DIRECTORS RETAINER FEE
1930010000000000	1998-12-01	150504	WALKER JR, ARTHURE	2500	\$600.00	DIRECTORS RETAINER FEE
AC 1,930.01			TOTAL DIRECTORS FEES & EXPENSE		\$88,800.00	
1930020000000000	1998-01-01	140687	KIDC	1309	\$110.00	MEMBERSHIP DUES
1930020000000000	1998-01-01	140843	SOUTHERN GAS ASSOCIATION	2273	\$5,261.00	1/98-2/98 MEMBERSHIP DUES
1930020000000000	1998-01-01	140817	TENNESSEE OIL & GAS ASSOCIATION	2389	\$100.00	MEMBERSHIP DUES
1930020000000000	1998-01-02	140791	KIDC	1309	\$110.00	MEMBERSHIP DUES
1930020000000000	1998-01-06	140889	BEATTYVILLE-LEE COUNTY CHAMBER/COMMERCE	226	\$100.00	MEMBERSHIP DUES
1930020000000000	1998-01-06	140972	LONDON-LAUREL COUNTY CHAMBER OF COMMER	1510	\$500.00	CHAMBER OF COMMERCE MEMBERSHIP 1/98-12/98
1930020000000000	1998-01-06	141021	SOUTHERN ECONOMIC DEVELOPMENT COUNCIL	3055	\$125.00	MEMBERSHIP DUES
1930020000000000	1998-01-22	141472	AMERICAN GAS ASSOCIATION	60	\$11,135.50	1ST SEMI-ANNUAL PYMT MEMB DUES 1998
1930020000000000	1998-01-22	141399	MIDDLESBORO DOWNTOWN ASSOCIATION	1646	\$50.00	MEMBERSHIP DUES
1930020000000000	1998-01-29	141596	KENTUCKY AFFORDABLE HOUSING	1331	\$200.00	MEMBERSHIP DUES
1930020000000000	1998-01-31	141988	POWELL COUNTY CHAMBER OF COMMERCE	0	\$100.00	MEMBERSHIP DUES
1930020000000000	1998-01-31	141771	HBA OF THE BLUEGRASS	1167	\$225.00	MEMBERSHIP DUES
1930020000000000	1998-02-10	141950	MADISON COUNTY INDUSTRIAL MANAGEMENT CL	1183	\$25.00	MEMBERSHIP DUES
1930020000000000	1998-02-11	141865	BEREA CHAMBER OF COMMERCE	255	\$225.00	MEMBERSHIP DUES
1930020000000000	1998-02-12	141859	BATH COUNTY CHAMBER OF COMMERCE	0	\$25.00	MEMBERSHIP DUES
1930020000000000	1998-02-12	141934	KENTUCKY OIL & GAS ASSOCIATION	1351	\$500.00	1998 KOGA MEMBERSHIP DUES
1930020000000000	1998-02-12	142085	CHAMBER OF COMMERCE	2845	\$100.00	MEMBERSHIP DUES

DELTA NATURAL GAS COMPANY, INC.
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AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930020000000000	1998-02-26	142384	AMERICAN GAS COOLING CTR INC.	64	\$2,000.00	1998 CORPORATE MEMBERSHIP DUES
1930020000000000	1998-02-26	142321	GREATER CORBIN CHAMBER OF COMMERCE	1036	\$278.00	MEMBERSHIP DUES
1930020000000000	1998-02-26	142575	KENTUCKY GAS ASSOCIATION	3343	\$2,620.00	1998-99 CORPORATE MEMBERSHIP DUES
1930020000000000	1998-02-28	142728	RICHMOND CHAMBER OF COMMERCE	2067	\$500.00	1998-99 ANNUAL MEMBERSHIP DUES
1930020000000000	1998-03-10	142601	AMERICAN SOCIETY CORPORATE SECRETARIES	2781	\$425.00	3/98-3/99 DUES MEMBER JOHN HALL
1930020000000000	1998-03-13	142681	JESSAMINE COUNTY CHAMBER OF COMMERCE	1262	\$127.00	MEMBERSHIP DUES
1930020000000000	1998-03-13	142601	AMERICAN SOCIETY CORPORATE SECRETARIES	2781	\$225.00	MEMBERSHIP DUES
1930020000000000	1998-03-17	142906	NATIONAL SAFETY COUNCIL	1768	\$250.00	MEMBERSHIP DUES
1930020000000000	1998-03-31	143259	MOREHEAD-ROWAN COUNTY	1698	\$450.00	1998-99 CHAMBER MEMBERSHIP DUES
1930020000000000	1998-03-31	143254	MADISON COUNTY HBA	2979	\$225.00	MEMBERSHIP DUES
1930020000000000	1998-04-08	143315	BETTER BUSINESS BUREAU	3520	\$570.00	1998-99 MEMBERSHIP DUES
1930020000000000	1998-04-20	143784	KENTUCKY FORWARD	1336	\$500.00	1998-99 MEMBERSHIP DUES
1930020000000000	1998-05-08	144302	U.S. CHAMBER OF COMMERCE	2474	\$1,000.00	1998-99 MEMBERSHIP DUES
1930020000000000	1998-05-13	144396	KNOX COUNTY CHAMBER OF COMMERCE	1397	\$200.00	MEMBERSHIP DUES
1930020000000000	1998-06-19	145479	KENTUCKY MOTOR TRANSPORT ASSOCIATION IN	1350	\$242.55	MEMBERSHIP DUES
1930020000000000	1998-06-24	146077	AMERICAN INSTITUTE OF CPAS	69	\$210.00	98-99 DUES
1930020000000000	1998-06-26	145947	AMERICAN GAS ASSOCIATION	60	\$11,135.50	2ND SEMI ANNUAL PYMT MEMBERSHIP DUES 1998
1930020000000000	1998-07-17	146486	SOUTHEASTERN KENTUCKY HBA	3561	\$250.00	MEMBERSHIP DUES
1930020000000000	1998-07-31	147388	AMERICAN EXPRESS	58	\$325.00	MEMBERSHIP DUES
1930020000000000	1998-08-07	147385	WINCHESTER-CLARK COUNTY	2597	\$450.00	CHAMBER OF COMMERCE MEMBERSHIP DUES
1930020000000000	1998-08-31	147905	GREATER LEXINGTON CHAMBER OF COMMERCE	3425	\$218.00	MEMBERSHIP DUES
1930020000000000	1998-11-01	149667	KENTUCKY CHAMBER OF COMMERCE	1337	\$2,000.00	11/98-10-99 CHAMBER COMMERCE MEMBERSHIP DUES
1930020000000000	1998-11-05	149631	TENNESSEE GAS ASSOCIATION	2386	\$170.00	MEMBERSHIP DUES
1930020000000000	1998-11-30	151418	AMERICAN EXPRESS	58	\$100.00	MEMBERSHIP DUES
1930020000000000	1998-11-30	150834	NATIONAL FIRE PROTECTION ASSOCIATION	1760	\$80.50	MEMBERSHIP DUES
1930020000000000	1998-12-01	150615	MT. STERLING-MONTGOMERY COUNTY	1721	\$480.00	CHAMBER COMMERCE 1998-98 MEMBERSHIP DUES
1930020000000000	1998-12-04	150553	CHAMBER OF COMMERCE	2845	\$100.00	MEMBERSHIP DUES
1930020000000000	1998-12-16	151257	CORBIN INDUSTRIAL DEVELOPMENT COMMA	638	\$325.00	MEMBERSHIP DUES
1930020000000000	1998-12-22	151538	GREATER CORBIN CHAMBER OF COMMERCE	1036	\$278.00	MEMBERSHIP DUES
1930020000000000	1998-12-22	151557	KENTUCKY OIL & GAS ASSOCIATION	1351	\$500.00	1999-KOGA MEMBERSHIP DUES
1930020000000000	1998-12-22	151600	SOUTHERN ECONOMIC DEVELOPMENT COUNCIL	3055	\$150.00	MEMBERSHIP DUES
1930020000000000	1998-12-31	152043	LONDON-LAUREL COUNTY CHAMBER OF COMMER	1510	\$500.00	CHAMBER OF COMMERCE 1/99-12/99 MEMBERSHIP DUES
A/C 1,930.02			TOTAL COMPANY MEMBERSHIPS		\$45,776.05	
1930030000000000	1998-03-18	142965	AMERICAN EXPRESS	58	\$325.00	
1930030000000000	1998-04-16	143563	KIDC	1309	\$75.00	
1930030000000000	1998-04-30	144039	SEARUC 98	2125	\$425.00	CONFERENCE REGISTRATION FEE

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AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930030000000000	1998-05-15	14376	HOME BUILDERS ASSOCIATION OF KY	1168	\$140.00	
1930030000000000	1998-05-15	14394	KENTUCKY GAS ASSOCIATION	1343	\$225.00	
1930030000000000	1998-05-15	14473	KENTUCKY GAS ASSOCIATION	1343	\$1,125.00	ANNUAL MEETING FEES FOR (5)
1930030000000000	1998-06-17	145530	SOUTHERN LEGISLATIVE CONFERENCE	0	\$450.00	CONFERENCE ANNUAL MEETING
1930030000000000	1998-07-17	146428	KIDC	1309	\$75.00	
1930030000000000	1998-07-21	146707	NARUC	1745	\$75.00	
1930030000000000	1998-09-22	148446	HOME BUILDERS ASSOCIATION OF KY	1168	\$135.00	
1930030000000000	1998-10-16	149160	KENTUCKY UTILITIES	0	\$95.00	
1930030000000000	1998-10-16	149238	AMERICAN EXPRESS	58	\$750.00	SGA EXECUTIVE CONFERENCE & BOARD MTG
1930030000000000	1998-10-21	149396	SOUTHERN GAS ASSOCIATION	2273	\$295.00	GOVERNMENT RELATIONS CONFERENCE
1930030000000000	1998-11-05	149804	NARUC	1746	\$595.00	NARUC-1998
1930030000000000	1998-11-20	150323	AMERICAN EXPRESS	58	\$595.00	NATIONAL ASSOCIATION WASHINGTON MEMBERSHIP ORGANIZATION
A/C 1,930.03			REIMBURSEMENT FOR CHARGES		(\$450.00)	CONFERENCE ANNUAL MEETING
			TOTAL FEES CONVENTIONS/MEETINGS		\$4,930.00	
1930040000000000	1998-01-14	141127	DEATON, MIKE	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-01-14	141185	LIONTI, JOIE	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-01-21	141332	COWAN, RAY K	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-01-22	141293	BIRD, VIRGINIA	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-01-22	141312	BURNS, PAUL	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-01-29	141636	SMITH, HARRY	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-01-31	141743	COMBS, JIMMY	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-01-31	141744	CONLIN, KRISTI	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-01-31	141761	FULKS, BOBBY	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-01-31	141768	GROSS, DARRELL	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-02-10	141857	ARNOLD, SCOTT	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-02-10	142040	JACKSON COUNTY MINISTRIES	0	\$2,000.00	INCENTIVE PROGRAM ANNVILLE INSTITUTE
1930040000000000	1998-02-10	141994	ROBINSON, OSCAR	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-02-11	142262	NATIONAL CITY	3334	\$37.84	INCENTIVE PROGRAM
1930040000000000	1998-02-17	142079	BUTLER, DONALD	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-02-17	142089	COCKKEL, RONALD	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-02-17	142159	MUZYZCUK, EDWARD	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-02-17	142218	TREE, DAVID	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-02-17	142229	WOLFENBARGER, CONNIE	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-02-19	142096	DAVIS, DAVID T.	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-02-19	142197	SOUTHEASTERN KENTUCKY HOMEBUILDERS	2264	\$125.00	INCENTIVE PROGRAM
1930040000000000	1998-02-28	142410	ALLEN, LESLIE	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-02-28	142493	JONES, THOMAS W	0	\$200.00	INCENTIVE PROGRAM

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AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930040000000000	1998-02-28	142503	LOCOCO, CROGRADO	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-02-28	142537	SHOEMAKER, FAYE	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-02-28	143004	NATIONAL CITY	3334	\$47.82	INCENTIVE PROGRAM
1930040000000000	1998-03-13	142686	KEITH, JASON	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-03-13	142696	LUCAS, PHILIP	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-03-13	142742	VILLAGE BLACKSMITH, THE	3501	\$720.00	INCENTIVE PROGRAM -MAILBOX HOLDER
1930040000000000	1998-03-17	143004	NATIONAL CITY	3334	\$52.50	INCENTIVE PROGRAM
1930040000000000	1998-03-19	142947	TRI PROPERTIES	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-03-19	0	VILLAGE BLACKSMITH, THE	3501	(\$720.00)	INCENTIVE PROGRAM -MAILBOX HOLDER
1930040000000000	1998-03-24	143035	CARROLL, DAVID	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-03-30	143269	RAINS, ARTHUR	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-03-31	143273	SIZEMORE, JOHN	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-04-23	143785	KENTUCKY GAS ASSOCIATION	1345	\$625.00	CO-OP COST BOOTH RENTAL SPACE \$503
1930040000000000	1998-04-28	143919	ALFORD, JOANN	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-04-28	143952	COCHRAN, BETTY	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-04-28	143985	HEATH, C P	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-04-29	143945	CAMERON, STEVE	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-04-30	144224	MANNING, HOBERT	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-04-30	144064	WILLOUGHBY, RICK	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-04-30	144268	STEELE, JEFF	2321	\$6.35	INCENTIVE PROGRAM
1930040000000000	1998-04-30	144298	NATIONAL CITY	3334	\$170.96	INCENTIVE PROGRAM
1930040000000000	1998-04-30	144414	NATIONAL CITY	3334	\$56.12	INCENTIVE PROGRAM
1930040000000000	1998-04-30	144414	NATIONAL CITY	3334	\$27.18	INCENTIVE PROGRAM
1930040000000000	1998-05-11	144386	JOHNSON, ANTHONY	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-05-19	144590	JIMS PRO SHOP	0	\$636.00	DELTA LOGO GOLF BALLS
1930040000000000	1998-05-22	144550	EICHER, JACK	0	\$300.00	INCENTIVE PROGRAM
1930040000000000	1998-05-31	145007	DELTA NATURAL GAS - 20	758	\$24.87	INCENTIVE PROGRAM
1930040000000000	1998-05-31	145307	NATIONAL CITY	3334	\$669.07	DOOR PRIZES REIMBURSED BY MADISON COUNTY
1930040000000000	1998-05-31	145587	NATIONAL CITY	3334	\$67.94	INCENTIVE PROGRAM
1930040000000000	1998-06-05	145068	MELTON, JAMES	1621	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-06-29	145878	KIRBY, ROBERT E.	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-06-30	146135	CRABTREE, LONNIE	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-07-17	146406	GIBBS, LEWIS	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-07-17	146418	JACKSON, BARRY	0	\$300.00	INCENTIVE PROGRAM
1930040000000000	1998-07-17	146460	NOBLE, HELEN	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-07-17	146343	BALDWIN, ROBERT	170	\$86.50	INCENTIVE PROGRAM
1930040000000000	1998-07-17	146370	CARTER, BOBBY	459	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-07-23	146702	MOORE, SHIRLEY	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-08-07	147076	FRANKFORT HBA	946	\$280.00	INCENTIVE PROGRAM
1930040000000000	1998-08-14	147232	ARNOLD, RONNIE	0	\$200.00	INCENTIVE PROGRAM

DELTA NATURAL GAS COMPANY, INC.

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AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930040000000000	1998-08-14	147362	SERBER, JEFF	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-08-21	147668	BOWMAN, SAM	0	\$300.00	INCENTIVE PROGRAM
1930040000000000	1998-08-21	147669	BRADFORD, HERMAN	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-08-21	147702	HARRIS, DR. CHARLES	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-08-21	147711	JACKSON, HAROLD	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-08-21	147549	MOORE, JOHN	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-08-31	147673	CENTERS, JOHN	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-08-31	148435	NATIONAL CITY	3334	\$22.62	INCENTIVE PROGRAM
1930040000000000	1998-08-31	148435	NATIONAL CITY	3334	\$101.39	INCENTIVE PROGRAM
1930040000000000	1998-09-03	147903	GARDNER, GARY K	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-09-15	148291	GAMBRELL, CHARLES	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-09-17	148417	COLUMBIA GAS OF KENTUCKY	0	\$3,382.80	DELTA COLUMBIA ARCHITECT & ENGINEERS MEETING
1930040000000000	1998-09-18	148404	ADVERTISING SPECIALTIES	32	\$679.68	#PBTW (6100W) PG. 10 CAPCOCK
1930040000000000	1998-09-18	148404	ADVERTISING SPECIALTIES	32	\$451.44	#6010-T PG. 9 CAPCOCK KHAKI C
1930040000000000	1998-09-22	148461	BRYANT, EDWARD	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-09-22	148499	LONDON COUNTY CLUB	0	\$180.20	INCENTIVE PROGRAM
1930040000000000	1998-09-25	148688	CONNOLLY, TOM	0	\$350.00	INCENTIVE PROGRAM
1930040000000000	1998-09-30	149034	ADVERTISING SPECIALTIES	32	\$1,740.00	POST IT NOTES 2.3/4" X 3"
1930040000000000	1998-09-30	149034	ADVERTISING SPECIALTIES	32	\$1,104.00	INSULATED MUGS PG. 104 GOLD BO
1930040000000000	1998-09-30	149034	ADVERTISING SPECIALTIES	32	\$1,695.00	ROLLER BALL INK PENS #BW PG. 2
1930040000000000	1998-09-30	149034	ADVERTISING SPECIALTIES	32	\$1,080.00	PENCILS #3W PG. 55 GOLD BOND
1930040000000000	1998-09-30	149034	ADVERTISING SPECIALTIES	32	\$1,020.00	5 GOLF TEES AND 1 BALL MARKER
1930040000000000	1998-10-09	149190	NATIONAL CITY	3334	\$40.00	INCENTIVE PROGRAM
1930040000000000	1998-10-16	149164	LARKEY, DAVID	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-10-16	149121	CRAFTREE, LONNIE	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-10-22	149344	HERD, CHARLES	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-10-23	149339	GREEN STREET CHURCH OF GOD	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-10-28	149657	ADVERTISING SPECIALTIES	32	\$2,787.50	#53902 *CLASSIC* SWISS ARMY KNIVES
1930040000000000	1998-10-31	149861	NATIONAL CITY	3334	\$28.64	INCENTIVE PROGRAM
1930040000000000	1998-10-31	150353	NATIONAL CITY	3334	\$19.95	INCENTIVE PROGRAM
1930040000000000	1998-11-05	149784	KNOX, STANLEY	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-11-12	149911	CAUDILL SR., CHARLES F.	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-11-12	149933	DELPH, ALEX	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-11-13	149965	JIMS PRO SHOP	0	\$318.00	INCENTIVE PROGRAM
1930040000000000	1998-11-18	150295	THOMAS, SCOTT	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-11-20	150283	SPIRES, BARBARA	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-11-20	150284	SPIRES, JAMES	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-11-25	150473	MANNING, JERRY	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-11-30	150627	RUCKER, EARL D	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-11-30	150671	NATIONAL CITY	3334	\$22.15	INCENTIVE PROGRAM
1930040000000000	1998-11-30	150671	NATIONAL CITY	3334	\$17.17	INCENTIVE PROGRAM
1930040000000000	1998-12-04	150745	DECKER, RUSSELL	0	\$300.00	INCENTIVE PROGRAM

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AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930040000000000	1998-12-09	150717	CARR, TED	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-12-09	150726	CLOYD, GEORGE F.	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-12-10	150837	PASLEY, STEVEN	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-12-16	151274	FARMER, WAYNE	0	\$200.00	INCENTIVE PROGRAM
1930040000000000	1998-12-16	151311	LYLE, LARRY	0	\$300.00	INCENTIVE PROGRAM
1930040000000000	1998-12-16	151387	TENNILL, DAVID	0	\$300.00	INCENTIVE PROGRAM
1930040000000000	1998-12-23	151720	GASLITE AMERICA	3348	\$33.50	INCENTIVE PROGRAM
1930040000000000	1998-12-31	151882	RADECKI, JOHN	2022	\$200.00	INCENTIVE PROGRAM
			TAX & FREIGHT ON ADVERTISING SPECIALTIES ABOVE		\$961.75	GOLF BALLS, TEES, PENS, ETC
			MARKETING ITEMS SOLD		\$2,208.50	GRILLS, ETC
			REIMBURSEMENTS - VARIOUS		(\$83.75)	INCENTIVE PROGRAM
			REIMBURSEMENT FROM KY GAS ASSOCIATION 4/98		(\$135.60)	CO-OP COST BOOTH RENTAL SPACE \$503
			REIMBURSEMENT FROM MADISON CO HOME BLDRS		(\$869.07)	REIMBURSEMENT FROM MADISON COUNTY HOMEBUILDERS
A/C 1930.05			TOTAL MARKETING		\$37,869.02	
1930050000000000	1998-01-09	140885	BACK'S FLORIST	162	\$40.00	COMPANY RELATIONS
1930050000000000	1998-01-20	141286	BALLOONS UNLIMITED	0	\$31.90	COMPANY RELATIONS
1930050000000000	1998-01-31	141898	DELTA NATURAL GAS - 11	643	\$24.50	COMPANY RELATIONS
1930050000000000	1998-01-31	141781	KNOX FLORIST	1402	\$40.00	COMPANY RELATIONS
1930050000000000	1998-02-17	142262	NATIONAL CITY	3334	\$35.00	COMPANY RELATIONS
1930050000000000	1998-02-28	142467	FOLEY'S FLORIST & GIFTS	0	\$35.00	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-02-28	142771	NATIONAL CITY	3334	\$44.52	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-03-17	142826	DEBBIE'S FLOWERS AND GIFTS	3477	\$42.40	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-03-20	142933	SHELBY, GRAHAM	3509	\$500.00	DELTA STORY HISTORY BOOKLETS
1930050000000000	1998-03-31	143864	CHAPMAN PRINTING COMPANY INC. THE	497	\$1,295.00	PRINTING DELTA NEWSLETTER - SPRING
1930050000000000	1998-03-31	143541	FLOWER HOUSE FLORIST	926	\$59.36	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-03-31	143382	KNOX FLORIST	1402	\$35.00	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-04-28	144000	KNOX FLORIST	1402	\$37.10	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-05-31	145028	HAGGARD FLORIST & GIFTS	1054	\$19.90	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-06-19	145528	SHELBY, GRAHAM	3509	\$149.18	DELTA STORY HISTORY BOOKLETS
1930050000000000	1998-06-24	146001	O C TANNER SALES COMPANY	3128	\$129.66	SAMPLE TIE TAC
1930050000000000	1998-06-30	146133	COURT VIEW FLOWERS	664	\$35.00	COMPANY RELATIONS - EMPLOYEES, ETC

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AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930050000000000	1998-07-17	146797	CHAPMAN PRINTING COMPANY INC, THE	497	\$1,295.00	NEWSLETTER
1930050000000000	1998-07-31	147259	COURT VIEW FLOWERS	664	\$35.00	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-07-31	146930	MERRY'S FLOWER SHOP	1635	\$40.00	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-07-31	147215	NATIONAL CITY	3334	\$69.52	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-08-26	147751	SHELBY GRAHAM	3509	\$50.00	DELTA STORY HISTORY BOOKLETS
1930050000000000	1998-08-31	147931	KNOX FLORIST	1402	\$37.10	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-09-30	148805	ALLENS FLOWERS & GREENHOUSES INC	43	\$50.70	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-09-30	149422	CHAPMAN PRINTING COMPANY INC, THE	497	\$1,295.00	NEWSLETTER
1930050000000000	1998-09-30	148881	FLOWER HOUSE FLORIST	926	\$48.76	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-09-30	148993	HAGGARD FLORIST & GIFTS	1054	\$65.00	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-09-30	148898	HENRY'S FLOWER SHOP	1132	\$42.40	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-09-30	148640	NATIONAL CITY	3334	\$429.00	SAMPLE DENIM SHIRTS
1930050000000000	1998-09-30	148640	NATIONAL CITY	3334	\$13.90	SAMPLE DENIM SHIRTS
1930050000000000	1998-10-23	149450	NATIONAL CITY	3334	\$85.00	SAMPLE LOGO SET UP FEE
1930050000000000	1998-10-28	149671	LAND'S END CORPORATE SALES	3364	\$3,916.80	STYLE 3110-2NLX MENS DENIM SHI
1930050000000000	1998-10-28	149671	LAND'S END CORPORATE SALES	3364	\$640.00	STYLE 3110-2NLX MENS DENIM SHI
1930050000000000	1998-10-30	149671	LAND'S END CORPORATE SALES	3364	\$1,591.20	STYLE #3110-4NL9 WOMEN'S DENIM
1930050000000000	1998-10-30	149671	LAND'S END CORPORATE SALES	3364	\$596.70	STYLE #3110-3NL4 MENS DENIM S
1930050000000000	1998-10-30	149671	LAND'S END CORPORATE SALES	3364	\$1,591.20	STYLE #3110-2NLX MENS DENIM SHI
1930050000000000	1998-10-30	149671	LAND'S END CORPORATE SALES	3364	\$260.00	STYLE #3110-4NL9 WOMEN'S DENIM
1930050000000000	1998-10-30	149671	LAND'S END CORPORATE SALES	3364	\$90.00	STYLE #3110-3NL4 MENS DENIM S
1930050000000000	1998-10-30	149671	LAND'S END CORPORATE SALES	3364	\$260.00	STYLE 3110-2NLX MENS DENIM SHI
1930050000000000	1998-10-31	149726	COURT VIEW FLOWERS	664	\$49.64	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-10-31	149759	HAGGARD FLORIST & GIFTS	1054	\$51.70	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-10-31	150353	NATIONAL CITY	3334	\$13.54	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-11-17	150234	MCNEILL BLOSSOM SHOPPE	0	\$29.50	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-11-30	150823	MERRY'S FLOWER SHOP	1635	\$27.00	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-12-09	150678	TRADITIONAL BANK	3572	\$500.00	DOOR PRIZES EMPLOYEE MEETING
1930050000000000	1998-12-16	151417	ADVERTISING SPECIALTIES	32	\$590.40	(8) EXTRA LARGE AWARD JACKETS
1930050000000000	1998-12-16	151417	ADVERTISING SPECIALTIES	32	\$669.70	74 CUSTOM CAPS WITH EMBROIDERY

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1930050000000000	1998-12-16	151417	ADVERTISING SPECIALTIES	32	\$506.25	25 AWARD KNIVES #7200
1930050000000000	1998-12-16	151443	JOSTENS INC - RECOGNITION	1300	\$5,791.84	EMPLOYEE SERVICE AWARDS PER AT
1930050000000000	1998-12-23	151624	CHAPMAN PRINTING COMPANY INC, THE	497	\$5,894.65	DELTA STORY HISTORY BOOKLETS
1930050000000000	1998-12-23	151556	JOSTENS INC - RECOGNITION	1300	\$565.47	EMPLOYEE SERVICE AWARDS PER AT
1930050000000000	1998-12-31	151774	ALLEN'S FLOWERS & GREENHOUSES INC	43	\$321.00	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-12-31	152417	CHAPMAN PRINTING COMPANY INC, THE	497	\$1,295.00	NEWSLETTER
1930050000000000	1998-12-31	151856	KNOX FLORIST	1402	\$40.00	COMPANY RELATIONS - EMPLOYEES, ETC
1930050000000000	1998-12-31		TAX & FREIGHT LANDS END & ADVERTISING SPECIALTIES		\$1,094.78	DENIM SHIRTS - DELTA LOGO
A/C 1,930.05			TOTAL COMPANY RELATIONS		\$32,496.27	
1930060000000000	1998-02-25	142573	FIFTH THIRD BANK	3062	\$10,300.98	QUARTERLY ADMINISTRATIVE FEE STOCK
1930060000000000	1998-02-26	142397	NASDAQ STOCK MARKET, THE	1752	\$11,210.00	TRANSFER SERVICES
1930060000000000	1998-03-13	142770	NATIONAL ASSOCIATION OF INVESTORS CORP	1755	\$2,500.00	NASDAQ ANNUAL FEES - STOCK
1930060000000000	1998-05-20	144756	FIFTH THIRD BANK	3062	\$8,228.53	4/98-3/99 CORPORATE MEMBERSHIP
1930060000000000	1998-05-31	145130	BANK ONE INVESTMENT MANAGEMENT GROUP	3461	\$2,522.12	1ST QUARTERLY ADMINISTRATIVE FEE - STOCK
1930060000000000	1998-07-31	147402	FIFTH THIRD BANK	3403	\$4,500.00	TRANSFER SERV
1930060000000000	1998-08-26	147783	FIFTH THIRD BANK	3062	\$4,189.21	ADMINISTRATIVE FEES 9% DEBENTURES
1930060000000000	1998-09-24	150	SECURITIES AND EXCHANGE COMMISSION	3427	\$125.00	ADMINISTRATIVE FEES PERIOD 6/98
1930060000000000	1998-10-31	149852	BANK ONE INVESTMENT MANAGEMENT GROUP	3461	\$2,511.00	2ND QUARTERLY ADMINISTRATIVE FEE - STOCK
1930060000000000	1998-11-25	150656	BANK ONE INVESTMENT MANAGEMENT GROUP	3461	\$2,218.32	TRANSFER SERV
1930060000000000	1998-12-17	151437	FIFTH THIRD BANK	3062	\$3,552.76	ADMINISTRATIVE FEES & 5/8% DEBENTURES
A/C 1,930.06			CORRECTION FOR PREVIOUS YEAR		\$375.00	ADMINISTRATIVE FEES 9% DEBENTURES
			TOTAL TRUSTEE, REGISTER, ETC FEES		\$52,232.92	3RD QUARTERLY ADMINISTRATIVE FEES - STOCK
1930080000000000	1998-01-09	140993	OKI TRI STATE COUNCIL	1828	\$75.00	TRANSFER SERV
1930080000000000	1998-01-14	141132	DISCLOSURE INCORPORATED	769	\$1.07	
1930080000000000	1998-01-16	141074	AMERICAN GAS ASSOCIATION	60	\$250.00	
1930080000000000	1998-01-22	141360	INVESTOR COMMUNICATIONS BUSINESS INC	3479	\$163.98	
1930080000000000	1998-01-30	141562	EVANSVILLE TRI-STATE COUNCIL - NAIC	0	\$50.00	
1930080000000000	1998-01-31	142262	NATIONAL CITY	3334	\$37.00	
1930080000000000	1998-02-25	142573	FIFTH THIRD BANK	3062	\$11,237.14	ANNUAL MEETING EXPENSES-ADP, DEAN WITTER,
1930080000000000	1998-02-26	142486	INVESTOR COMMUNICATIONS BUSINESS INC	3479	\$197.37	PRUDENTIAL, RS ROWE

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AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930080000000000	1998-02-27	142390	CORMAN AND ASSOCIATES INC	650	\$477.00	MATERIALS TO BE USED EXHIBIT STOCKHOLDERS
1930080000000000	1998-02-28	142628	BUSINESS WIRE	404	\$60.00	MTG
1930080000000000	1998-03-31	143501	BEAU GRAPHICS LTD INC	0	\$34.45	
1930080000000000	1998-03-31	143431	REES PRINTING COMPANY	2047	\$676.50	PRINTING QUARTERLY REPORTS 3/98
1930080000000000	1998-03-31	143580	NATIONAL CITY	3334	\$23.96	
1930080000000000	1998-03-31	143553	INVESTOR COMMUNICATIONS BUSINESS INC	3479	\$254.79	
1930080000000000	1998-04-30	144767	NATIONAL CITY	3334	\$198.14	
1930080000000000	1998-05-18	144584	INVESTOR COMMUNICATIONS BUSINESS INC	3479	\$137.42	
1930080000000000	1998-05-20	144756	FIFTH THIRD BANK	3062	\$700.80	ANNUAL MEETING EXPENSES
1930080000000000	1998-05-31	145417	BUSINESS WIRE	404	\$60.00	
1930080000000000	1998-05-31	145195	CORMAN AND ASSOCIATES INC	650	\$74.20	
1930080000000000	1998-05-31	145214	DEPOSITORY TRUST COMPANY, THE	763	\$340.00	
1930080000000000	1998-06-11	145412	BLUEGRASS COUNCIL - NAIC	313	\$75.00	
1930080000000000	1998-06-17	145471	INVESTOR COMMUNICATIONS BUSINESS INC	3479	\$44.20	
1930080000000000	1998-06-30	145974	JENNINGS, GLENN R	1260	\$24.29	
1930080000000000	1998-06-30	146264	REES PRINTING COMPANY	2047	\$630.75	
1930080000000000	1998-06-14	147227	ALABAMA COUNCIL - NAIC	0	\$50.00	
1930080000000000	1998-06-14	147280	EVANSVILLE TRI-STATE COUNCIL - NAIC	0	\$50.00	
1930080000000000	1998-08-19	147737	NATIONAL CITY	3334	\$23.67	
1930080000000000	1998-09-11	140	SECURITIES AND EXCHANGE COMMISSION	3427	\$250.00	
1930080000000000	1998-09-30	148717	JENNINGS, GLENN R	1260	\$30.09	
1930080000000000	1998-09-30	149060	REES PRINTING COMPANY	2047	\$26,726.06	1998 ANNUAL REPORTS & ENVELOPES
1930080000000000	1998-10-09	149034	ADVERTISING SPECIAL TIES	32	\$904.56	PORTFOLIO BAGS & LOGO
1930080000000000	1998-10-16	149107	CENTRAL INDIANA COUNCIL NAIC	481	\$30.00	
1930080000000000	1998-10-16	149454	REES PRINTING COMPANY	2047	\$2,402.45	PROXY NOTICE TO COMMON SHAREHOLDERS
1930080000000000	1998-10-31	150061	ADP-PROXY SERVICES	8	\$6,056.90	INVESTOR COMMUNICATION SERV
1930080000000000	1998-10-31	149894	BAY TACT CORPORATION	217	\$404.20	SHAREHOLDERS/ANNUAL MTG
1930080000000000	1998-11-17	150364	STANDARD & POORS	2303	\$3,150.00	STOCK REPORTS LISTING & CORP RECORDS BASIC
1930080000000000	1998-11-25	150424	COMPUFEST 98	0	\$75.00	COVERAGE
1930080000000000	1998-11-30	150713	BUSINESS WIRE	404	\$60.00	
1930080000000000	1998-12-18	151202	ADP-PROXY SERVICES	8	\$532.82	EXPENSES FOR MAILING PROXIES, ETC
1930080000000000	1998-12-18	151258	CORMAN AND ASSOCIATES INC	650	\$53.00	
1930080000000000	1998-12-22	151515	DEPOSITORY TRUST COMPANY, THE	763	\$50.00	
1930080000000000	1998-12-22	151512	DEAN WITTER REYNOLDS INC	2058	\$17.00	
1930080000000000	1998-12-29	151641	ADP INVESTOR COMMUNICATION SERVICES	8	\$604.71	EXPENSES-VOTE RETURN ANNUAL MEETING
1930080000000000	1998-12-29	151740	POSTMASTER - 20	1950	\$85.00	
1930080000000000	1998-12-31	151797	BUSINESS WIRE	404	\$100.00	
1930080000000000	1998-12-31	151885	REES PRINTING COMPANY	2047	\$630.75	QUARTERLY REPORTS PRINTING

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AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
		REIMBURSEMENT			(\$662.50)	
		CORRECTION FOR PREVIOUS YEAR			(\$375.00)	CORRECTION
A/C A.930.08			TOTAL DIVIDEND/STOCKHOLDER REPTS		\$57,171.77	
	1998-01-20	141368	JUNIOR ACHIEVEMENT	1306	\$800.00	CUSTOMER & PUBLIC INFORMATION
	1998-01-28	141696	NATIONAL ENERGY FOUNDATION	3487	\$1,415.92	MATERIAL PACKET FOR CUSTOMER & PUBLIC INFO
	1998-01-31	142242	CHAPMAN PRINTING COMPANY INC, THE	497	\$1,780.80	STATEMENT STUFFERS 1/98 FOR C&P INFO
	1998-02-17	142242	CHAPMAN PRINTING COMPANY INC, THE	497	\$348.27	98 SCHEDULE OF BILL MAILINGS
	1998-02-25	142314	ECONOMIC AMERICA	0	\$250.00	
	1998-02-25	142759	CHAPMAN PRINTING COMPANY INC, THE	497	\$841.06	IMPORTANT NOTICE STATEMENT STUFFER 2/98
	1998-02-26	142759	CHAPMAN PRINTING COMPANY INC, THE	497	\$1,780.80	Z/C STATEMENT STUFFERS 2/98
	1998-02-28	142973	CHAPMAN PRINTING COMPANY INC, THE	497	\$315.67	
	1998-02-28	142704	MIDDLEBORO DAILY NEWS	1645	\$40.95	
	1998-02-28	142717	PINEVILLE SUN	1923	\$66.60	
	1998-03-17	142778	ADVOCATE PUBLISHING COMPANY	33	\$31.50	
	1998-03-17	142868	JACKSON COUNTY SUN INC	1242	\$20.25	
	1998-03-27	143206	CHANNING L BETE COMPANY INC	495	\$316.40	
	1998-03-27	143476	CHAPMAN PRINTING COMPANY INC, THE	497	\$1,780.80	Z/C STATEMENT STUFFERS 3/98
	1998-03-27	143476	CHAPMAN PRINTING COMPANY INC, THE	497	\$405.61	
	1998-03-31	143282	TRI-COUNTY SHOPPING GUIDE	0	\$24.57	
	1998-03-31	143864	CHAPMAN PRINTING COMPANY INC, THE	497	\$4,224.52	AUTOMATIC PAYMENT PLAN BROCHURE
	1998-03-31	143536	ESTILL COUNTY TRIBUNE, THE	867	\$7.50	
	1998-03-31	143242	JOURNAL COMMUNICATIONS	1301	\$314.13	
	1998-03-31	143395	MANCHESTER ENTERPRISE INC	1557	\$28.25	
	1998-03-31	143439	SENTINEL-ECHO, THE	2152	\$26.25	
	1998-03-31	143450	THOUSAND STICKS NEWS, THE	2408	\$59.50	
	1998-03-31	143513	CAHNIERS PUBLISHING COMPANY	3322	\$190.80	
	1998-04-20	143732	CITIZEN VOICE & TIMES	509	\$39.29	
	1998-04-29	144468	CHAPMAN PRINTING COMPANY INC, THE	497	\$1,678.63	STATEMENT STUFFERS 4/98
	1998-04-30	144325	BEREA CITIZEN, THE	256	\$15.30	
	1998-04-30	144382	JESSAMINE JOURNAL	1261	\$15.92	
	1998-04-30	144005	LEXINGTON HERALD-LEADER	1473	\$94.05	
	1998-04-30	144417	NEWS JOURNAL	1789	\$47.13	
	1998-05-13	144387	JOURNAL COMMUNICATIONS	1301	\$314.12	
	1998-05-14	144320	BAUGH, JEFF	215	\$75.00	
	1998-05-31	145375	CHAPMAN PRINTING COMPANY INC, THE	497	\$1,722.77	STATEMENT STUFFERS 7/97
	1998-05-31	145739	CHAPMAN PRINTING COMPANY INC, THE	497	\$273.48	BROCHURE STANDS & WINDOW SIGNS
	1998-05-31	145739	CHAPMAN PRINTING COMPANY INC, THE	497	\$273.48	BROCHURE STANDS & WINDOW SIGNS
	1998-05-31	145073	MT. STERLING ADVOCATE	1720	\$18.72	

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AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930090000000000	1998-05-31	145041	INTERMOUNTAIN PUBLISHING	3092	\$28.00	
1930090000000000	1998-05-31	145143	NATIONAL CITY	3334	\$34.73	
1930090000000000	1998-05-31	145504	NATIONAL ENERGY FOUNDATION	3487	\$401.79	
1930090000000000	1998-05-31	145504	NATIONAL ENERGY FOUNDATION	3487	\$24.06	
1930090000000000	1998-06-12	145455	GADD	0	\$200.00	
1930090000000000	1998-06-24	145760	FLEMINGSBURG GAZETTE	3335	\$19.25	
1930090000000000	1998-06-25	146110	CHARTWELL COMMUNICATIONS INC.	0	\$800.00	FDM 6/98 DISPLAY
1930090000000000	1998-06-25	146317	CHAPMAN PRINTING COMPANY INC. THE	497	\$1,766.98	STATEMENT STUFFERS 6/98
1930090000000000	1998-06-25	145903	AMERICAN GAS ASSOCIATION	3557	\$927.68	LITERATURE & PAMPHLETS FOR CUSTOMERS
1930090000000000	1998-06-30	146563	BATH COUNTY NEWS OUTLOOK	210	\$13.50	
1930090000000000	1998-06-30	145926	CENTRAL RECORD, THE	485	\$13.50	
1930090000000000	1998-06-30	145930	CLAY CITY TIMES, THE	564	\$27.65	
1930090000000000	1998-06-30	146539	PIERATTS INC	1917	\$4,836.78	9 - GAS RANGES FOR SCHOOLS
1930090000000000	1998-06-30	146099	BOURBON TIMES LLC, THE	3306	\$25.00	
1930090000000000	1998-06-30	146426	KENTUCKY NEWSPAPERS	3318	\$123.30	
1930090000000000	1998-07-31	147396	CHAPMAN PRINTING COMPANY INC. THE	497	\$1,700.72	STATEMENT STUFFERS 7/98
1930090000000000	1998-07-31	147160	ROGERS HARDWARE/AND BUILDING SUPPLY	2098	\$28.60	
1930090000000000	1998-08-19	147431	BALDWIN, ROBERT	170	\$66.00	
1930090000000000	1998-08-31	148415	CHAPMAN PRINTING COMPANY INC. THE	497	\$1,780.80	STATEMENT STUFFERS 8/98
1930090000000000	1998-08-31	148067	CITIZEN ADVERTISER, THE	3302	\$25.25	
1930090000000000	1998-09-15	148314	KENTUCKY INSTITUTE-ECONOMIC DEVELOPMENT	2653	\$200.00	
1930090000000000	1998-09-30	149422	CHAPMAN PRINTING COMPANY INC. THE	497	\$1,524.81	IMPORTANT NOTICE STATEMENT STUFFER
1930090000000000	1998-09-30	149422	CHAPMAN PRINTING COMPANY INC. THE	497	\$1,827.71	STATEMENT STUFFER 9/98
1930090000000000	1998-09-30	148954	NATIONAL ENERGY FOUNDATION	3487	\$250.00	
1930090000000000	1998-10-23	149561	CITIZEN ADVERTISER, THE	3302	\$193.05	
1930090000000000	1998-10-31	150096	ADVOCATE PUBLISHING COMPANY	33	\$304.20	
1930090000000000	1998-10-31	148998	BEREA CITIZEN, THE	256	\$157.50	
1930090000000000	1998-10-31	150070	CHAPMAN PRINTING COMPANY INC. THE	497	\$1,804.22	STATEMENT STUFFER 10/98
1930090000000000	1998-10-31	149915	CITIZEN VOICE & TIMES	509	\$135.10	
1930090000000000	1998-10-31	149959	JACKSON COUNTY SUN INC	1242	\$113.75	
1930090000000000	1998-10-31	149963	JESSAMINE JOURNAL	1261	\$161.33	
1930090000000000	1998-10-31	149793	MANCHESTER ENTERPRISE INC	1557	\$192.50	
1930090000000000	1998-10-31	149798	MIDDLESBORO DAILY NEWS	1645	\$281.81	
1930090000000000	1998-10-31	149997	MT. STERLING ADVOCATE	1720	\$152.10	
1930090000000000	1998-10-31	150002	NEWS JOURNAL	1789	\$235.63	
1930090000000000	1998-10-31	149810	PIERATTS INC	1917	\$540.42	MODEL MGFS34GFS 30" WHITE GAS
1930090000000000	1998-10-31	150013	PINEVILLE SUN	1923	\$231.00	
1930090000000000	1998-10-31	150020	RICHMOND REGISTER	2069	\$328.73	
1930090000000000	1998-10-31	150276	SENTINEL-ECHO, THE	2152	\$212.63	
1930090000000000	1998-10-31	149786	LESLIE COUNTY NEWS, THE	3319	\$162.00	
1930090000000000	1998-10-31	149746	FLEMINGSBURG GAZETTE	3335	\$97.50	

DELTA NATURAL GAS COMPANY, INC.

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1930090000000000	1998-10-31	150003	NEWSPAPER HOLDINGS INC	3607	\$265.78	
1930090000000000	1998-11-20	150139	CENTRAL RECORD, THE	485	\$97.50	
1930090000000000	1998-11-20	150215	KIDC	1309	\$300.00	
1930090000000000	1998-11-25	150903	CHAPMAN PRINTING COMPANY INC, THE	497	\$1,700.56	STATEMENT STUFFER 11/98
1930090000000000	1998-11-25	150499	THREE FORKS TRADITION	2409	\$105.00	
1930090000000000	1998-12-16	151757	CHANNING L BETE COMPANY INC	495	\$2,599.00	BOOKS ABOUT NATURAL GAS - CUSTOMER & PUBLIC INFO
1930090000000000	1998-12-16	151457	NEWTON MANUFACTURING COMPANY	1790	\$2,251.16	1999 CALENDARS - CUSTOMER & PUBLIC INFO
1930090000000000	1998-12-18	151420	ARCADE INC	101	\$1,132.81	SAF-T-SNIFFS #3 (NO IMPRINT)
1930090000000000	1998-12-29	151728	JANET'S SWEET SENSATIONS	0	\$280.00	
1930090000000000	1998-12-31	151932	WELCOME HALL GIFTS	0	\$1,542.38	MEETING FOR 39 INDUSTRIAL CUSTOMERS
1930090000000000	1998-12-31	152475	BATH COUNTY NEWS OUTLOOK	210	\$78.30	
1930090000000000	1998-12-31	152417	CHAPMAN PRINTING COMPANY INC, THE	497	\$1,358.89	STATEMENT STUFFER - CHRISTMAS
1930090000000000	1998-12-31	151907	WALLER, NEL	2508	\$26.27	
1930090000000000	1998-12-31	152335	NEWSPAPER HOLDINGS INC	3607	\$84.00	
			REIMBURSEMENT FOR ITEMS SAVED FROM SCHOOLS		(\$2,275.00)	
A/C 1,930,09			TOTAL CUSTOMER PUBLIC INFO		\$51,114.27	
1930100000000000	1998-01-16	141153	GRC YEARBOOK	967	\$45.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-20	141443	SOUTH LAUREL HIGH SCHOOL	2803	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-21	141409	MSC TOURNAMENT COMMITTEE	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-21	141453	WEST JESSAMINE MIDDLE SCHOOL	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-22	141340	EAST JESSAMINE HIGH SCHOOL	0	\$35.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-22	141341	EDUCATIONAL ASSISTANCE FUND	0	\$500.00	PUBLIC & COMMUNITY RELATIONS - BEREA COMMUNITY SCHOOL
1930100000000000	1998-01-28	141572	GEORGE ROGERS CLARK - ADVANCED CHORUS	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-28	141596	KENTUCKY CHAPTER OF THE AMERICAN	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-31	141806	POWELL COUNTY HIGH SCHOOL JOURNALISM	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-31	141745	COUNTY CHRONICLE, THE	3450	\$35.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-11	141887	CORBIN HIGH SCHOOL DANCE TEAM	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-12	141985	PNC BANK	1937	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-17	142146	MADISON SOUTHERN PROJECT GRADUATION	1546	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-19	142058	AMERICAN RED CROSS	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-19	142226	WILLIAMSBURG HIGH SCHOOL BASKETBALL	2746	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-25	142286	BATH COUNTY HIGH SCHOOL	201	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-26	142355	POWELL COUNTY HIGH SCHOOL JOURNALISM	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-28	142519	OWINGSVILLE KIWANIS AUCTION	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-28	142521	PANGAEA-JESSAMINE BASKETBALL TEAM FUND	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-28	142422	BEREA COMMUNITY HIGH SCHOOL	264	\$50.00	PUBLIC & COMMUNITY RELATIONS

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-1176

Account 930 - Miscellaneous Expenses
For the 12 Months Ended 12/31/98

Item 25b

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930100000000000	1998-03-17	142837	FARRISTOWN BAPTIST CHURCH	0	\$12.50	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142890	MAY DAY COMMITTEE	0	\$20.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142898	MENIFEE MOUNTAIN MEMORIES	0	\$20.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142899	MIDDLESBORO BOOSTERS	0	\$45.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142946	TRI COUNTY COUNTRY CLUB	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142956	WHITLEY CENTRAL BOYS BASKETBALL	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142960	WILLIAMSBURG MIDDLE SCHOOL BASEBALL	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142916	PLEASANT VIEW VOLUNTEER FIRE DEPARTMENT	1934	\$75.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142960	UNITED WAY OF THE BLUEGRASS	2462	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142961	WILLMORE ELEMENTARY SCHOOL PTO	2581	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142872	JESSAMINE COUNTY EDUCATIONAL FOUNDATION	3043	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-18	142897	MENIFEE COUNTY PTA	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-19	143076	LONDON-LAUREL COUNTY CHAMBER OF COMMER	1510	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-19	143082	MIDDLESBORO HIGH SCHOOL	1648	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-24	143068	JESSAMINE COUNTY EXTENSION OFFICE	0	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-27	143086	MT. STERLING-MONTGOMERY COUNTY	1721	\$70.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-27	143104	SOUTHERN KENTUCKY ECONOMIC DEV CORP	2276	\$250.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-31	143524	COUNTY CHRONICLE, THE	3450	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-08	143389	LONDON-LAUREL COUNTY CHAMBER OF COMMER	1510	\$120.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-08	143622	WEST KNOX VOLUNTEER FIRE DEPARTMENT	2528	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-14	143567	LEE COUNTY PROJECT PROM	1463	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-16	143568	KATHY D. COMBS - ADMINISTRATION	0	\$125.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-17	143586	OSSOLI CLUB	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-22	143713	BATH COUNTY MIDDLE SCHOOL BETA CLUB	0	\$20.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-23	143970	FIRST CHRISTIAN CHURCH	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-23	143803	MADISON COUNTY HBA	2979	\$235.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-30	144213	LAUREL COUNTY RESCUE SQUAD	0	\$30.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-30	144063	WILLIAMSBURG TRACK	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-30	144439	ROGERS HARDWARE AND BUILDING SUPPLY	2098	\$49.81	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-05	144148	COMMONWEALTH ENDOWMENT FOR KET INC	0	\$600.00	KY EDUCATION TELEVISION PARTNER RENEWAL
1930100000000000	1998-05-05	144277	UK CHILDREN'S HOSPITAL	0	\$200.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-08	144429	PINEVILLE HIGH SCHOOL	1922	\$70.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-11	144349	COUNTY CHRONICLE, THE	3450	\$17.50	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-13	144326	BEREA HOSPITAL AUXILIARY	276	\$75.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-13	144432	POWELL COUNTY HIGH SCHOOL	1971	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-14	144393	KENTUCKY GAS ASSOCIATION	1343	\$200.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-15	144437	RICHMOND CHAMBER OF COMMERCE	2067	\$300.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-18	144668	RICHMOND CHRISTIAN ACADEMY	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-22	144789	BEGONIAS & BERRIES GARDEN CLUB	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-31	145044	JEFFERSONVILLE HORSE SHOW	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-31	145081	PINE MOUNTAIN SHOPPER INC	0	\$36.95	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-31	145203	CUMBERLAND TRADING POST INC	698	\$87.75	PUBLIC & COMMUNITY RELATIONS

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-176

Account 930 - Miscellaneous Expenses
For the 12 Months Ended 12/31/98

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AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930100000000000	1998-05-31	145307	NATIONAL CITY	3334	\$81.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-05-31	145587	NATIONAL CITY	3334	\$35.96	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-03	144964	BLUE GRASS COUNCIL #204	312	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-04	144989	CLARK COUNTY JUNIOR MISS	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-04	144984	CHAMBER OF COMMERCE	491	\$120.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-09	145723	BATH COUNTY NEWS OUTLOOK	210	\$15.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-09	145259	JESSAMINE COUNTY CHAMBER OF COMMERCE	1262	\$45.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-09	145163	BATH COUNTY BASKETBALL	2843	\$20.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-11	145460	GRC FOOTBALL BOOSTERS	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-11	145260	JESSAMINE COUNTY CHAMBER OF COMMERCE	1262	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-11	145488	LONDON JAYCEES	1509	\$37.50	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-11	145489	LONDON ROTARY CLUB	1513	\$30.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-11	145502	MUSCULAR DYSTROPHY ASSOCIATION	1733	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-12	145513	PNC BANK	1937	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-17	145855	NATIONAL CITY	3334	\$85.01	MADISON IND
1930100000000000	1998-06-24	145744	CLAY COUNTY DAYS FESTIVAL	0	\$300.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-24	145778	JCHSSP	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-24	145783	KENTUCKY STATE POLICE - POST 7	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-24	145743	CLAY CITY TIMES, THE	564	\$64.35	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-24	145846	WKCA-FM RADIO	2616	\$75.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-25	145821	ROCKY MOUNTAIN HORSE -	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-26	145935	CORBIN BAND BOOSTERS	629	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145967	HORSE CREEK FIRE DEPARTMENT	0	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146000	NICHOLASVILLE POLICE DEPARTMENT	0	\$99.50	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146252	OWINGSVILLE VOLUNTEER FIRE DEPARTMENT	0	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145904	AMERICAN HEART ASSOCIATION	65	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145914	BIG CREEK FIRE DEPARTMENT	292	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145919	BRIGHT SHADE FIRE DEPARTMENT	364	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145924	BURNING SPRINGS FIRE DEPARTMENT	399	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145953	FOGERTOWN FIRE DEPARTMENT	932	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145974	JENNINGS, GLENN R	1260	\$75.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146189	JESSAMINE COUNTY FAIR INC	1263	\$35.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145983	LITTLE LEAGUE PROGRAM	1491	\$70.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145984	LOCKARPS CREEK FIRE DEPARTMENT	1496	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145989	MANCHESTER FIRE DEPARTMENT	1558	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146002	ONEIDA FIRE DEPARTMENT	1831	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146251	OWINGSVILLE LIONS CLUB	1852	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146306	WKCA-FM RADIO	2616	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146184	INTERMOUNTAIN PUBLISHING	3092	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-08	146215	LYNN CAMP QUARTERBACK CLUB	0	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-08	146097	BLUE GRASS COUNCIL #204	312	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-17	146417	JACKSON COUNTY GIRLS AAU	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-17	146469	POWELL COUNTY TOURISM COMMITTEE	0	\$25.00	PUBLIC & COMMUNITY RELATIONS

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176
 Account 930 - Miscellaneous Expenses
 For the 12 Months Ended 12/31/98

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930100000000000	1998-07-17	146501	TRIMBLE HOUSE	2441	\$144.56	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-21	146650	JACKSON COUNTY GIRLS AAU	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-21	146729	POLICE CALENDAR	0	\$69.50	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-24	146875	CORBIN CHAMBER OF COMMERCE	631	\$255.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-31	146838	AMERICAN RED CROSS	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-31	147128	MIDDLESBORO TOUCHDOWN CLUB	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-31	147080	GEORGE E BOOTH COMPANY INC	334	\$35.11	CITY OF BEREA
1930100000000000	1998-07-31	147156	REDHOUND VARSITY CLUB	2042	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-31	147378	WHITE HALL RENTAL	2538	\$44.21	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-05	147034	BLUEGRASS TOMORROW INC	0	\$500.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-06	147017	AMERICAN CANCER SOCIETY	56	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-06	147066	EASTERN KY QUARTER HORSE ASSOCIATION	824	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-11	147261	CUMBERLAND COLLEGE	0	\$125.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-11	147380	WHITLEY COUNTY RESCUE SQUAD	0	\$75.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-14	147575	POWELL COUNTY JOURNALISM	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-14	147426	AMERICAN CANCER SOCIETY	56	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-18	147581	SALT LICK FIRE DEPARTMENT	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-19	147436	BEREA CHAMBER OF COMMERCE	255	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-19	147639	NATIONAL CITY	3334	\$25.38	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-31	147864	BEREA ATHLETIC DEPARTMENT	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-31	147881	CINCINNATI BELL TELEPHONE	0	\$242.65	PUBLIC & COMMUNITY RELATIONS-KY NIGHT
1930100000000000	1998-08-31	144984	CHAMBER OF COMMERCE	491	(\$120.00)	SOUTHERN LEGISLATIVE CONF
1930100000000000	1998-08-31	147887	COYLE, BOBBY	670	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-31	148001	WHITLEY COUNTY HIGH SCHOOL	2549	\$45.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-31	14767	WILLIAMSBURG INDEPENDENT HIGH SCHOOL	2569	\$35.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-03	147858	BATH COUNTY BAND BOOSTERS	202	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-11	148161	PRINT INNOVATIONS	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-11	148173	SHILOH UNITED METHODIST YOUTH WAVE	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-17	148371	SHERIFF'S CALENDAR	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-22	148466	CLAY COUNTY CROSS COUNTRY	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-22	148504	NICHOLASVILLE FIRE DEPARTMENT	0	\$66.85	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-22	148532	WINCHESTER CLARK COUNTY PARKS DEPT.	0	\$200.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-24	148457	BEREA CHAMBER OF COMMERCE	255	\$45.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-24	148528	UNITED WAY OF THE BLUEGRASS	2462	\$600.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	148696	DOWNTOWN ASSOCIATION	0	\$20.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	148774	WEST SIDE BAPTIST YOUTH GROUP	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	149114	CLAY CITY TIMES, THE	564	\$32.18	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	148717	JENNINGS, GLENN R	1260	\$45.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	148930	KINGSTON ELEMENTARY PTO	1385	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	148733	MADISON SOUTHERN YEARBOOK	1547	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	149221	TIMES-TRIBUNE, THE	2411	\$112.92	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	148776	WILLIAMSBURG LADY JACKETS	2572	\$40.00	PUBLIC & COMMUNITY RELATIONS

DELTA NATURAL GAS COMPANY, INC.
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 For the 12 Months Ended 12/31/98

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930100000000000	1998-09-30	1490501	NATIONAL CITY	3334	\$39.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-09	149214	SOUTH LAUREL BAND BOOSTERS	2252	\$75.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-14	149174	MARCH OF DIMES	1567	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-16	149232	WHITLEY COUNTY HIGH SCHOOL	2719	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-21	149384	POWELL COUNTY BASKETBALL	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-23	149377	OWINGSVILLE ELEMENTARY PTO	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-30	149578	FOLEY MIDDLE SCHOOL	2804	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-31	149792	MADISON SOUTHERN HIGH SCHOOL	0	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-31	149701	BEREA COMMUNITY HIGH SCHOOL	261	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-31	149695	BATH COUNTY BOYS BASKETBALL	2843	\$35.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-05	149845	WORK COMP 1999	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-05	149847	YMCA OF WINCHESTER	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-17	150104	AMERICAN CANCER SOCIETY	56	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-17	150159	DELTA NATURAL GAS - 02	277	\$5.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-18	150313	WILLIAMSBURG BOYS BASKETBALL	0	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-18	150197	BELIEVE IN SANTA CLAUS	1204	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-20	150297	TIMES-TRIBUNE, THE	2411	\$100.00	PUBLIC & COMMUNITY RELATIONS - SAY NO TO DRUGS
1930100000000000	1998-11-25	150412	BEREA COMMUNITY SCHOOL	0	\$150.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-25	150460	JESSAMINE COUNTY SPORTS PROGRAM	0	\$70.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-30	150562	CLAY COUNTY MEALS ON WHEELS	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-30	150572	EAST JESSAMINE HIGH SCHOOL	0	\$35.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-30	150617	NICHOLASVILLE FIRE DEPARTMENT	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-12-02	150542	BEREA YOUTH LEAGUE	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-12-09	150815	MADISON SOUTHERN HIGH TRAVEL CLUB	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-12-09	150863	SOUTH LAUREL HIGH SCHOOL	2803	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-12-15	151273	EMPTY STOCKING FUND	2941	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-12-18	151211	ASBURY COLLEGE	112	\$900.00	PUBLIC & COMMUNITY RELATIONS-COLLEGE FOUNDATION
1930100000000000	1998-12-18	151211	ASBURY COLLEGE	112	(\$900.00)	PUBLIC & COMMUNITY RELATIONS-COLLEGE FOUNDATION
1930100000000000	1998-12-18	151445	KENTUCKY INDEPENDENT COLLEGE FOUNDATION	1348	\$3,600.00	PUBLIC & COMMUNITY RELATIONS-COLLEGE FOUNDATION
1930100000000000	1998-12-22	151607	TELFORD COMMUNITY CENTER YMCA INC	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-12-28	151476	ASBURY THEOLOGICAL SEMINARY	113	\$900.00	PUBLIC & COMMUNITY RELATIONS-COLLEGE FOUNDATION
A/C 1,930,10	REIMBURSEMENT6/98		TOTAL PUBLIC/COMMUNITY RELATIONS		(\$394.73)	PUBLIC & COMMUNITY RELATIONS
					\$16,885.46	
1930100000000000	1998-01-14	141224	STONE CREEK RESTAURANTS	0	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-176

Account 930 - Miscellaneous Expenses
For the 12 Months Ended 12/31/98

Item 25b

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
193011000000000	1998-01-16	141192	MCCRACKEN, SANDRA	2701	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-01-22	141299	BOB HAGER BUILDERS INC	0	\$857.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-01-22	141314	CANUP, MITCH	0	\$600.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-01-23	141403	MILLS, KAREN	0	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-01-28	141612	NANCE, KEITH	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-01-31	141838	GALE MEANS/JERRY MILLER	0	\$1,000.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-01-31	141807	ROBERTS, DONNIE & BETH	0	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-02-04	141830	WALTERS, MARK	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-02-10	141871	BROWN/BROWN/ORME INC.	0	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-02-10	141891	CROWE, MIKE	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-02-10	141904	ELKINS, GEORGE	840	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-02-10	141998	SKIDMORE, PAUL	2208	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-02-17	142104	EPPELSON, LARRY	0	\$250.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-02-17	142214	TREADWAY, KEVIN AND MONNA	0	\$250.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-02-19	142078	BUTLER, DARLENE	0	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-02-19	142137	KY TENN BUILDERS	0	\$250.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-02-19	142222	WATKINS, MIKE	0	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-02-25	142302	CANUP, MITCH	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-03-13	142597	A & T BUILDERS	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-03-13	142643	COURTNEY, RICHARD	665	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-03-13	142757	BALL HOMES	3426	\$1,900.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES

DELTA NATURAL GAS COMPANY, INC.

Item 25b

CASE NO. 99-176

Account 930 - Miscellaneous Expenses
For the 12 Months Ended 12/31/98

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
193011000000000	1998-03-18	142818	COMPTON, MACK	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-03-19	142953	WALTON, STANLEY	2510	\$400.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-03-24	143063	HATFIELD, JOHN	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-03-24	143071	KERNS, TIM	0	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-03-27	143122	BALL HOMES	3426	\$1,250.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-03-30	143291	BALL HOMES	3426	\$1,200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-03-30	143283	TYME INC.	3512	\$954.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-03-30	143200	CANUP, MITCH	3513	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-03-31	143407	MULLIGAN, COOMER	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-03-31	143470	WILSON, RAYMOND	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-04-14	143645	STRONG, NICK	2340	\$1,500.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-04-28	144019	MILLS, LEONARD	0	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-04-28	143925	BALL HOMES	3426	\$550.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-13	144374	HAMMOND, TONY	0	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-14	144433	POWELL VALLEY BAPTIST CHURCH	0	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-15	144318	BALL HOMES	3426	\$950.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-18	144585	ISAACS, WILLIAM	0	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-18	144671	ROBINSON, GREG	0	\$400.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-18	144772	SHORT, RODNEY	0	\$1,750.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-20	144601	KNIGHT PROPERTIES	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-20	144610	LOCKARD, LONNIE	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176
Account 930 - Miscellaneous Expenses
For the 12 Months Ended 12/31/98

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
193011000000000	1998-05-20	144696	STEWART, JEFF	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-31	144946	ANDERSON, CHRIS	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-31	144951	B/B BUILDERS	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-31	144980	CATHERS, DAVID	0	\$250.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-31	145049	KEITH, JASON	0	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-31	145058	LEON SMITH BUILDERS	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-31	145086	REEVES, WILLARD	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-05-31	145351	STEWART, JEFF	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-06-05	145031	HELTON, JACK	0	\$250.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-06-09	145351	STEWART, JEFF	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-06-11	145420	CARR, RAY	0	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-06-24	145849	BALL HOMES	3426	\$1,250.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-06-29	145959	GILLIAM, GREG	1009	\$450.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-06-30	146028	TEASLEY, MIKE	0	\$50.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-07-17	146448	MEANS/JERRY MILLER, GAYLE	0	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-07-23	146560	BARTON, HAROLD RAY	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-07-23	146617	EATON, JEROME	0	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-07-23	146633	GOAD, HAROLD	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-07-23	146639	HAMMOND, TONY	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-07-24	146888	EVANS & EVANS TIRE & AUTO CARE	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-07-24	146961	SONNY'S BAR B Q	0	\$500.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-176

Account 930 - Miscellaneous Expenses
For the 12 Months Ended 12/31/98

Item 25b

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
19301000000000	1998-07-31	147104	JONES, BRYAN	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-07-31	147111	KNIGHT, BILLY	0	\$250.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-07-31	147113	LAMB, CHESTER	0	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-07-31	147178	SOWDER, JAY	0	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-07-31	146383	COURTNEY, RICHARD	665	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-07-31	147209	HAGER, BOB	2776	\$2,852.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-07-31	147022	BALL HOMES	3426	\$850.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-08-13	147336	MILLER, GAYLE MEANS AND JERRY	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-08-31	147928	JOHNSON, MARSHALL	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-08-31	147957	PASLEY JR., GEORGE	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-08-31	147964	POWELL, FORE	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-08-31	147965	POWELL, JERRY	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-08-31	147965	POWELL, JERRY	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-08-31	147974	ROBINSON, GREG	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-08-31	147899	ESTEP, JOHN	2975	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-08-31	147770	BALL HOMES	3426	\$2,000.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-09-17	148410	BALL HOMES	3426	\$1,050.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-09-24	148705	GODBEY, MICHAEL	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-09-25	148797	WILLIAMS, RICK	0	\$1,200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-09-30	148687	CHESNUT, RANDY	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
19301000000000	1998-09-30	148790	FRITZ, JERRY	0	\$1,150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176
 Account 930 - Miscellaneous Expenses
 For the 12 Months Ended 12/31/98

Item 25b

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
193011000000000	1998-09-30	148790	FRITZ, JERRY	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-09-30	148709	HAMBLIN, ROY	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-09-30	148710	HAMMOND, TONY	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-10-07	148858	COURTNEY, RICHARD	665	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-10-14	149110	CHAPMAN, JOHN	0	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-10-14	149169	LITTLE, RANDY & DEBBIE	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-10-14	149178	MEANS, JERRY MILLER/GAYLE	0	\$400.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-10-14	149138	ESTER, JOHN	2975	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-10-16	149279	SHORT, RODNEY	0	\$2,250.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-10-16	149100	CANUP, MITCH	3513	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-10-30	149601	KNIGHT, BILLY	0	\$450.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-10-30	149615	MORRIS, TIM	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-10-30	149660	BALL HOMES	3426	\$1,100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-10-31	149761	HAMMOND, TONY	0	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-11-05	149754	GRAHAM, ED	0	\$250.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-11-05	149842	WILLIAM, SANFORD	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-11-17	150154	COX, KENNY	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-11-17	150158	DAVIS, KENNY	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-11-17	150202	INTEGRITY HOMES - JOHN GILCHRIST	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-11-17	150232	MCDANIEL, JIM	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-11-17	150329	BALL HOMES	3426	\$1,850.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-176

Account 930 - Miscellaneous Expenses
For the 12 Months Ended 12/31/98

Item 25b

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
193011000000000	1998-11-17	150136	CANUP, MITCH	3513	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-11-18	150101	ALLEN N MULLEN CONST	0	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-11-18	150134	C/D BUILDERS	0	\$100.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-11-20	150128	BROGAN, MARCUM	0	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-11-20	150236	MEANS, JERRY MILLER/GAYLE	0	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-11-30	150838	PAUL, ARVIL	0	\$350.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-10	150884	WALTERS, MARK	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-16	151302	KNIGHT, BILLY	0	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-16	151422	BALL HOMES	3426	\$1,350.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-16	151214	BALL HOMES	3426	\$600.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-22	151509	DAUGHERTY, WALTER	0	\$300.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-22	151519	EIPERT, BOB	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-22	151523	ESTEP, JOHN	0	\$500.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-22	151562	LACY, JAMES	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-22	151567	LITTLE, RANDY AND DEBBIE	0	\$50.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-22	151568	M B D BUILDERS	0	\$400.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-22	151573	MILLER, JERRY	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-22	151598	SKIDMORE, JOHN	0	\$200.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-22	151497	CANUP, MITCH	3513	\$150.00	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
193011000000000	1998-12-31	150101	ALLEN N MULLEN CONST	0	(\$300.00)	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
			REINSTATE CHECK NOT CASHED		(\$1,350.00)	CONSERVATION PROGRAM-ENERGY PERFECT HOMES
			CORRECT ACCOUNT DISTRIBUTION 8/98		(\$200.00)	CORRECTION

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176
 Account 930 - Miscellaneous Expenses
 For the 12 Months Ended 12/31/98

Item 25b

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description	
A/C 1,930.11			TOTAL CONSERVATION PROGRAM			\$48,913.00	
1930120000000000	1998-02-28	142501	LEGISLATIVE RESEARCH COMMISSION	1465	\$15.79	MATERIALS	
1930120000000000	1998-03-31	143387	LEGISLATIVE RESEARCH COMMISSION	1465	\$7.70	MATERIALS	
1930120000000000	1998-12-01	150462	KENTUCKY CHAMBER OF COMMERCE	1337	\$109.00	MATERIALS	
1930120000000000	0001-31-98	JE107	LOBBYING EXPENSE		\$1,305.22	PORTION OF SALARY ALLOCATED TO LOBBYING	
1930120000000000	0009-30-98	JE100	LOBBYING EXPENSE		\$1,644.13	PORTION OF SALARY ALLOCATED TO LOBBYING	
1930120000000000	0009-30-98	JE100	LOBBYING EXPENSE		\$1,187.24	PORTION OF SALARY ALLOCATED TO LOBBYING	
A/C 1,930.12			TOTAL CONSERVATION PROGRAM			\$4,269.08	
			TOTAL ALL 930 ACCOUNTS			\$440,457.84	

*NOTE - All expenses for AC 930'S are included above.

Items are classed according to account numbers and items without 'Line Description' are less than \$500.

DELTA NATURAL GAS COMPANY, INC.
CASE NUMBER 99-176
Account 426 - Other Income Deductions
For the 12 Months Ended December 1998

Format 25c

Line No.	(Format 25c) Item (a)	Amount (b)
1		
2	Donations	\$ -
3	Civic Activities	\$ -
4	Political Activities	\$ -
5	Other	\$ -
6	Total	\$ -

**DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176**

DATA REQUEST DATED 7/15/99

26. Provide a detailed analysis of expenses incurred during the test year for professional services, as shown in Format 26, and all workpapers supporting the analysis. At a minimum, the workpapers should show the payee, dollar amount, reference (i.e., voucher no., etc.), account charged, hourly rates and time charged to the company according to each invoice, and a description of the service provided.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John F. Hall

Professional Service Expenses
For the 12 Months Ended 12/31/98

Line No.	A/C#	Item	Rate Case	Annual Audit	Other	Total
1	1.923.01	Legal			73,126	73,126
2	N/A	Engineering - N/A				-
3	1.923.02	Accounting		92,483		92,483
4	1.923.03	Janitorial			50,403	50,403
5	1.923.04	Other	15,984		81,068	97,053
6	1.923.05	Computer			30,883	30,883
7		TOTAL A/C 1.923's	15,984	92,483	235,479	343,946
8	Attached is copy of report showing detail.					

Delta Natural Gas Company, Inc.
CASE NO. 99-176
Professional Service Expenses
For the 12 Months Ended 12/31/98

LEGAL FEES	GL #	DATE	Check #	Vendor #	Vendor Name	AMOUNT	DESCRIPTION	HRS	HRLY RATE
	1923010000000000	1998-01-22	141513	2334	STOLL KEENON & PARK LLP	\$84.00	DJM JOINT VENTURE	0.6	140.00
	1923010000000000	1998-01-22	141513	2334	STOLL KEENON & PARK LLP	\$6,539.16	GENERAL	42.7	152
	1923010000000000	1998-01-22	141513	2334	STOLL KEENON & PARK LLP	\$462.00	MERIT ENERGY	3.3	140
	1923010000000000	1998-02-26	142401	2334	STOLL KEENON & PARK LLP	\$2.10	CUMB HARLAN EXP		
	1923010000000000	1998-02-26	142401	2334	STOLL KEENON & PARK LLP	\$4.00	DJM JOINT VENTURE		
	1923010000000000	1998-02-26	142401	2334	STOLL KEENON & PARK LLP	\$2,083.30	GENERAL	11.1	165
	1923010000000000	1998-02-26	142401	2334	STOLL KEENON & PARK LLP	\$329.70	MERIT ENERGY	2	160
	1923010000000000	1998-03-27	143143	2334	STOLL KEENON & PARK LLP	\$88.10	EMPLOYEE BENEFITS	0.5	175
	1923010000000000	1998-03-27	143143	2334	STOLL KEENON & PARK LLP	\$4,635.77	GENERAL	28.6	156
	1923010000000000	1998-03-27	143143	2334	STOLL KEENON & PARK LLP	\$48.90	MERIT ENERGY	0.3	160
	1923010000000000	1998-04-23	143899	2334	STOLL KEENON & PARK LLP	\$5,416.92	GENERAL	43.9	125
	1923010000000000	1998-04-23	143899	2334	STOLL KEENON & PARK LLP	\$80.00	MERIT ENERGY	0.5	160
	1923010000000000	1998-04-29	143959	2825	CUBBAGE JR, BENJAMIN C	\$150.00	KRS 382.335	1	150
	1923010000000000	1998-04-30	144082	3307	COY GILBERT & GILBERT	\$1,000.00	ANNUAL RETAINER		
	1923010000000000	1998-05-31	145147	2334	STOLL KEENON & PARK LLP	\$3,104.14	GENERAL	16.5	182
	1923010000000000	1998-06-30	146341	111	ARVIN, WILLIAM MILES	\$180.00	YEARLY RETAINER		
	1923010000000000	1998-06-30	146402	958	FULBRIGHT & JAWORSKI	\$174.70	FERC	1	160
	1923010000000000	1998-06-30	146058	2334	STOLL KEENON & PARK LLP	\$1,271.80	CIRCLE R CORP	7.9	160
	1923010000000000	1998-06-30	146058	2334	STOLL KEENON & PARK LLP	\$1,740.15	GENERAL	8.8	165
	1923010000000000	1998-07-31	147008	2334	STOLL KEENON & PARK LLP	\$1,506.96	GENERAL	12.2	125
	1923010000000000	1998-07-31	147008	2334	STOLL KEENON & PARK LLP	\$60.00	FINANCING		
	1923010000000000	1998-07-31	147008	2334	STOLL KEENON & PARK LLP	\$197.30	MERIT ENERGY	1.2	160
	1923010000000000	1998-08-31	148025	2334	STOLL KEENON & PARK LLP	\$286.79	EMPLOYEE BENEFITS	1.2	175
	1923010000000000	1998-08-31	148025	2334	STOLL KEENON & PARK LLP	\$2,252.95	GENERAL	12.9	169.5
	1923010000000000	1998-08-31	148025	2334	STOLL KEENON & PARK LLP	\$594.40	MERIT ENERGY	3.7	160
	1923010000000000	1998-09-22	148469	3307	COY GILBERT & GILBERT	\$289.40	LAUREL EASEMENT	2.75	100
	1923010000000000	1998-09-24	148554	2334	STOLL KEENON & PARK LLP	\$2,277.90	GENERAL	14.8	165
	1923010000000000	1998-09-24	148554	2334	STOLL KEENON & PARK LLP	\$482.40	MT. OLIVET GAS	3	160
	1923010000000000	1998-10-31	149750	958	FULBRIGHT & JAWORSKI	\$406.25	GENERAL	1.25	325
	1923010000000000	1998-10-31	149868	2334	STOLL KEENON & PARK LLP	\$5,909.78	GENERAL	39	149
	1923010000000000	1998-10-31	149868	2334	STOLL KEENON & PARK LLP	\$64.00	MERIT ENERGY	0.4	160
	1923010000000000	1998-10-31	149868	2334	STOLL KEENON & PARK LLP	\$1,768.04	MT OLIVE GAS	10.2	177.5
	1923010000000000	1998-11-30	150529	2334	STOLL KEENON & PARK LLP	\$6,552.79	GENERAL	33.7	173
	1923010000000000	1998-11-30	150529	2334	STOLL KEENON & PARK LLP	\$400.90	MERIT ENERGY	2.5	160
	1923010000000000	1998-11-30	150529	2334	STOLL KEENON & PARK LLP	\$208.00	MT OLIVE GAS	1.3	160
	1923010000000000	1998-12-31	151992	3307	COY GILBERT & GILBERT	\$206.25	CSX TRANSP	1.5	188
					WRITE OFF COST TO ACQUIRE JOH	\$22,266.78			
						\$73,125.63	TOTAL A/C 92301		

Delta Natural Gas Company, Inc.
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 Professional Service Expenses
 For the 12 Months Ended 12/31/98

ACCOUNTING	GL #	DATE	Check #	Vendor #	Vendor Name	AMOUNT	DESCRIPTION	HRS	HRLY RATE
	1923020000000000	1998-02-26	142387	110	ARTHUR ANDERSEN LLP	\$3,000.00	EMPLOYEE SAVINGS PLAN	40	75
	1923020000000000	1998-03-06	142561	110	ARTHUR ANDERSEN LLP	\$4,000.00	1ST DEFERRED INVESTMENT TAX CREDITS		
	1923020000000000	1998-06-30	146513	110	ARTHUR ANDERSEN LLP	\$5,000.00	2ND DEFERRED INVESTMENT TAX CREDITS		
					ACCRUAL FOR ACCT PROFESSIONA	\$80,400.00			
	1923020000000000	1998-12-28	151513	743	DECKER, VIRGINIA	\$82.50	SHOULD BE AC 92303 SEE JE 6/99 FOR CORRECTION		
						\$92,482.50	TOTAL A/C 93202		

Delta Natural Gas Company, Inc.
CASE NO. 99-176
Professional Service Expenses
For the 12 Months Ended 12/31/98

GL #	DATE	Check #	Vendor #	Vendor Name	AMOUNT	DESCRIPTION	HRS	HRLY RATE
JANITORIAL	1923030000000000	1998-01-02	141512	2319 STEAMLINER CARPET CLEANER	\$2,250.00	JANITORIAL		
	1923030000000000	1998-01-09	141280	49 ALTIZER, STANLEY	\$158.00	JANITORIAL		
	1923030000000000	1998-01-09	140936	3399 EDWARDS, VICKIE	\$70.00	JANITORIAL		
	1923030000000000	1998-01-14	141432	2077 RILEY, LAWRENCE	\$275.00	JANITORIAL		
	1923030000000000	1998-01-16	141315	442 CARR, SANDRA	\$200.00	JANITORIAL		
	1923030000000000	1998-01-16	141412	1878 PARTIN, VICKIE	\$330.00	JANITORIAL		
	1923030000000000	1998-01-20	141352	1071 HALL, RONNIE	\$120.00	JANITORIAL		
	1923030000000000	1998-01-20	141398	1612 MEADOWS, KELLY	\$100.00	JANITORIAL		
	1923030000000000	1998-01-20	141348	3311 GRAY, NELSON	\$125.00	JANITORIAL		
	1923030000000000	1998-01-21	141300	3376 BOLTON, ROY	\$210.00	JANITORIAL		
	1923030000000000	1998-01-21	141561	3399 EDWARDS, VICKIE	\$70.00	JANITORIAL		
	1923030000000000	1998-01-22	141336	743 DECKER, VIRGINIA	\$82.50	JANITORIAL		
	1923030000000000	1998-01-22	141386	1469 LETHGO, NANCY C	\$82.50	JANITORIAL		
	1923030000000000	1998-01-30	141642	2395 THOMAS, DENA LYNNE	\$105.00	JANITORIAL		
	1923030000000000	1998-02-01	142187	2077 RILEY, LAWRENCE	\$275.00	JANITORIAL		
	1923030000000000	1998-02-02	142117	1071 HALL, RONNIE	\$120.00	JANITORIAL		
	1923030000000000	1998-02-02	142270	2319 STEAMLINER CARPET CLEANER	\$2,250.00	JANITORIAL		
	1923030000000000	1998-02-04	142056	49 ALTIZER, STANLEY	\$158.00	JANITORIAL		
	1923030000000000	1998-02-05	141903	3399 EDWARDS, VICKIE	\$70.00	JANITORIAL		
	1923030000000000	1998-02-10	142206	2395 THOMAS, DENA LYNNE	\$105.00	JANITORIAL		
	1923030000000000	1998-02-11	142083	442 CARR, SANDRA	\$200.00	JANITORIAL		
	1923030000000000	1998-02-17	142150	1612 MEADOWS, KELLY	\$100.00	JANITORIAL		
	1923030000000000	1998-02-20	142112	3311 GRAY, NELSON	\$125.00	JANITORIAL		
	1923030000000000	1998-02-25	142349	1878 PARTIN, VICKIE	\$330.00	JANITORIAL		
	1923030000000000	1998-02-25	142293	3376 BOLTON, ROY	\$210.00	JANITORIAL		
	1923030000000000	1998-02-25	142316	3399 EDWARDS, VICKIE	\$70.00	JANITORIAL		
	1923030000000000	1998-02-26	142312	743 DECKER, VIRGINIA	\$82.50	JANITORIAL		
	1923030000000000	1998-02-26	142338	1469 LETHGO, NANCY C	\$82.50	JANITORIAL		
	1923030000000000	1998-03-01	143060	1071 HALL, RONNIE	\$120.00	JANITORIAL		
	1923030000000000	1998-03-01	143096	2077 RILEY, LAWRENCE	\$275.00	JANITORIAL		
	1923030000000000	1998-03-02	143142	2319 STEAMLINER CARPET CLEANER	\$2,250.00	JANITORIAL		
	1923030000000000	1998-03-06	142655	3399 EDWARDS, VICKIE	\$70.00	JANITORIAL		
	1923030000000000	1998-03-13	143034	442 CARR, SANDRA	\$200.00	JANITORIAL		
	1923030000000000	1998-03-13	143108	2395 THOMAS, DENA LYNNE	\$105.00	JANITORIAL		
	1923030000000000	1998-03-17	143078	1612 MEADOWS, KELLY	\$100.00	JANITORIAL		
	1923030000000000	1998-03-17	143087	1878 PARTIN, VICKIE	\$330.00	JANITORIAL		
	1923030000000000	1998-03-18	143058	3311 GRAY, NELSON	\$125.00	JANITORIAL		
	1923030000000000	1998-03-18	143026	3505 ALTIZER, REBECCA	\$158.00	JANITORIAL		
	1923030000000000	1998-03-24	143075	1499 LOCKHART, JIM	\$20.00	JANITORIAL		
	1923030000000000	1998-03-24	143110	3233 TOWNSEND, DEBBIE	\$210.00	JANITORIAL		
	1923030000000000	1998-03-24	143049	3399 EDWARDS, VICKIE	\$70.00	JANITORIAL		

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Professional Service Expenses
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GL #	DATE	Check #	Vendor #	Vendor Name	AMOUNT	DESCRIPTION	HRS	HRLY RATE
1923030000000000	1998-03-27	143046	743	DECKER, VIRGINIA	\$82.50	JANITORIAL		
1923030000000000	1998-03-27	143074	1469	LETHGO, NANCY C	\$82.50	JANITORIAL		
1923030000000000	1998-03-30	143219	1649	DELTA NATURAL GAS - 10	\$20.00	JANITORIAL- WINDOWS		
1923030000000000	1998-04-01	143771	1071	HALL, RONNIE	\$120.00	JANITORIAL		
1923030000000000	1998-04-01	143823	2077	RILEY, LAWRENCE	\$275.00	JANITORIAL		
1923030000000000	1998-04-01	143897	2319	STEAMLINER CARPET CLEANER	\$2,250.00	JANITORIAL		
1923030000000000	1998-04-03	143840	2395	THOMAS, DENA LYNNE	\$105.00	JANITORIAL		
1923030000000000	1998-04-08	143532	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
1923030000000000	1998-04-08	143703	3505	ALTIZER, REBECCA	\$158.00	JANITORIAL		
1923030000000000	1998-04-14	143806	1612	MEADOWS, KELLY	\$100.00	JANITORIAL		
1923030000000000	1998-04-14	143811	1878	PARTIN, VICKIE	\$330.00	JANITORIAL		
1923030000000000	1998-04-22	143748	743	DECKER, VIRGINIA	\$82.50	JANITORIAL		
1923030000000000	1998-04-22	143797	1469	LETHGO, NANCY C	\$82.50	JANITORIAL		
1923030000000000	1998-04-22	143768	3311	GRAY, NELSON	\$125.00	JANITORIAL		
1923030000000000	1998-04-23	143728	442	CARR, SANDRA	\$200.00	JANITORIAL		
1923030000000000	1998-04-29	143964	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
1923030000000000	1998-04-30	144706	2395	THOMAS, DENA LYNNE	\$105.00	JANITORIAL		
1923030000000000	1998-04-30	144056	3233	TOWNSEND, DEBBIE	\$210.00	JANITORIAL		
1923030000000000	1998-05-01	144567	1071	HALL, RONNIE	\$120.00	JANITORIAL		
1923030000000000	1998-05-01	144669	2077	RILEY, LAWRENCE	\$275.00	JANITORIAL		
1923030000000000	1998-05-01	144773	2319	STEAMLINER CARPET CLEANER	\$2,250.00	JANITORIAL		
1923030000000000	1998-05-11	144649	1878	PARTIN, VICKIE	\$330.00	JANITORIAL		
1923030000000000	1998-05-11	144490	3505	ALTIZER, REBECCA	\$158.00	JANITORIAL		
1923030000000000	1998-05-13	144626	1612	MEADOWS, KELLY	\$100.00	JANITORIAL		
1923030000000000	1998-05-15	144359	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
1923030000000000	1998-05-18	144521	442	CARR, SANDRA	\$200.00	JANITORIAL		
1923030000000000	1998-05-19	144712	3233	TOWNSEND, DEBBIE	\$210.00	JANITORIAL		
1923030000000000	1998-05-29	144814	743	DECKER, VIRGINIA	\$82.50	JANITORIAL		
1923030000000000	1998-05-29	144850	1469	LETHGO, NANCY C	\$82.50	JANITORIAL		
1923030000000000	1998-05-29	144832	3311	GRAY, NELSON	\$125.00	JANITORIAL		
1923030000000000	1998-05-31	145221	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
1923030000000000	1998-06-01	145770	1071	HALL, RONNIE	\$120.00	JANITORIAL		
1923030000000000	1998-06-01	145819	2077	RILEY, LAWRENCE	\$275.00	JANITORIAL		
1923030000000000	1998-06-04	145859	2319	STEAMLINER CARPET CLEANER	\$2,250.00	JANITORIAL		
1923030000000000	1998-06-09	145837	2395	THOMAS, DENA LYNNE	\$105.00	JANITORIAL		
1923030000000000	1998-06-09	145738	442	CARR, SANDRA	\$200.00	JANITORIAL		
1923030000000000	1998-06-09	145221	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
1923030000000000	1998-06-09	145713	3505	ALTIZER, REBECCA	\$158.00	JANITORIAL		
1923030000000000	1998-06-12	145801	1612	MEADOWS, KELLY	\$100.00	JANITORIAL		
1923030000000000	1998-06-17	145764	3311	GRAY, NELSON	\$125.00	JANITORIAL		
1923030000000000	1998-06-18	145810	1878	PARTIN, VICKIE	\$330.00	JANITORIAL		
1923030000000000	1998-06-24	145751	743	DECKER, VIRGINIA	\$82.50	JANITORIAL		

Delta Natural Gas Company, Inc.
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GL #	DATE	Check #	Vendor #	Vendor Name	AMOUNT	DESCRIPTION	HRS	HRLY RATE
1923030000000000	1998-06-24	145790	1469	LETHGO, NANCY C	\$82.50	JANITORIAL		
1923030000000000	1998-06-25	145798	2701	MCCRACKEN, SANDRA	\$210.00	JANITORIAL		
1923030000000000	1998-06-30	146392	1649	DELTA NATURAL GAS - 10	\$40.00	JANITORIAL WINDOWS		
1923030000000000	1998-06-30	146148	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
1923030000000000	1998-07-01	146637	1071	HALL, RONNIE	\$120.00	JANITORIAL		
1923030000000000	1998-07-01	146828	2319	STEAMLINER CARPET CLEANER	\$2,250.00	JANITORIAL		
1923030000000000	1998-07-06	146762	2395	THOMAS, DENA LYNNE	\$105.00	JANITORIAL		
1923030000000000	1998-07-08	146212	1499	LOCKHART, JIM	\$16.00	JANITORIAL		
1923030000000000	1998-07-10	146148	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
1923030000000000	1998-07-10	146551	3505	ALTIZER, REBECCA	\$158.00	JANITORIAL		
1923030000000000	1998-07-17	146583	442	CARR, SANDRA	\$200.00	JANITORIAL		
1923030000000000	1998-07-17	146719	1878	PARTIN, VICKIE	\$330.00	JANITORIAL		
1923030000000000	1998-07-17	146634	3311	GRAY, NELSON	\$125.00	JANITORIAL		
1923030000000000	1998-07-21	146695	1612	MEADOWS, KELLY	\$100.00	JANITORIAL		
1923030000000000	1998-07-21	146740	2077	RILEY, LAWRENCE	\$275.00	JANITORIAL		
1923030000000000	1998-07-21	146764	3233	TOWNSEND, DEBBIE	\$210.00	JANITORIAL		
1923030000000000	1998-07-21	146885	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
1923030000000000	1998-07-23	146605	743	DECKER, VIRGINIA	\$82.50	JANITORIAL		
1923030000000000	1998-07-23	146682	1469	LETHGO, NANCY C	\$82.50	JANITORIAL		
1923030000000000	1998-08-01	147501	1071	HALL, RONNIE	\$120.00	JANITORIAL		
1923030000000000	1998-08-01	147579	2077	RILEY, LAWRENCE	\$275.00	JANITORIAL		
1923030000000000	1998-08-03	147798	2319	STEAMLINER CARPET CLEANER	\$2,250.00	JANITORIAL		
1923030000000000	1998-08-05	147596	2395	THOMAS, DENA LYNNE	\$105.00	JANITORIAL		
1923030000000000	1998-08-13	147271	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
1923030000000000	1998-08-14	147263	1649	DELTA NATURAL GAS - 10	\$20.00	JANITORIAL WINDOWS		
1923030000000000	1998-08-14	147424	3505	ALTIZER, REBECCA	\$158.00	JANITORIAL		
1923030000000000	1998-08-18	147449	442	CARR, SANDRA	\$200.00	JANITORIAL		
1923030000000000	1998-08-18	147538	1612	MEADOWS, KELLY	\$100.00	JANITORIAL		
1923030000000000	1998-08-18	147563	1878	PARTIN, VICKIE	\$330.00	JANITORIAL		
1923030000000000	1998-08-19	147473	743	DECKER, VIRGINIA	\$82.50	JANITORIAL		
1923030000000000	1998-08-19	147530	1469	LETHGO, NANCY C	\$82.50	JANITORIAL		
1923030000000000	1998-08-19	147536	2701	MCCRACKEN, SANDRA	\$210.00	JANITORIAL		
1923030000000000	1998-08-21	147474	2574	DELTA NATURAL GAS - 07	\$75.00	JANITORIAL WINDOWS		
1923030000000000	1998-08-26	147724	1499	LOCKHART, JIM	\$16.00	JANITORIAL		
1923030000000000	1998-08-31	147813	3311	GRAY, NELSON	\$125.00	JANITORIAL		
1923030000000000	1998-08-31	147897	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
1923030000000000	1998-09-01	148487	1071	HALL, RONNIE	\$120.00	JANITORIAL		
1923030000000000	1998-09-01	148513	2077	RILEY, LAWRENCE	\$275.00	JANITORIAL		
1923030000000000	1998-09-01	148553	2319	STEAMLINER CARPET CLEANER	\$2,250.00	JANITORIAL		
1923030000000000	1998-09-03	148522	2395	THOMAS, DENA LYNNE	\$105.00	JANITORIAL		
1923030000000000	1998-09-15	148506	1878	PARTIN, VICKIE	\$330.00	JANITORIAL		
1923030000000000	1998-09-16	148501	1612	MEADOWS, KELLY	\$100.00	JANITORIAL		

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For the 12 Months Ended 12/31/98

GL #	DATE	Check #	Vendor #	Vendor Name	AMOUNT	DESCRIPTION	HRS	HRLY RATE
192303000000000	1998-09-16	148277	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
192303000000000	1998-09-16	148451	3505	ALTIZER, REBECCA	\$158.00	JANITORIAL		
192303000000000	1998-09-17	148462	442	CARR, SANDRA	\$200.00	JANITORIAL		
192303000000000	1998-09-17	148523	3233	TOWNSEND, DEBBIE	\$210.00	JANITORIAL		
192303000000000	1998-09-22	148498	1499	LOCKHART, JIM	\$16.00	JANITORIAL		
192303000000000	1998-09-23	148471	743	DECKER, VIRGINIA	\$82.50	JANITORIAL		
192303000000000	1998-09-23	148496	1469	LETHGO, NANCY C	\$82.50	JANITORIAL		
192303000000000	1998-09-23	148484	3311	GRAY, NELSON	\$125.00	JANITORIAL		
192303000000000	1998-09-24	148481	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
192303000000000	1998-09-30	149127	1649	DELTA NATURAL GAS - 10	\$40.00	JANITORIAL WINDOWS		
192303000000000	1998-10-01	149343	1071	HALL, RONNIE	\$120.00	JANITORIAL		
192303000000000	1998-10-01	149389	2077	RILEY, LAWRENCE	\$275.00	JANITORIAL		
192303000000000	1998-10-01	149458	2319	STEAMLINER CARPET CLEANER	\$2,250.00	JANITORIAL		
192303000000000	1998-10-05	149400	2395	THOMAS, DENA LYNNE	\$105.00	JANITORIAL		
192303000000000	1998-10-08	148873	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
192303000000000	1998-10-14	149338	3311	GRAY, NELSON	\$125.00	JANITORIAL		
192303000000000	1998-10-16	149304	442	CARR, SANDRA	\$200.00	JANITORIAL		
192303000000000	1998-10-16	149368	1612	MCCRACKEN, KELLY	\$100.00	JANITORIAL		
192303000000000	1998-10-16	149367	2701	MCCRACKEN, SANDRA	\$210.00	JANITORIAL		
192303000000000	1998-10-20	149322	743	DECKER, VIRGINIA	\$82.50	JANITORIAL		
192303000000000	1998-10-21	149361	1469	LETHGO, NANCY C	\$82.50	JANITORIAL		
192303000000000	1998-10-21	149379	1878	PARTIN, VICKIE	\$330.00	JANITORIAL		
192303000000000	1998-10-22	149326	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
192303000000000	1998-10-28	149606	1499	LOCKHART, JIM	\$16.00	JANITORIAL		
192303000000000	1998-10-30	149541	3505	ALTIZER, REBECCA	\$158.00	JANITORIAL		
192303000000000	1998-10-31	149934	1649	DELTA NATURAL GAS - 10	\$20.00	JANITORIAL WINDOWS		
192303000000000	1998-11-01	150180	1071	HALL, RONNIE	\$120.00	JANITORIAL		
192303000000000	1998-11-01	150271	2077	RILEY, LAWRENCE	\$275.00	JANITORIAL		
192303000000000	1998-11-01	150176	3311	GRAY, NELSON	\$125.00	JANITORIAL		
192303000000000	1998-11-02	150395	2319	STEAMLINER CARPET CLEANER	\$2,250.00	JANITORIAL		
192303000000000	1998-11-03	150293	2395	THOMAS, DENA LYNNE	\$105.00	JANITORIAL		
192303000000000	1998-11-06	149938	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
192303000000000	1998-11-12	150176	3311	GRAY, NELSON	\$125.00	JANITORIAL		
192303000000000	1998-11-17	150235	1612	MEADOWS, KELLY	\$100.00	JANITORIAL		
192303000000000	1998-11-17	150102	3505	ALTIZER, REBECCA	\$158.00	JANITORIAL		
192303000000000	1998-11-18	150137	442	CARR, SANDRA	\$200.00	JANITORIAL		
192303000000000	1998-11-18	150299	3233	TOWNSEND, DEBBIE	\$210.00	JANITORIAL		
192303000000000	1998-11-18	150176	3311	GRAY, NELSON	-\$125.00	JANITORIAL		
192303000000000	1998-11-25	150430	743	DECKER, VIRGINIA	\$82.50	JANITORIAL		
192303000000000	1998-11-25	150467	1469	LETHGO, NANCY C	\$82.50	JANITORIAL		
192303000000000	1998-11-25	150486	1878	PARTIN, VICKIE	\$330.00	JANITORIAL		
192303000000000	1998-11-25	150436	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		

Delta Natural Gas Company, Inc.
CASE NO. 99-176
Professional Service Expenses
For the 12 Months Ended 12/31/98

GL #	DATE	Check #	Vendor #	Vendor Name	AMOUNT	DESCRIPTION	HRS	HRLY RATE
1923030000000000	1998-11-30	150810	1499	LOCKHART, JIM	\$20.00	JANITORIAL		
	1998-11-18	150176	3311	GRAY, NELSON	-\$125.00	JANITORIAL		
1923030000000000	1998-12-01	151541	1071	HALL, RONNIE	\$120.00	JANITORIAL		
1923030000000000	1998-12-01	151592	2077	RILEY, LAWRENCE	\$275.00	JANITORIAL		
1923030000000000	1998-12-01	151638	2319	STEAMLINER CARPET CLEANER	\$2,250.00	JANITORIAL		
1923030000000000	1998-12-01	151537	3311	GRAY, NELSON	\$125.00	JANITORIAL		
1923030000000000	1998-12-04	151581	1878	PARTIN, VICKIE	\$330.00	JANITORIAL		
1923030000000000	1998-12-04	151608	2395	THOMAS, DENA LYNNE	\$105.00	JANITORIAL		
1923030000000000	1998-12-09	151482	49	ALTIZER, STANLEY	\$158.00	JANITORIAL		
1923030000000000	1998-12-09	150759	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
1923030000000000	1998-12-16	151572	1612	MEADOWS, KELLY	\$100.00	JANITORIAL		
1923030000000000	1998-12-22	151537	3311	GRAY, NELSON	-\$125.00	JANITORIAL		
1923030000000000	1998-12-22	151537	3311	GRAY, NELSON	\$125.00	JANITORIAL		
1923030000000000	1998-12-28	151566	1469	LETHGO, NANCY C	\$82.50	JANITORIAL		
1923030000000000	1998-12-28	151571	2701	MCCRACKEN, SANDRA	\$210.00	JANITORIAL		
1923030000000000	1998-12-29	151668	3311	GRAY, NELSON	\$125.00	JANITORIAL		
1923030000000000	1998-12-29	151659	3399	EDWARDS, VICKIE	\$70.00	JANITORIAL		
1923030000000000	1998-12-31	151828	186	DELTA NATURAL GAS - 08	\$30.00	JANITORIAL WINDOWS		
1923030000000000	1998-12-31	151798	442	CARR, SANDRA	\$200.00	JANITORIAL		
					\$50,402.50	TOTAL A/C 92303		

Delta Natural Gas Company, Inc.
CASE NO. 99-176
Professional Service Expenses
For the 12 Months Ended 12/31/98

GL #	DATE	Check #	Vendor #	Vendor Name	AMOUNT	DESCRIPTION	HRS	HRLY RATE
OTHER A/C 1.923.04								
1923040000000000	1998-01-02	141477	222	BEATTIE, MILTON C.	\$2,083.33	CONSULTING		
1923040000000000	1998-01-02	140839	1407	KOHNLE, THOMAS A.	\$1,000.00	CONSULTING		
1923040000000000	1998-01-02	140827	2635	YARBER, EUNICE	\$700.00	CONSULTING		
1923040000000000	1998-01-02	140773	3218	FRONTIERVISION	\$25.44	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-01-02	140773	3218	FRONTIERVISION	\$26.35	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-01-06	140881	3333	ARCH PAGING	\$302.91	PAGING SERVICES FEE		
1923040000000000	1998-01-29	141647	2471	URGENT TREATMENT CENTER	\$80.00	DOT PHYSICALS		
1923040000000000	1998-02-02	142237	222	BEATTIE, MILTON C.	\$2,083.33	CONSULTING		
1923040000000000	1998-02-02	141686	1407	KOHNLE, THOMAS A.	\$1,000.00	CONSULTING		
1923040000000000	1998-02-02	141653	2635	YARBER, EUNICE	\$700.00	CONSULTING		
1923040000000000	1998-02-05	141760	3218	FRONTIERVISION	\$25.44	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-02-06	141760	3218	FRONTIERVISION	\$26.35	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-02-10	141971	1818	OFFICE PARK DIAGNOSTIC	\$90.00	COMPANY PHYSICAL -HAZELRIGG		
1923040000000000	1998-02-10	141971	1818	OFFICE PARK DIAGNOSTIC	\$283.00	COMPANY PHYSICAL -HAZELRIGG		
1923040000000000	1998-02-12	141993	2085	ROBERTS, LYNN	\$562.50	COMPANY PHYSICAL PROGRAMMING	22.5	25
1923040000000000	1998-02-17	142124	1221	INTERNAL MEDICINE ASSOCIATION	\$210.00	COMPANY PHYSICAL -HAZELRIGG		
1923040000000000	1998-02-25	142373	2471	URGENT TREATMENT CENTER	\$40.00	DOT PHYSICALS		
1923040000000000	1998-02-26	142347	3498	OWINGSVILLE HEALTH DEPARTMENT	\$31.00	HEPATITIS SHOT - B SORRELL		
1923040000000000	1998-02-28	142414	3333	ARCH PAGING	\$198.41	PAGING SERVICES FEE		
1923040000000000	1998-02-28	142602	3333	ARCH PAGING	\$195.71	PAGING SERVICES FEE		
1923040000000000	1998-03-02	143123	222	BEATTIE, MILTON C.	\$2,083.33	CONSULTING		
1923040000000000	1998-03-02	142396	1407	KOHNLE, THOMAS A.	\$1,000.00	CONSULTING		
1923040000000000	1998-03-02	142381	2635	YARBER, EUNICE	\$700.00	CONSULTING		
1923040000000000	1998-03-13	142468	3218	FRONTIERVISION	\$27.86	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-03-13	142665	3218	FRONTIERVISION	\$28.77	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-03-18	142922	2085	ROBERTS, LYNN	\$650.00	COMPUTER PROGRAMMING	26	25
1923040000000000	1998-03-30	143284	2471	URGENT TREATMENT CENTER	\$40.00	DOT PHYSICALS		
1923040000000000	1998-03-31	143507	318	BLUEGRASS REGIONAL M/HMR BOA	\$498.24	PROFESSIONAL SERVICES AGREEMENT		
1923040000000000	1998-03-31	143284	2471	URGENT TREATMENT CENTER	\$15.00	DRUG SCREENING FEE - DRAWING		
1923040000000000	1998-03-31	143284	2471	URGENT TREATMENT CENTER	\$150.00	BLOOD BORN PATHOGEN TRAINING		
1923040000000000	1998-04-01	143860	222	BEATTIE, MILTON C.	\$2,083.33	CONSULTING		
1923040000000000	1998-04-01	143178	1407	KOHNLE, THOMAS A.	\$1,000.00	CONSULTING		
1923040000000000	1998-04-01	143171	2635	YARBER, EUNICE	\$700.00	CONSULTING		
1923040000000000	1998-04-01	143228	3218	FRONTIERVISION	\$27.86	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-04-01	143186	3333	ARCH PAGING	\$196.07	PAGING SERVICES FEE		
1923040000000000	1998-04-07	143362	3218	FRONTIERVISION	\$28.77	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-04-28	144101	2471	URGENT TREATMENT CENTER	\$1,080.00	DRUG SCREEN DOT		
1923040000000000	1998-04-30	144101	2471	URGENT TREATMENT CENTER	\$2,133.00	RESPIRATORY PHYSICALS		
1923040000000000	1998-05-01	144742	222	BEATTIE, MILTON C.	\$2,083.33	CONSULTING		
1923040000000000	1998-05-01	144090	1407	KOHNLE, THOMAS A.	\$1,000.00	CONSULTING		
1923040000000000	1998-05-01	144067	2635	YARBER, EUNICE	\$700.00	CONSULTING		

Delta Natural Gas Company, Inc.
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Professional Service Expenses
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GL #	DATE	Check #	Vendor #	Vendor Name	AMOUNT	DESCRIPTION	HRS	HRLY RATE
1923040000000000	1998-05-01	143971	3218	FRONTIERVISION	\$27.86	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-05-01	143971	3218	FRONTIERVISION	\$28.77	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-05-01	144109	3333	ARCH PAGING	\$196.07	PAGING SERVICES FEE		
1923040000000000	1998-05-29	144899	2471	URGENT TREATMENT CENTER	\$230.00	DRUG SCREEN & MRO		
1923040000000000	1998-05-29	144788	3539	BATH COUNTY MEDICAL CLINIC	\$190.50	COMPANY PHYSICAL - CAUDILL		
1923040000000000	1998-06-01	145851	222	BEATTIE, MILTON C.	\$2,083.33	CONSULTING		
1923040000000000	1998-06-01	144921	1407	KOHNLE, THOMAS A.	\$1,000.00	CONSULTING		
1923040000000000	1998-06-01	144877	2085	ROBERTS, LYNN	\$600.00	COMPUTER PROGRAMMING	24	25
1923040000000000	1998-06-01	144908	2635	YARBER, EUNICE	\$700.00	CONSULTING		
1923040000000000	1998-06-04	145018	3218	FRONTIERVISION	\$27.86	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-06-04	145018	3218	FRONTIERVISION	\$28.77	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-06-11	145160	3333	ARCH PAGING	\$246.07	PAGING SERVICES FEE		
1923040000000000	1998-06-12	145461	3553	GROWTH RESOURCES	\$498.24	PROFESSIONAL SERVICES AGREEMENT		
1923040000000000	1998-06-25	145862	2471	URGENT TREATMENT CENTER	\$1,130.00	DRUG SCREENING & MRO		
1923040000000000	1998-06-29	146035	2471	URGENT TREATMENT CENTER	\$180.00	DRUG SCREENING & MRO		
1923040000000000	1998-06-30	146397	3304	EEO ASSOCIATES	\$85.00	AFFIRMATIVE ACTION	1	85
1923040000000000	1998-07-01	146794	222	BEATTIE, MILTON C.	\$2,083.33	CONSULTING		
1923040000000000	1998-07-01	145892	1407	KOHNLE, THOMAS A.	\$1,000.00	CONSULTING		
1923040000000000	1998-07-01	145888	2635	YARBER, EUNICE	\$700.00	CONSULTING		
1923040000000000	1998-07-01	145955	3218	FRONTIERVISION	\$27.86	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-07-01	145955	3218	FRONTIERVISION	\$28.77	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-07-01	145955	3218	FRONTIERVISION	\$28.77	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-07-06	146082	3333	ARCH PAGING	\$196.07	PAGING SERVICES FEE		
1923040000000000	1998-07-17	146357	318	BLUEGRASS REGIONAL MH/MR BOA	\$498.24	PROFESSIONAL SERVICES AGREEMENT		
1923040000000000	1998-07-17	146432	1407	KOHNLE, THOMAS A.	\$574.95	CONSULTING		
1923040000000000	1998-07-24	146608	186	DELTA NATURAL GAS - 08	\$30.00	JANITORIAL WINDOWS		
1923040000000000	1998-07-29	146978	2471	URGENT TREATMENT CENTER	\$260.00	DOT PHYSICALS & DRUG SCREEN		
1923040000000000	1998-07-31	147077	3218	FRONTIERVISION	\$27.86	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-07-31	147400	3304	EEO ASSOCIATES	\$1,012.50	AFFIRMATIVE ACTION		
1923040000000000	1998-08-01	146992	674	CUMBERLAND MOUNTAIN PAGING	\$72.00	PAGING SERVICES FEE		
1923040000000000	1998-08-03	147771	222	BEATTIE, MILTON C.	\$2,083.33	CONSULTING		
1923040000000000	1998-08-03	146996	1407	KOHNLE, THOMAS A.	\$1,000.00	CONSULTING		
1923040000000000	1998-08-03	146987	2635	YARBER, EUNICE	\$700.00	CONSULTING		
1923040000000000	1998-08-05	147077	3218	FRONTIERVISION	\$28.77	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-08-13	147231	3333	ARCH PAGING	\$196.07	PAGING SERVICES FEE		
1923040000000000	1998-08-14	147290	3579	H & R SURVEYING	\$440.00	NEW BARBOURVILLE OFFICE		
1923040000000000	1998-08-21	147490	968	G R W ENGINEERS INC	\$400.00	PROFESSIONAL SERVICES MANCHESTER AREA		
1923040000000000	1998-08-26	147776	592	COLUMBIA SMALL CUSTOMER GRO	\$12,380.00	FERC MATTERS THRU FULBRIGHT & JAWORSKI		
1923040000000000	1998-08-28	147997	2471	URGENT TREATMENT CENTER	\$200.00	DOT COMPANY PHYSICALS		
1923040000000000	1998-09-01	148536	222	BEATTIE, MILTON C.	\$2,083.33	CONSULTING		
1923040000000000	1998-09-01	147811	674	CUMBERLAND MOUNTAIN PAGING	\$72.00	PAGING SERVICES FEE		
1923040000000000	1998-09-01	147840	1407	KOHNLE, THOMAS A.	\$1,000.00	CONSULTING		
1923040000000000	1998-09-01	147831	2635	YARBER, EUNICE	\$700.00	CONSULTING		

Delta Natural Gas Company, Inc.
CASE NO. 99-176
Professional Service Expenses
For the 12 Months Ended 12/31/98

GL #	DATE	Check #	Vendor #	Vendor Name	AMOUNT	DESCRIPTION	HRS	HRLY RATE
1923040000000000	1998-09-02	147901	3218	FRONTIERVISION	\$27.86	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-09-03	147901	3218	FRONTIERVISION	\$28.77	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-09-03	148041	3333	ARCH PAGING	\$196.07	PAGING SERVICES FEE		
1923040000000000	1998-09-30	148771	2471	URGENT TREATMENT CENTER	\$280.00	DOT COMPANY PHYSICALS & MRO		
1923040000000000	1998-10-01	149417	222	BEATTIE, MILTON C.	\$2,083.33	CONSULTING		
1923040000000000	1998-10-01	148470	674	CUMBERLAND MOUNTAIN PAGING	\$72.00	PAGING SERVICES FEE		
1923040000000000	1998-10-01	148655	1407	KOHNLE, THOMAS A.	\$1,000.00	CONSULTING		
1923040000000000	1998-10-01	148755	2085	ROBERTS, LYNN	\$887.50	COMPUTER PROGRAMMING	35.5	
1923040000000000	1998-10-01	148649	2635	YARBER, EUNICE	\$700.00	CONSULTING		25
1923040000000000	1998-10-01	148704	3218	FRONTIERVISION	\$27.86	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-10-01	148665	3333	ARCH PAGING	\$196.07	PAGING SERVICES FEE		
1923040000000000	1998-10-16	149094	318	BLUEGRASS REGIONAL MH/MR BOA	\$498.24	PROFESSIONAL SERVICES AGREEMENT		
1923040000000000	1998-10-21	149390	2085	ROBERTS, LYNN	\$550.00	COMPUTER PROGRAMMING	22	25
1923040000000000	1998-10-23	149292	3488	AMERICAN TRAINING RESOURCES I	\$731.40	DRUG & ALCOHOL TRAINING MATERIALS		
1923040000000000	1998-10-30	149550	275	BEREA HOSPITAL	\$94.43	COMPANY PHYSICAL		
1923040000000000	1998-10-31	149870	2471	URGENT TREATMENT CENTER	\$1,997.00	INFLUENZA VACCINATION & DRUG SCREENING DOT		
1923040000000000	1998-10-31	149723	2876	COMPTON MD, RALPH E	\$121.00	COMPANY PHYSICAL - JENNINGS		
1923040000000000	1998-11-01	149662	674	CUMBERLAND MOUNTAIN PAGING	\$72.00	PAGING SERVICES FEE		
1923040000000000	1998-11-02	150384	222	BEATTIE, MILTON C.	\$2,083.33	CONSULTING		
1923040000000000	1998-11-02	149670	1407	KOHNLE, THOMAS A.	\$1,000.00	CONSULTING		
1923040000000000	1998-11-02	149656	2635	YARBER, EUNICE	\$700.00	CONSULTING		
1923040000000000	1998-11-03	149749	3218	FRONTIERVISION	\$27.86	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-11-03	149749	3218	FRONTIERVISION	\$60.54	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-11-12	149688	3333	ARCH PAGING	\$196.07	PAGING SERVICES FEE		
1923040000000000	1998-11-18	150160	2313	DELTA NATURAL GAS - 05	\$14.00	JANITORIAL WINDOWS		
1923040000000000	1998-11-25	150501	2471	URGENT TREATMENT CENTER	\$100.00	DOT PHYSICALS & DRUG SCREEN		
1923040000000000	1998-12-01	151621	222	BEATTIE, MILTON C.	\$2,083.33	CONSULTING		
1923040000000000	1998-12-01	150520	1407	KOHNLE, THOMAS A.	\$1,000.00	CONSULTING		
1923040000000000	1998-12-01	150507	2635	YARBER, EUNICE	\$700.00	CONSULTING		
1923040000000000	1998-12-02	150580	3218	FRONTIERVISION	\$28.77	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-12-02	150536	3333	ARCH PAGING	\$196.07	PAGING SERVICES FEE		
1923040000000000	1998-12-04	150580	3218	FRONTIERVISION	\$27.86	WEATHER DATA FOR GAS CONTROL		
1923040000000000	1998-12-10	150738	674	CUMBERLAND MOUNTAIN PAGING	\$72.00	PAGING SERVICES FEE		
1923040000000000	1998-12-14	150855	2085	ROBERTS, LYNN	\$425.00	COMPUTER PROGRAMMING	17	25
1923040000000000	1998-12-29	151700	2471	URGENT TREATMENT CENTER	\$60.00	DRUG SCREEN, MRO		
1923040000000000	1998-12-29	151700	2471	URGENT TREATMENT CENTER	\$1,740.00	DRUG SCREEN, DOT		
1923040000000000	1998-12-29	151688	3630	SMART CORPORATION	\$62.83	MEDICAL RECORDS FOR LIFE INSURANCE J HALL		
1923040000000000	1998-12-31	152155	3640	PRIME GROUP, THE	\$15,984.49	CONSULTANTS FOR ALT REG		
					\$97,052.56	TOTAL A/C 92304		

Delta Natural Gas Company, Inc.
CASE NO. 99-176
Professional Service Expenses
For the 12 Months Ended 12/31/98

GL #	DATE	Check #	Vendor #	Vendor Name	AMOUNT	DESCRIPTION	HRS	HRLY RATE
1923050000000000	1998-02-28	142585	1837	ORCOM SYSTEMS	\$1,796.25	EXTENDED SUPPORT		
1923050000000000	1998-03-31	143637	3265	ITRON	\$262.03	QUARTERLY SYSTEM SOFTWARE SUPPORT		
1923050000000000	1998-04-01	143296	3508	GROUP 1 SOFTWARE	\$6,403.51	RENEWAL MAINTENANCE 6/98-5/99		
1923050000000000	1998-04-08	143481	1837	ORCOM SYSTEMS	\$1,858.75	EXTENDED SUPPORT		
1923050000000000	1998-05-13	144478	1837	ORCOM SYSTEMS	\$1,858.75	EXTENDED SUPPORT		
1923050000000000	1998-06-17	145588	1837	ORCOM SYSTEMS	\$1,858.75	EXTENDED SUPPORT		
1923050000000000	1998-06-30	146246	1837	ORCOM SOLUTIONS INC	\$800.00	REBUILDING ITRON (METER READ	4	200
1923050000000000	1998-07-17	146537	1837	ORCOM SOLUTIONS INC	\$1,858.75	EXTENDED SUPPORT		
1923050000000000	1998-08-21	147792	1837	ORCOM SOLUTIONS INC	\$1,858.75	EXTENDED SUPPORT		
1923050000000000	1998-09-08	148011	109	ARSENALTI ASSOCIATES	\$524.00	PROGRAM SUPPORT FOR ONE YEAR		
1923050000000000	1998-09-15	148436	1837	ORCOM SOLUTIONS INC	\$1,858.75	EXTENDED SUPPORT		
1923050000000000	1998-09-22	149045	3265	ITRON	\$262.03	QUARTERLY SYSTEM SOFTWARE SUPPORT		
1923050000000000	1998-10-07	149051	1837	ORCOM SOLUTIONS INC	\$1,858.75	EXTENDED SUPPORT		
1923050000000000	1998-11-12	150082	1837	ORCOM SOLUTIONS INC	\$1,858.75	EXTENDED SUPPORT		
1923050000000000	1998-12-10	150904	0	COGNOS CORPORATION	\$4,106.44	RENEWAL COGNOS SUPPORT		
1923050000000000	1998-12-10	150920	1837	ORCOM SOLUTIONS INC	\$1,858.75	EXT SUPPORT		
					\$30,883.01	TOTAL A/C 92305		
					\$343,946.20	TOTAL ALL AC 923'S		

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

27. Provide a detailed analysis of contributions for charitable and political purposes (in cash or services), if any, recorded in accounts other than Account No. 426. Show the amount of the expenditure, the recipient of the contribution, and the specific account charge. If amounts are allocated, show a calculation of the factor used to allocate each amount. Detailed analysis is not required for amounts of less than \$100, provided the items are grouped by classes.

RESPONSE:

None for political purposes.

See attached schedules.

Sponsoring Witness:

John F. Hall

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-176

Account 93010 - Contributions other than A/C 426

For the 12 Months Ended 12/31/98

Item 27

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930100000000000	1998-01-16	141153	GRC YEARBOOK	967	\$45.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-20	141443	SOUTH LAUREL HIGH SCHOOL	2803	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-21	141409	MSC TOURNAMENT COMMITTEE	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-21	141463	WEST JESSAMINE MIDDLE SCHOOL	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-22	141340	EAST JESSAMINE HIGH SCHOOL	0	\$35.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-22	141341	EDUCATIONAL ASSISTANCE FUND	0	\$500.00	PUBLIC & COMMUNITY RELATIONS - BEREA COMMUNITY SCHOOL
1930100000000000	1998-01-28	141572	GEORGE ROGERS CLARK - ADVANCED CHORUS	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-28	141596	KENTUCKY CHAPTER OF THE AMERICAN	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-31	141806	POWELL COUNTY HIGH SCHOOL JOURNALISM	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-01-31	141745	COUNTY CHRONICLE, THE	3450	\$35.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-11	141887	CORBIN HIGH SCHOOL DANCE TEAM	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-12	141985	PNC BANK	1937	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-17	142146	MADISON SOUTHERN PROJECT GRADUATION	1546	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-19	142058	AMERICAN RED CROSS	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-19	142226	WILLIAMSBURG HIGH SCHOOL BASKETBALL	2746	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-25	142286	BATH COUNTY HIGH SCHOOL	201	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-26	142355	POWELL COUNTY HIGH SCHOOL JOURNALISM	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-28	142519	OWINGSVILLE KIWANIS AUCTION	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-28	142521	PANGAEA-JESSAMINE BASKETBALL TEAM FUND	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-02-28	142422	BEREA COMMUNITY HIGH SCHOOL	264	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142837	FARRISTOWN BAPTIST CHURCH	0	\$12.50	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142890	MAY DAY COMMITTEE	0	\$20.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142898	MENIFEE MOUNTAIN MEMORIES	0	\$20.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142899	MIDDLEBORO BOOSTERS	0	\$45.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142946	TRI COUNTY COUNTRY CLUB	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142960	WILLIAMSBURG MIDDLE SCHOOL BASEBALL	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142916	PLEASANT VIEW VOLUNTEER FIRE DEPARTMENT	1934	\$75.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142950	UNITED WAY OF THE BLUEGRASS	2462	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142961	WILMORE ELEMENTARY SCHOOL PTO	2581	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-17	142872	JESSAMINE COUNTY EDUCATIONAL FOUNDATION	3043	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-18	142897	MENIFEE COUNTY PTA	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-19	143076	LONDON-LAUREL COUNTY CHAMBER OF COMMER	1510	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-19	143082	MIDDLEBORO HIGH SCHOOL	1648	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-24	143068	JESSAMINE COUNTY EXTENSION OFFICE	0	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-27	143086	MT. STERLING-MONTGOMERY COUNTY	1721	\$70.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-27	143104	SOUTHERN KENTUCKY ECONOMIC DEV CORP	2276	\$250.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-03-31	143524	COUNTY CHRONICLE, THE	3450	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-08	143389	LONDON-LAUREL COUNTY CHAMBER OF COMMER	1510	\$120.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-08	143622	WEST KNOX VOLUNTEER FIRE DEPARTMENT	2528	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-04-14	143667	LEE COUNTY PROJECT PROM	1463	\$50.00	PUBLIC & COMMUNITY RELATIONS

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-176

Account 93010 - Contributions other than A/C 426

For the 12 Months Ended 12/31/98

Item 27

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
193010000000000	1998-04-16	143558	KATHY D. COMBS - ADMINISTRATION	0	\$125.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-04-17	143566	OSSOLI CLUB	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-04-22	143713	BATH COUNTY MIDDLE SCHOOL BETA CLUB	0	\$20.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-04-23	143970	FIRST CHRISTIAN CHURCH	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-04-23	143803	MADISON COUNTY HBA	2979	\$235.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-04-30	144213	LAUREL COUNTY RESCUE SQUAD	0	\$30.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-04-30	144063	WILLIAMSBURG TRACK	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-04-30	144439	ROGERS HARDWARE/LAND BUILDING SUPPLY	2098	\$49.81	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-05	144148	COMMONWEALTH ENDOWMENT FOR KET INC	0	\$600.00	KY EDUCATION TELEVISION PARTNER RENEWAL
193010000000000	1998-05-05	144277	UK CHILDREN'S HOSPITAL	0	\$200.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-08	144429	PINEVILLE HIGH SCHOOL	1922	\$70.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-11	144349	COUNTY CHRONICLE, THE	3450	\$17.50	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-13	144326	BEREA HOSPITAL AUXILIARY	276	\$75.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-13	144432	POWELL COUNTY HIGH SCHOOL	1971	\$25.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-14	144393	KENTUCKY GAS ASSOCIATION	1343	\$200.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-15	144437	RICHMOND CHAMBER OF COMMERCE	2067	\$300.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-18	144668	RICHMOND CHRISTIAN ACADEMY	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-22	144789	BEGONIAS & BERRIES GARDEN CLUB	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-31	145044	JEFFERSONVILLE HORSE SHOW	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-31	145081	PINE MOUNTAIN SHOPPER INC	0	\$36.95	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-31	145203	CUMBERLAND TRADING POST INC	698	\$87.75	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-05-31	145307	NATIONAL CITY	3334	\$81.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-03	144964	BLUE GRASS COUNCIL #204	3334	\$35.96	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-04	144989	CLARK COUNTY JUNIOR MISS	312	\$50.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-04	144984	CHAMBER OF COMMERCE	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-09	145725	BATH COUNTY NEWS OUTLOOK	491	\$120.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-09	145259	JESSAMINE COUNTY CHAMBER OF COMMERCE	210	\$15.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-09	145163	BATH COUNTY BASKETBALL	1262	\$45.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-11	145460	GRC FOOTBALL BOOSTERS	2843	\$20.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-11	145260	JESSAMINE COUNTY CHAMBER OF COMMERCE	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-11	145488	LONDON JAYCEES	1262	\$50.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-11	145489	LONDON ROTARY CLUB	1509	\$37.50	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-11	145502	MUSCULAR DYSTROPHY ASSOCIATION	1513	\$30.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-12	145513	PNC BANK	1733	\$40.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-17	145855	NATIONAL CITY	1937	\$25.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-24	145744	CLAY COUNTY DAYS FESTIVAL	3334	\$85.01	MADISON IND
193010000000000	1998-06-24	145778	JCHSSP	0	\$300.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-24	145783	KENTUCKY STATE POLICE - POST 7	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-24	145743	CLAY CITY TIMES, THE	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-24	145846	WKCA-FM RADIO	564	\$64.35	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-25	145821	ROCKY MOUNTAIN HORSE -	2616	\$75.00	PUBLIC & COMMUNITY RELATIONS
193010000000000	1998-06-25	145821	ROCKY MOUNTAIN HORSE -	0	\$50.00	PUBLIC & COMMUNITY RELATIONS

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-176

Account 93010 - Contributions other than A/C 426

For the 12 Months Ended 12/31/98

Item 27

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930100000000000	1998-06-26	145935	CORBIN BAND BOOSTERS	629	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145967	HORSE CREEK FIRE DEPARTMENT	0	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146000	NICHOLSVILLE POLICE DEPARTMENT	0	\$69.50	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146252	OWINGSVILLE VOLUNTEER FIRE DEPARTMENT	0	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145504	AMERICAN HEART ASSOCIATION	65	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145914	BIG CREEK FIRE DEPARTMENT	292	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145919	BRIGHT SHADE FIRE DEPARTMENT	364	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145924	BURNING SPRINGS FIRE DEPARTMENT	399	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145953	FOGERTOWN FIRE DEPARTMENT	932	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145974	JENNINGS, GLENN R	1260	\$75.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146189	JESSAMINE COUNTY FAIR INC	1263	\$35.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145983	LITTLE LEAGUE PROGRAM	1491	\$70.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145984	LOCKARDS CREEK FIRE DEPARTMENT	1496	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	145989	MANCHESTER FIRE DEPARTMENT	1558	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146002	ONEIDA FIRE DEPARTMENT	1831	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146251	OWINGSVILLE LIONS CLUB	1852	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146306	WKCA-FM RADIO	2616	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-06-30	146184	INTERMOUNTAIN PUBLISHING	3092	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-08	146215	LYNN CAMP QUARTERBACK CLUB	0	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-08	146097	BLUE GRASS COUNCIL #204	312	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-17	146417	JACKSON COUNTY GIRLS AAU	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-17	146469	POWELL COUNTY TOURISM COMMITTEE	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-17	146501	TRIMBLE HOUSE	2441	\$144.56	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-21	146660	JACKSON COUNTY GIRLS AAU	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-21	146729	POLICE CALENDAR	0	\$69.50	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-24	146875	CORBIN CHAMBER OF COMMERCE	631	\$255.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-31	146838	AMERICAN RED CROSS	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-31	147128	MIDDLESBORO TOUCHDOWN CLUB	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-31	147080	GEORGE E BOOTH COMPANY INC	334	\$35.11	CITY OF BEREA
1930100000000000	1998-07-31	147156	REHOUND VARSITY CLUB	2042	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-07-31	147378	WHITE HALL RENTAL	2538	\$44.21	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-05	147034	BLUEGRASS TOMORROW INC	0	\$500.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-06	147017	AMERICAN CANCER SOCIETY	56	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-06	147066	EASTERN KY QUARTER HORSE ASSOCIATION	824	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-11	147261	CUMBERLAND COLLEGE	0	\$125.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-11	147380	WHITLEY COUNTY RESCUE SQUAD	0	\$75.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-14	147575	POWELL COUNTY JOURNALISM	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-14	147426	AMERICAN CANCER SOCIETY	56	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-18	147581	SALT LICK FIRE DEPARTMENT	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-19	147436	BEREA CHAMBER OF COMMERCE	255	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-19	147639	NATIONAL CITY	3334	\$25.38	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-31	147864	BEREA ATHLETIC DEPARTMENT	0	\$50.00	PUBLIC & COMMUNITY RELATIONS

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-176

Account 93010 - Contributions other than A/C 426
For the 12 Months Ended 12/31/98

Item 27

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930100000000000	1998-08-31	147881	CINCINNATI BELL TELEPHONE	0	\$242.65	PUBLIC & COMMUNITY RELATIONS-KY NIGHT
1930100000000000	1998-08-31	144984	CHAMBER OF COMMERCE	491	(\$120.00)	SOUTHERN LEGISLATIVE CONF
1930100000000000	1998-08-31	147887	COYLE, BOBBY	670	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-31	148001	WHITLEY COUNTY HIGH SCHOOL	2549	\$45.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-08-31	147767	WILLIAMSBURG INDEPENDENT HIGH SCHOOL	2569	\$35.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-03	147858	BATH COUNTY BAND BOOSTERS	202	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-11	148161	PRINT INNOVATIONS	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-11	148173	SHILOH UNITED METHODIST YOUTH WAVE	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-17	148371	SHERIFF'S CALENDAR	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-22	148466	CLAY COUNTY CROSS COUNTRY	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-22	148504	NICHOLASVILLE FIRE DEPARTMENT	0	\$66.85	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-22	148532	WINCHESTER CLARK COUNTY PARKS DEPT.	0	\$200.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-24	148457	BEREA CHAMBER OF COMMERCE	255	\$45.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-24	148528	UNITED WAY OF THE BLUEGRASS	2462	\$600.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	148696	DOWNTOWN ASSOCIATION	0	\$20.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	148774	WEST SIDE BAPTIST YOUTH GROUP	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	149114	CLAY CITY TIMES, THE	564	\$32.18	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	148717	JENNINGS, GLENN R	1260	\$45.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	148930	KINGSTON ELEMENTARY PTO	1385	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	148733	MADISON SOUTHERN YEARBOOK	1547	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	149221	TIMES-TRIBUNE, THE	2411	\$112.92	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	148776	WILLIAMSBURG LADY JACKETS	2572	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-09-30	149050	NATIONAL CITY	3334	\$39.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-09	149214	SOUTH LAUREL BAND BOOSTERS	2252	\$75.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-14	149174	MARCH OF DIMES	1567	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-16	149232	WHITLEY COUNTY HIGH SCHOOL	2719	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-21	149384	POWELL COUNTY BASKETBALL	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-23	149377	OWINGSVILLE ELEMENTARY PTO	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-30	149578	FOLEY MIDDLE SCHOOL	2804	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-31	149792	MADISON SOUTHERN HIGH SCHOOL	0	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-31	149701	BEREA COMMUNITY HIGH SCHOOL	261	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-10-31	149695	BATH COUNTY BOYS BASKETBALL	2843	\$35.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-05	149845	WORK COMP 1999	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-05	149847	YMCA OF WINCHESTER	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-17	150104	AMERICAN CANCER SOCIETY	56	\$40.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-17	150159	DELTA NATURAL GAS - 02	277	\$5.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-18	150313	WILLIAMSBURG BOYS BASKETBALL	0	\$60.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-18	150197	BELIEVE IN SANTA CLAUS	1204	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-20	150297	TIMES-TRIBUNE, THE	2411	\$100.00	PUBLIC & COMMUNITY RELATIONS - SAY NO TO DRUGS
1930100000000000	1998-11-25	150412	BEREA COMMUNITY SCHOOL	0	\$150.00	PUBLIC & COMMUNITY RELATIONS

DELTA NATURAL GAS COMPANY, INC.

CASE NO. 99-176

Account 93010 - Contributions other than A/C 426
For the 12 Months Ended 12/31/98

Item 27

AC #	Date	Check #	Vendor Name	Vendor #	Amount	Description
1930100000000000	1998-11-25	150460	JESSAMINE COUNTY SPORTS PROGRAM	0	\$70.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-30	150562	CLAY COUNTY MEALS ON WHEELS	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-30	150572	EAST JESSAMINE HIGH SCHOOL	0	\$35.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-11-30	150617	NICHOLASVILLE FIRE DEPARTMENT	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-12-02	150542	BEREA YOUTH LEAGUE	0	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-12-09	150815	MADISON SOUTHERN HIGH TRAVEL CLUB	0	\$25.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-12-09	150863	SOUTH LAUREL HIGH SCHOOL	2803	\$50.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-12-15	151273	EMPTY STOCKING FUND	2941	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-12-18	151211	ASBURY COLLEGE	112	\$900.00	PUBLIC & COMMUNITY RELATIONS-COLLEGE FOUNDATION
1930100000000000	1998-12-18	151211	ASBURY COLLEGE	112	(\$900.00)	PUBLIC & COMMUNITY RELATIONS-COLLEGE FOUNDATION
1930100000000000	1998-12-18	151445	KENTUCKY INDEPENDENT COLLEGE FOUNDATION	1348	\$3,600.00	PUBLIC & COMMUNITY RELATIONS-COLLEGE FOUNDATION
1930100000000000	1998-12-22	151607	TELFORD COMMUNITY CENTER YMCA INC	0	\$100.00	PUBLIC & COMMUNITY RELATIONS
1930100000000000	1998-12-28	151476	ASBURY THEOLOGICAL SEMINARY	113	\$900.00	PUBLIC & COMMUNITY RELATIONS-COLLEGE FOUNDATION
A/C 1,930,10			REIMBURSEMENT/6/98		(\$384.73)	PUBLIC & COMMUNITY RELATIONS
			TOTAL PUBLIC/COMMUNITY RELATIONS		\$16,885.46	

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

28. Describe Delta's lobbying activities and provide a schedule showing the name, salary, affiliation, all company-paid or reimbursed expenses or allowances, and the account charged for all personnel whose principal function is lobbying on the local, state, or national level. If any amounts are allocated, show a calculation of the factor used to allocate each amount.

RESPONSE:

Delta does not employ a full-time lobbyist, nor does it employ anyone whose principal function is lobbying. Robert Hazelrigg, Delta's Vice President - Public and Community Relations, registered as a lobbyist during the last session of the General Assembly in order to be able to provide input into the legislative process for Delta as necessary. An appropriate portion of Mr. Hazelrigg's salary, and related expenses, was included in an adjustment in this rate case as reflected in the testimony of John F. Hall.

Sponsoring Witness:

Glenn R. Jennings

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176
Account 1.930.12 - Lobbying Expenses
For the 12 Months Ended 12-31-98

Format 28

LINE NO.

1 Account 1.930.12 - Lobby Expenditures

LINE NO.	DATE	DETAIL	HOURS	RATE/HR	AMOUNT	TOTALS	
2							
3							
4	JAN 98 EXP	1/31/1998 JE107 FOOD BEVERAGES, LODGING, TRANSPORTATION			283.25		
5		1/31/1998 JE107 MISCELLANEOUS - SUPPLIES USED			16.68		
6		1/31/1998 JE107 ROBERT HAZELRIGG'S SALARY	30	33.50961	1,005.29		
7		TOTAL JOURNAL ENTRY 107 - JANUARY 1998				1,305.22	
8							
9	FEB 98 EXP	9/30/1998 JE100 FOOD BEVERAGES, LODGING, TRANSPORTATION			303.75		
10		9/30/1998 JE100 ROBERT HAZELRIGG'S SALARY	40	33.50961	1,340.38		
11		2/28/98 AP COST OF MATERIALS USED FOR LOBBYING			15.79	1,659.92	
12							
13							
14	MAR 98 EXP	9/30/1998 JE100 FOOD BEVERAGES, LODGING, TRANSPORTATION			248.97		
15		9/30/1998 JE100 ROBERT HAZELRIGG'S SALARY	28	33.50961	938.27		
16		03/31/98 AP COST OF MATERIALS USED FOR LOBBYING			7.70	1,194.94	
17							
18		12/31/98 AP KY CHAMBER OF COMMERCE			109.00	109.00	
19		(98 Lobby Retreat)					
20							
21							
22							
23							
						TOTAL	<u>4,269.08</u>

21 Mr. Hazelrigg's salary during the time lobbying expense occurred was \$69,700 averaging \$33.50961 /hrly wage.
22 A total of 98 hours were reported relating to lobbying activity. Of the total \$4,269.08 in the lobbying account, the amount
23 calculated for salaries is \$3,283.94 booked for lobbying expense.

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

29. Provide a schedule showing for the test year and the year preceding the test year, with each year shown separately, the following information regarding Delta's investments in subsidiaries and joint ventures:
- a. Name of subsidiary or joint venture.
 - b. Date of initial investment.
 - c. Amount and type of investment made from each of the 2 years included in this report.
 - d. Balance sheet and income statement. Where only internal statements are prepared, furnish copies of these.
 - e. A separate schedule of all dividends or income of any type received by Delta from its subsidiaries or joint ventures showing how this income is reflected in the reports filed with the Commission and stockholder reports.
 - f. Name of officers of each of the subsidiaries or joint ventures, officer's annual compensation, and portion of compensation charged to the subsidiary or joint venture and the position each officer holds with Delta and the compensation received from Delta.

RESPONSE:

- a. During the test year and the year immediately preceding the test year, Delta's investment in subsidiaries has included Delta Resources, Inc., Delgasco, Inc., Deltran, Inc., Enpro, Inc., and TranEx Corporation, all wholly-owned subsidiaries.
- b. & c. Delta formed Delta Resources on April 10, 1984 and formed Delgasco, Deltran and Enpro subsidiaries on May 23, 1986, all with an initial capitalization of \$1,000 each. The stock of TranEx Corporation was purchased for \$1,000,000 on June 30, 1997.
- d. & e. See attached schedules for balance sheets and income statements for these subsidiaries and the dividends paid to Delta.

The net income from the subsidiaries is recorded on the books of Delta in Account No. 123 Investment in Subsidiaries, with the offset to Account No. 4181 Net Earnings of Subsidiaries. The subsidiaries' activities are consolidated, with intercompany elimination, for the report to the shareholders of Delta.

f. The officers of Delta also serve as officers for the subsidiaries. No compensation was paid by the subsidiaries to any of the officers. Some of Delta's overhead was allocated directly to the subsidiaries. This included some portion of salary.

Sponsoring Witness:

John Brown

Delta Natural Gas Company, Inc.
Financial Statements of Subsidiaries
Case No. 99-176

Item 29
PSC Dated 7/15/99

LINE NO.		12/31/98	12/31/97
1	BALANCE SHEET		
2	ASSETS:		
3	NET PLANT INVESTMENT	2,878,122	2,302,913
4	RECEIABLES FROM OTHERS	149,623	717,106
5	RECEIVABLE FROM PARENT	1,402,196	753,821
6	TOTAL ASSETS	4,429,941	3,773,840
7	LIABILITIES:		
8	TAXES PAYABLE	(395,543)	(91,335)
9	PAYABLE TO OTHERS	(1,154,141)	(760,628)
10	PAYABLE TO PARENT	(1,748,607)	(1,961,526)
11	COMMON STOCK	(1,004,000)	(1,004,000)
12	RETAINED EARNINGS	(127,650)	43,649
13	TOTAL LIABILITIES	(4,429,941)	(3,773,840)
14	DIVIDENDS PAID IN YEAR	283,884	1,385,912
15	INCOME STATEMENT		
	FOR YEARS ENDED DECEMBER 30	1998	1997
16	REVENUES:		
17	FROM PARENT	(8,653,344)	(4,504,885)
18	FROM ASSOCIATES	0	0
19	FROM OTHERS	(9,344,491)	(9,088,880)
20	NON RECURRING	0	0
21	TOTAL REVENUES	(17,997,835)	(13,593,765)
22	EXPENSES:		
23	GAS COSTS	11,494,789	8,178,102
24	TRANSPORTATION FEES	3,284,607	3,129,056
25	DEPLETION	80,745	66,197
26	OTHER	2,396,912	1,561,753
27	INCOME TAXES	285,600	247,800
28	TOTAL EXPENSES	17,542,653	13,182,908
29	NET INCOME	(455,182)	(410,857)

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

30. Provide the following information with regard to uncollectible accounts for the test year and 5 preceding calendar years (taxable year acceptable) for total company:
- a. Reserve account balance at the beginning of the year.
 - b. Charges to reserve account (accounts charged off).
 - c. Credits to reserve account.
 - d. Current year provision.
 - e. Reserve account balance at the end of the year.
 - f. Percent of provision to total revenue.

RESPONSE:

See attached schedule.

Sponsoring Witness:

John Brown

ANALYSIS OF ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS

ITEM 30

LINE NO.	1993	1994	1995	1996	1997	TEST YEAR	
1.	Beginning Balance	213,918	165,503	52,907	98,033	82,094	83,647
2.	Charge Offs	(175,873)	(242,192)	(109,263)	(196,041)	(231,843)	(238,508)
3.	Recoveries	26,658	28,796	25,989	30,102	51,396	56,634
4.	Current Year Provision	100,800	100,800	128,400	150,000	182,000	254,000
5.	Ending Balance	165,503	52,907	98,033	82,094	83,647	155,773
6.	Percent of Provision To Total Revenue	0.36%	0.33%	0.45%	0.45%	0.46%	0.73%

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

31. Provide a detailed analysis of the retained earnings account for the test period and the 12-month period immediately preceding the test period.

RESPONSE:

See attached schedule.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.

ANALYSIS OF RETAINED EARNINGS For 1997 and test year 1998

Line No.	Date	1998		1997		
		Description	Amount	Date	Description	Amount
1	1/1/98	Beginning Balance	282,553	1/1/97	Beginning Balance	915,407
2	3/98	Common Stock Dividend @ \$0.285/share	(673,463)	3/97	Common Stock Dividend @ \$0.285/share	(663,862)
3	6/98	Common Stock Dividend @ \$0.285/share	(675,438)	6/97	Common Stock Dividend @ \$0.285/share	(665,899)
4	9/98	Common Stock Dividend @ \$0.285/share	(679,190)	9/97	Common Stock Dividend @ \$0.285/share	(669,494)
5	12/98	Common Stock Dividend @ \$0.285/share	(681,291)	12/97	Common Stock Dividend @ \$0.28/share	(671,838)
6	12/31/98	Net Income for 12 months ended	2,232,440	12/31/97	Net Income for 12 months ended	2,038,238
7	12/31/98	Ending Balance	(194,389)	12/31/97	Ending Balance	282,553

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DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

32. Provide a listing of all non-utility property, related property taxes, and accounts where amounts are recorded. Include a description of the property, the date purchased, and the cost.

RESPONSE:

See attached schedule.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.

CASE NUMBER 99-176 ITEM 32

NON-UTILITY PROPERTY

Line Account 121 contains two housetrailer and furnishings. The housetrailer were
Number acquired in June, 1971 and in November, 1978 with an original cost of \$17,611.

	<u>Account</u>	<u>Description</u>	<u>Balance</u> <u>12/31/98</u>
1	121	Non-Utility Property	18,592
2	122	Provision for Depreciation Non-Utility Property	(18,592)
			<hr/>
3		Net Book Value at 12/31/98	<u>0.00</u>

No property tax cost incurred since net book value is \$0.

**DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176**

DATA REQUEST DATED 7/15/99

33. Provide rates of return in Format 33.

RESPONSE:

See attached schedule.

Sponsoring Witness:

John F. Hall

DELTA NATURAL GAS COMPANY, INC.

Item 33

CASE NO. 99-176

Average Rates of Return

For the Calendar Year 1994 Through 1998 and the 12 Months Ended December 1998

Line No.	Description	1994	1995	1996	1997	1998	Average
1	Operating Income	3,944,991	4,128,852	5,039,959	5,748,003	6,214,672	5,015,295
2	Net Plant Investment	56,445,808	65,661,792	75,603,650	84,312,618	87,681,525	73,941,079
3	% Return on Net Plant	7.0%	6.3%	6.7%	6.8%	7.1%	6.8%

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

34. Provide employee data in Format 34.

RESPONSE:

See attached schedule.

Sponsoring Witness:

John F. Hall

Delta Natural Gas Company, Inc.
Case No. 99-176

Schedule of Number of Employees, Average Hours Per Employee, and Average Wage Per Employee

Item 34

Line Number		TRANSMISSION			CUSTOMER ACCOUNTS			CUSTOMER SERVICE		
		Number of Employees	Average Hours Per Employee	Average Wage Per Employee	Number of Employees	Average Hours Per Employee	Average Wage Per Employee	Number of Employees	Average Hours Per Employee	Average Wage Per Employee
1	Calendar Year 1993	31	86.6	1,125	19	86.6	929	52	86.6	1,160
2	Percent of Change	0	0	5.0	(9.5)	0	3.8	(1.9)	0	4.2
3	Calendar Year 1994	30	86.6	1,163	19	86.6	965	48	86.6	1,213
4	Percent of Change	(3.2)	0	3.4	0	0	3.9	(7.7)	0	4.6
5	Calendar Year 1995	29	86.6	1,208	19	86.6	998	49	86.6	1,245
6	Percent of Change	(3.3)	0	3.9	0	0	3.4	2.1	0	2.6
7	Calendar Year 1996	30	86.6	1,239	20	86.6	1,022	52	86.6	1,277
8	Percent of Change	3.5	0	2.6	5.3	0	2.4	6.1	0	2.6
9	Calendar Year 1997	28	86.6	1,283	18	86.6	1,054	52	86.6	1,322
10	Percent of Change	(6.7)	0	3.6	(10.0)	0	3.1	0	0	3.5
11	Calendar Year 1998	28	86.6	1,306	18	86.6	1,079	52	86.6	1,347
12	Percent of Change	0	0	1.8	0	0	2.4	0	0	1.9

The above data was obtained from the semi-monthly pay periods ended on December 31.
The above hours and wages are without overtime or any part-time considered.

SALES		
Number of Employees	Average Hours Per Employee	Average Wage Per Employee

ADMINISTRATIVE AND GENERAL		
Number of Employees	Average Hours Per Employee	Average Wage Per Employee

CONSTRUCTION		
Number of Employees	Average Hours Per Employee	Average Wage Per Employee

Line Number	Calendar Year	Percent of Change	Number of Employees	Average Hours Per Employee	Average Wage Per Employee	Number of Employees	Average Hours Per Employee	Average Wage Per Employee	Number of Employees	Average Hours Per Employee	Average Wage Per Employee
1	1993		2	86.6	1,210	48	86.6	1,468	23	86.6	1,049
2		Percent of Change	0	0	3.9	0	0	4.1	(4.2)	0	4.3
3	1994		2	86.6	1,146	48	86.6	1,536	23	86.6	1,103
4		Percent of Change	0	0	(5.3)	0	0	4.6	0	0	5.2
5	1995		2	86.6	1,194	45	86.6	1,591	22	86.6	1,154
6		Percent of Change	0	0	4.2	(6.3)	0	3.6	(4.4)	0	4.6
7	1996		3	86.6	1,164	46	86.6	1,632	30	86.6	1,098
8		Percent of Change	50.0	0	(2.5)	2.2	0	2.6	36.4	0	(4.9)
9	1997		3	86.6	1,239	45	86.6	1,722	35	86.6	1,104
10		Percent of Change	0	0	6.4	(2.2)	0	5.5	16.7	0	0.5
11	1998		3	86.6	1,282	45	86.6	1,772	36	86.6	1,133
12		Percent of Change	0	0	3.5	0	0	2.9	2.9	0	2.6

Line
Number

TOTAL	
Average Number of Employees	Average Hours Per Employee
Average Wage Per Employee	

1	Calendar Year 1993	175	86.6	1,199
2	Percent of Change	(2.2)	0	4.6
3	Calendar Year 1994	170	86.6	1,252
4	Percent of Change	(2.9)	0	4.4
5	Calendar Year 1995	166	86.6	1,291
6	Percent of Change	(2.4)	0	3.1
7	Calendar Year 1996	181	86.6	1,301
8	Percent of Change	9.0	0	.8
9	Calendar Year 1997	181	86.6	1,345
10	Percent of Change	0	0	3.4
11	Calendar Year 1998	182	86.6	1,376
12	Percent of Change	0.6	0	2.3

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

35. Provide the studies for the test year, including all applicable workpapers, which are the basis of jurisdictional plant allocations and expense account allocations.

RESPONSE:

None.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

36. Provide a calculation of the rate or rates used to capitalize interest during construction for the test year and the 3 preceding calendar year. Explain each component entering into the calculation of this rate.

RESPONSE:

No interest has been capitalized during the periods referred to by this item.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

37. Provide any information, when known, which would have a material effect on net operating income, rate base, or cost of capital which have occurred after the test year but were not incorporated in the filed testimony and exhibits.

RESPONSE:

If any additional information which would have a material effect on net operating income, rate base and cost of capital becomes known, such will be supplied to the Commission.

Sponsoring Witness:

John F. Hall

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

38. Provide detailed monthly income statements for each month after the test period, including the month in which the hearing ends, as they become available.

RESPONSE:

Delta routinely files with the Commission its monthly financial statements. Months subsequent to December 31, 1998 will routinely be filed with the Commission as they are prepared, as is Delta's practice.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

39. List all present or proposed research efforts dealing with the pricing of gas and the current status of such efforts.

RESPONSE:

Efforts reflected by cost of service study and rate design as provided in the Company's testimony in this case.

Sponsoring Witness:

Glenn R. Jennings

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

40. Provide a schedule reflecting the salaries and other compensation of each executive officer for the test year and the 2 preceding calendar years. Include the percentage annual increase and the effective date of each increase, the job title, duty and responsibility of each officer, the number of employees who report to each executive officer, and to whom each executive officer reports. Also, for employees elected to executive officer status during the test year, provide the salaries, for the test year, for those persons whom they replace.

RESPONSE:

See attached schedule of salaries and copies of job descriptions which reflect the number of employees supervised and to whom each officer reports.

Sponsoring Witness:

Glenn R. Jennings

Delta Natural Gas Company, Inc.
Case No. 99-176
Schedule of Officer's Salaries and Other Compensation

COMPENSATION FOR 12 MONTHS ENDED

Line Number	NAME OF OFFICER	TITLE	12/31/98		12/31/97		12/31/96	
			SALARY	OTHER COMPENSATION	SALARY	OTHER COMPENSATION	SALARY	OTHER COMPENSATION
1	Glenn Jennings (1)	President and Chief Executive Officer	152,250.00	25,496.00	146,499.96	25,443.20	139,500.00	68,259.81
2	Alan Heath	V.P. Operations & Engineering	99,199.92	985.60	95,449.92	932.80	90,949.92	17,666.91
3	John F. Hall	V.P. Finance, Secretary & Treasurer	87,749.88	862.40	82,799.88	792.00	77,049.96	15,024.24
4	Robert Hazelrigg	V.P. Public & Consumer Affairs	70,749.84	704.00	68,349.84	668.80	65,249.88	12,700.83
5	Johnny Caudill	V.P. Administration & Customer Service	88,249.92	862.40	83,299.92	792.00	77,300.04	15,114.24

(1) Other compensation includes loan forgiveness of \$2,000 per month

PERCENT OF INCREASE (DECREASE)		EFFECTIVE DATE OF SALARY CHANGES			
<u>12/31/98</u>	<u>12/31/97</u>	<u>12/31/98</u>	<u>12/31/97</u>	<u>12/31/96</u>	
3.9%	5.0%	7/1/98	7/1/97	7/1/96	
3.9%	4.9%	7/1/98	7/1/97	7/1/96	
6.0%	7.5%	7/1/98	7/1/97	7/1/96	
3.5%	4.8%	7/1/98	7/1/97	7/1/96	
5.9%	7.8%	7/1/98	7/1/97	7/1/96	

Delta Natural Gas Company, Inc.
Position Description

Job Title: PRESIDENT & CHIEF
EXECUTIVE OFFICER

Section: Corporate

Department: _____

Reports To: Chairman of
the Board

Grade: E-21

Effective Date: 07/01/96

Function:

Executes and administers the policies and objectives established and/or approved by the Board of Directors. Guides and develops short and long-range planning, and evaluates activities in terms of objectives. Functions as Chief Executive Officer.

Duties:

1. Directs, administers, and coordinates the activities of the Company in accordance with policies and objectives approved by the Board of Directors.
2. Establishes short and long-range plans and programs subject to Board approval.
3. Assures the corporate policies and objectives are uniformly understood and properly interpreted and administered by Company officers and management.
4. Directs the development of operating and capital budgets based on corporate requirements and growth objective.
5. Evaluates the results of overall operations to achieve budgeted profit results, a reasonable return on investments, and other financial criteria.
6. Develops and maintains a sound plan of corporate organization; recommends changes in organization as required by the continued growth and development of the Company.
7. Assures that all corporate activities and operations are carried out in compliance with local, state, federal and governmental regulations and laws.
8. Prescribes the limitations of authority of subordinates regarding policies, contractual commitments, expenditures and personnel actions; reviews and approves the appointment, employment, transfer, or termination of all key employees.
9. Provides for adequate management development activities and orderly management succession.
10. Assures sound working relationships are maintained with customers, vendors, public and governmental bodies, commercial and investment bankers, auditing and brokerage firms, legal counsel, and outside consultants.
11. Serves as Chief Executive Officer.
12. Performs other duties and functions which may be requested by the Chairman of the Board or the Board of Directors.

QUALIFICATIONS:

TITLE: PRESIDENT AND CHIEF EXECUTIVE OFFICER

EDUCATION:

- Bachelor's degree in Engineering, Law, Accounting, Business or equivalent. Master's degree in Business Administration desirable.
-

PROFESSIONAL CERTIFICATIONS:

- Professional engineering license or CPA desirable
-

PREVIOUS EXPERIENCE REQUIRED:

- Minimum of 10 to 15 years of increasingly responsible management experience preferably in the regulated sector; should also have at least one professional specialty (e.g. finance, engineering, etc.)
-

OTHER JOB RESPONSIBILITIES:

Number of Employees Supervised:

- Direct: 5
 - Indirect: all other employees
-

PUBLIC CONTACTS:

- Frequent contact with investors, financial institutions, state and federal regulatory agencies, attorneys and consultants, gas suppliers, pipeline companies, stock exchanges and trade organizations.
-

Remarks: In addition to the above qualifications all employees must meet the general qualifications and requirements pertaining to all jobs.

Delta Natural Gas Company, Inc.
Position Description

Job Title: <u>Vice President - Operations</u> <u>& Engineering</u>	Reports To: <u>President & CEO</u>
Section: <u>Operations & Engineering</u>	Grade: <u>E18</u>
Department: _____	Effective Date: <u>03/01/95</u>

Function:

Plans and directs the engineering, transmission, gas supply, and construction functions of the Company, in accordance with regulatory rules and Company practices. Establishes policies and procedures with the objective of providing safe and dependable distribution and transportation services.

Duties:

1. Administers the objectives, strategies and short and long range plans of the Company as they relate to Operations & Engineering.
2. Directs and coordinates the activities of the Managers of Engineering, Transmission, Construction, Gas Supply and the Director - Safety and Training.
3. Directs and is responsible for the planning, design, construction, operation and maintenance of gas transmission and gathering facilities; coordinates these activities with all other area of the Company.
4. Oversees and directs gas transportation services to assure maximum utilization of transportation opportunities.
5. Directs and is responsible for design as well as construction of distribution facilities performed by the Construction Department. Is responsible for leak survey and leak repair. Coordinates leak repair effort between Customer Service and Construction Departments. Assists in planning of distribution facilities.
6. Directs the preparation of assigned operating and capital budgets.
7. Appraises and evaluates the results of Operations & Engineering and compares these results with established budgets, goals and objectives; formulates and takes necessary corrective action where appropriate.
8. Oversees and directs gas operation planning with respect to gas supply, system operation and load forecasts; assures adequate gas supply to meet customer needs.
9. Directs and assures the provision of facilities for the production, transmission and/or storage of gas supply.
10. Renders engineering and advisory service to customers in areas of gas utilization and conservation.
11. Responsible for development, revisions to and use of standard written practices with the Operations & Engineering Departments.
12. Directs and coordinates Company training and safety program.
13. Performs any and all other duties assigned by authorized personnel.

QUALIFICATIONS:

TITLE: VICE PRESIDENT - OPERATIONS & ENGINEERING

EDUCATION:

- Bachelor's Degree in Engineering or equivalent - Master's Degree in Business Administration desirable.
-

PROFESSIONAL CERTIFICATIONS:

- Professional Engineering License desirable
-

PREVIOUS EXPERIENCE REQUIRED:

- Minimum of 10 to 15 years related experience in gas utility operations and engineering.
-

OTHER JOB RESPONSIBILITIES:

Number of Employees Supervised:

- Direct: 6
 - Indirect: All other Operations and Engineering employees
-

PUBLIC CONTACTS:

- Kentucky Public Service Commission staff, vendors, contractors, gas suppliers, producers, other utilities and trade organizations.

Must possess a valid drivers license.

Remarks: In addition to the above qualifications all employees must meet the general qualifications and requirements pertaining to all jobs.

QUALIFICATIONS:

TITLE: VICE PRESIDENT - FINANCE, SECRETARY & TREASURER

EDUCATION:

- Bachelor's degree in Business, Finance, Accounting or equivalent
-

PROFESSIONAL CERTIFICATIONS:

- CPA desirable
-

PREVIOUS EXPERIENCE REQUIRED:

- Minimum eight to ten years related experience in the regulated sector
-

OTHER JOB RESPONSIBILITIES:

Number of Employees Supervised:

- Direct: 3
 - Indirect: 8
-

PUBLIC CONTACTS:

- Contact with Kentucky PSC, FERC, SEC, attorneys and consultants
-

Remarks: In addition to the above qualifications all employees must meet the general qualifications and requirements pertaining to all jobs.

Delta Natural Gas Company, Inc.
Position Description

Job Title: Vice President-Public
and Consumer Affairs

Reports To: President & CEO

Section: Public / Consumer Affairs

Grade: E-16

Department: Public / Consumer Affairs

Effective Date: 03/01/95

Function:

Plans, develops and implements public and consumer affairs programs and serves as primary spokesperson for the Company on assigned matters. Develops and maintains relations with larger customers.

Duties:

1. Directs and coordinates activities of the Public and Consumer Affairs Department.
2. Recommends, develops, and implements customer information and assistance programs.
3. Directs and participates in industrial, economic and community development programs with business and governmental organizations, including Chambers of Commerce.
4. Plans, develops, and assists customer service department in customer and public education programs to promote the efficient use of gas and conservation techniques in all markets.
5. Develops and coordinates media and public relations to assure a good corporate image and favorable treatment by the media.
6. Plans and implements informational and institutional advertising campaigns as needed and assists with promotional advertising as required.
7. Coordinates and disseminates information during emergency or other unusual situations.
8. Maintains franchise arrangements in the Company's service areas.
9. Coordinates and directs responses to customer complaints and inquiries that go beyond the branch offices.
10. Assists as required with off-system gas transportation arrangements.
11. Coordinates the Company's relations with appropriate regulatory agencies.
12. Has primary responsibility for communications and relations with federal, state, and local government agencies and officials to ensure that the Company's positions are effectively communicated and that positive relationships are maintained.
13. Has primary responsibility for maintaining positive relations with on-system transportation customers. Maintains contracts with those customers as required and works together with the gas supply department to meet those customers and the Company's requirements.
14. As required, coordinates the Company's activities with acquisitions and special projects.
15. Performs any and all duties as assigned by authorized personnel.

QUALIFICATIONS:

TITLE: VICE PRESIDENT - PUBLIC & CONSUMER AFFAIRS

EDUCATION:

- Bachelor's Degree in Business, Marketing or equivalent
-

PROFESSIONAL CERTIFICATIONS:

- None required
-

PREVIOUS EXPERIENCE REQUIRED:

- Minimum eight to ten years related experience
-

OTHER JOB RESPONSIBILITIES:

Number of Employees Supervised:

- Direct: 1
 - Indirect: 0
-

PUBLIC CONTACTS:

- Frequent contact with customers, media representatives, state and local officials, builders and developers, civic and trade organizations, and the general public.
-

Remarks: In addition to the above qualifications all employees must meet the general qualifications and requirements pertaining to all jobs.

Delta Natural Gas Company, Inc.
Position Description

Job Title: <u>Vice President - Administration & Customer Service</u>	Reports To: <u>President & CEO</u>
Section: <u>Administration/Cust.Service</u>	Grade: <u>E-18</u>
Department: _____	Effective Date: <u>03/1/95</u>

Function:

Directs and supervises Purchasing, Inventory, and Human Resources areas. Under general supervision, plans, directs and coordinates all major customer service functions. Directs and supervises activities with respect to obtaining new gas business, retaining existing loads, rendering advisory service to customers in all areas of gas utilization and conservation.

Duties:

1. Oversees and evaluates the operation of all distribution facilities. Works with Operations & Engineering to provide for installation of service lines, distribution leak repair and other distribution system maintenance involving Operations & Engineering.
2. Coordinates Human Resources function.
3. Oversees and evaluates customer service activities, meter reading, cashing, collection, meter removal and rotation, service activation and deactivation.
4. Directs and approves all activities involved with obtaining new gas customers and installing necessary facilities, including work order approval.
5. Reviews customer contracts and agreements, including special gas service contracts, self-help programs and main extension contracts.
6. Prepares budget requests.
7. Processes and approves new service application; coordinates contacts with builders and plumbers.
8. Coordinates purchasing, inventory control and purchase requisition function.
9. Coordinates phone systems, vehicle records and replacement programs and general office equipment and maintenance.
10. Directs marketing efforts relating to residential and commercial customers.
11. Keeps abreast of Kentucky Public Service Commission and other agency rules and regulations; responsible for compliance and filing reports as required, including utilization and end-use data.
12. Coordinates and directs buildings and grounds maintenance, repairs and replacement.
13. Performs any and all other duties assigned by authorized personnel.

QUALIFICATIONS

TITLE: VICE PRESIDENT - ADMINISTRATION AND CUSTOMER SERVICE

EDUCATION:

- High School plus two years of business or engineering preferred or equivalent
-

PROFESSIONAL CERTIFICATIONS:

- None Required
-

PREVIOUS EXPERIENCE REQUIRED:

- Minimum eight to ten years of related experience preferably in gas distribution operations
-

OTHER JOB RESPONSIBILITIES:

Number of Employees Supervised:

- Direct: 5
 - Indirect: All other Cust. Service, Human Resources & Purchasing Department employees
-

PUBLIC CONTACTS:

- Present and prospective customers, local and state officials, vendors, builders and Kentucky Public Service Commission staff.
-

Remarks: In addition to the above qualifications all employees must meet the general qualifications and requirements pertaining to all jobs.

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

41. Provide an analysis of Delta's expenses for research and development activities for the test year and the 5 preceding calendar years. For the test year include the following:
- a. Basis of fees paid to research organizations and Delta's portion of the total revenue of each organization. Where the contribution is monthly, provide the current rate and the effective date.
 - b. Details of the research activities conducted by each organization.
 - c. Details of services and other benefits provided to the company by each organization during the test year and the preceding calendar year.
 - d. Total expenditures of each organization including the basic nature of costs incurred by the organization.
 - e. Details of the expected benefits to the company.

RESPONSE:

None.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

42. Provide the average number of customers for each customer class (i.e., residential, commercial, and industrial) for the 5 calendar years preceding the test period, the test period, and for each month of the test period.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John F. Hall

Average Number Retail Customers Billed

<u>Year</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Commercial</u>	<u>Total Commercial</u>	<u>Industrial</u>
1993	27,852		4,279	4,279	75
1994	28,615		4,387	4,387	76
1995	29,544		4,467	4,467	72
1996	30,363		4,641	4,641	73
1997	31,733	356	4,500	4,856	73

Number Of Retail Customers Billed - 1998

<u>Month</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Commercial</u>	<u>Total Comm</u>	<u>Industrial</u>
January	32,853	4,346	783	5,129	70
February	33,001	4,369	791	5,160	67
March	33,049	4,374	788	5,162	67
April	32,884	4,358	782	5,140	68
May	32,247	4,214	776	4,990	70
June	31,596	3,974	779	4,753	70
July	31,362	3,856	769	4,625	71
August	30,987	3,814	765	4,579	69
September	30,993	3,812	763	4,575	69
October	31,215	3,820	765	4,585	67
November	32,209	4,134	771	4,905	67
December	32,940	4,346	779	5,125	67
TOTAL	385,336	49,417	9,311	58,728	822
AVERAGE	32,111	4,118	776	4,894	69

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

43. Provide all current labor contracts and the most recent contracts previously in effect.

RESPONSE:

None. Delta's employees are not unionized.

Sponsoring Witness:

John F. Hall

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

44. Provide a detailed analysis of all benefits provided to the employees of Delta. For each benefit include:
- a. The number of employees covered at test-year-end.
 - b. The test-year actual cost.
 - c. The amount of the test-year actual cost capitalized and expensed.
 - d. The average annual cost per employee.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John Brown

Delta Natural Gas Company, Inc.
Case No. 99-176

The following benefits as provided to Delta employees, and related costs, were:

Benefit	Test Year Cost	Average Annual Cost per Employee
1. Hospitalization, medical and dental insurance	729,269	4,029
2. Salary continuation insurance - illness or disability	96,053	531
3. Employee stock plan - company portion (1% of salary)	56,220	311
4. Pension plan (trusteed, non-contributory, defined benefit)	292,818	1,618
5. Employee education	1,330	7
6. Company trailers	3,812	21
7. 401K plan (up to 2.5% of salary)	180,370	997

The number of employees covered at test-year end is 181.

Delta has a sick leave plan that provides some company paid time off to employees for illness. Such plan is coordinated with salary continuation, long-term disability, social security, etc. in providing for employees who are off work due to illness. Vacation time allowed is 80 to 160 hours per year, depending on years of service. Each employee is allowed up to 40 hours per year of personal leave as required. Delta observes 10 paid holidays. All these items are reflected in total payroll dollars as they represent compensated time off during the year.

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

45. Provide complete details of the financial reporting and rate-making treatment of Delta's pension costs.

RESPONSE:

See attached. Rate-making treatment is consistent with financial reporting treatment.

Sponsoring Witness:

John Brown

(a) Defined Benefit Retirement Plan

Delta has a trustee, noncontributory, defined benefit pension plan covering all eligible employees. Retirement income is

based on the number of years of service and annual rates of compensation. The Company makes annual contributions equal to the amounts necessary to fund the plan adequately. The funded status of

the pension plan at March 31, the plan year end, and the amounts recognized in the Company's consolidated balance sheets at June 30 were as follows:

	1998	1997	1996
Plan assets at fair value	\$ 8,637,638	\$ 6,835,393	\$ 6,058,458
Actuarial present value of benefit obligation:			
Vested benefits	\$ 4,800,745	\$ 4,505,619	\$ 2,789,736
Non-vested benefits	19,934	11,025	9,346
Accumulated benefit obligation	\$ 4,820,679	\$ 4,516,644	\$ 2,799,082
Additional amounts related			
to projected salary increases	1,924,590	1,828,856	2,811,907
Total projected benefit obligation	\$ 6,745,269	\$ 6,345,500	\$ 5,610,989
Plan assets in excess of			
projected benefit obligation	\$ 1,892,369	\$ 489,893	\$ 447,469
Unrecognized net assets at date of initial			
application being amortized over 15 years	(169,577)	(211,972)	(254,365)
Unrecognized net (gain) loss	(869,909)	125,777	(13,481)
Accrued pension asset	\$ 852,883	\$ 403,698	\$ 179,623

The assets of the plan consist primarily of common stocks, bonds and certificates of deposit. Net pension costs for the years ended June 30 include the following:

	1998	1997	1996
Service cost for benefits earned during the year	\$ 445,288	\$ 405,386	\$ 382,751
Interest cost on projected benefit obligation	443,955	392,539	356,897
Actual return on plan assets	(1,584,403)	(407,965)	(886,211)
Net amortization and deferral	966,615	(136,843)	444,044
Net periodic pension cost	\$ 271,455	\$ 253,117	\$ 297,481

The weighted average discount rates and the assumed rates of increase in future compensation levels used in determining the actuarial present value of the projected benefit obligation at June 30, 1998, 1997, and 1996 were 7.0% (discount rates), and 4% (rates of increase). The expected long-term rates of return on plan assets were 8%.

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

46. Provide complete details of Delta's financial reporting and rate-making treatment of Statement of Financial Accounting Standard ("SFAS") No. 106, including:
- a. The date that Delta adopted SFAS No. 106.
 - b. All accounting entries made at the date of adoption.
 - c. All actuarial studies and other documents used to determine the level of SFAS No. 106 cost recorded by Delta.

RESPONSE:

SFAS No. 106, "Employers Accounting for Post-Retirement Benefits", did not affect the Company as Delta does not provide benefits for post-retirement or post-employment other than the pension plan for retired employees.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

47. Provide complete details of Delta's financial reporting and rate-making treatment of SFAS No. 112, including:
- a. The date that Delta adopted SFAS No. 112.
 - b. All accounting entries made at the date of adoption.
 - c. All actuarial studies and other documents used to determine the level of SFAS No. 112 cost recorded by Delta.

RESPONSE:

SFAS No. 112, "Employers' Accounting for Post-Employment Benefits" did not affect the Company as Delta does not provide benefits for post-retirement or post-employment other than the pension plan for retired employees.

Sponsoring Witness:

John Brown

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

48. Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of expenses incurred to date for the following categories:

- (1) Accounting;
- (2) Engineering;
- (3) Legal;
- (4) Consultants;
- (5) Other Expenses (identify separately).

For each category, the schedule shall include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of any invoices, contracts, or other documentation which support charges incurred in the preparation of this rate case. Indicate any costs incurred for this case that occurred during the test year.

b. An itemized estimate of the total cost to be incurred for this case. Expenses shall be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting workpapers and calculations.

c. During the course of this proceeding, provide monthly updates of the actual costs incurred, in the manner requested in (a) above. Updates will be due the last business day of each month, through the month of the public hearing.

RESPONSE:

See attached schedules.

Sponsoring Witness:

John F. Hall

DELTA NATURAL GAS COMPANY, INC.

Item 48a

CASE NO. 99-176
Rate Case Expenses
For the 12 Months Ended 12-31-98

AC#	Date	Check #	Vendor	Vendor Name	Amount	Description	Hours	Rate/Hr
1186070000000000	1999-05-31	156482	3640 PRIME GROUP, THE		\$21,220.00	CONSULTANTS	129.5	164
1186070000000000	1999-06-30	157403	3640 PRIME GROUP, THE		\$24,382.72	CONSULTANTS	148.5	164
TOTAL CONSULTANTS					\$45,602.72			
TOTAL LEGAL					\$0.00			
1186070000000000	1999-06-30	157326	1789 NEWS JOURNAL		\$420.00	NEWSPAPERS ADS		#99-176
1186070000000000	1999-06-30	157603	2152 SENTINEL-ECHO, THE		\$473.45	NEWSPAPERS ADS		# 99-176
1186070000000000	1999-06-30	157619	2411 TIMES-TRIBUNE, THE		\$279.63	NEWSPAPERS ADS		# 99-176
1186070000000000	1999-06-30	AP	3148 WINCHESTER SUN, THE		\$338.17	NEWSPAPERS ADS		#99-176
1186070000000000	1999-06-30	157262	3335 FLEMINGSBURG GAZETTE		\$157.50	NEWSPAPERS ADS		#99-176
1186070000000000	1999-06-30	157573	3607 NEWSPAPER HOLDINGS INC		\$406.88	NEWSPAPERS ADS		# 99-176
TOTAL NEWSPAPER ADS					\$2,075.63			
1186070000000000	1999-06-18	156715	3334 NATIONAL CITY		\$134.10	SUPPLIES		#99-176
1186070000000000	1999-06-30	AP	3334 NATIONAL CITY		\$508.48	SUPPLIES		#99-176
1186070000000000	1999-06-30	AP	3334 NATIONAL CITY		\$769.86	SUPPLIES		#99-176
1186070000000000	1999-06-30	AP	3334 NATIONAL CITY		\$1,619.61	SUPPLIES		#99-176
TOTAL SUPPLIES - OTHER					\$3,032.05			
TOTAL RATE CASE EXPENSE @ 7/22/99					\$50,710.40			

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176
ESTIMATED EXPENSES

LINE NO	ESTIMATED EXPENSES	RATE	TOTAL UNITS	TOTAL ESTIMATED
1				
2	VENDOR			
3	CONSULTANTS	157.00	480.00	75,000.00
4	LEGAL	165.00	290.00	48,000.00
5	PRINTING COSTS & OTHER SUPPLIES			6,800.00
6	NEWSPAPER ADVERTISING			14,200.00
7	TOTAL PROJECTED COST			145,000.00

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 99-176

DATA REQUEST DATED 7/15/99

49. Provide a copy of Delta's most recent depreciation study. If no such study exists, provide a copy of Delta's most recent depreciation schedule, including: a list of all pipeline and related facilities by account number; service life and accrual rate for each; the methodology which supports the schedule; and the date the schedule was last updated.

RESPONSE:

In Delta's 1985 rate case (Case 9331), Delta was ordered to perform a depreciation study. Delta had such a study performed by Stone & Webster and a copy of their report, dated June, 1986, is attached as response to Item 50. Delta has not implemented this study. Had we done so, based upon the test year ended 12/31/98, there would be an increase in annual depreciation expense of \$687,850, as shown in the attached comparison schedule.

Sponsoring Witness:

John Brown

DEPRECIATION RATES IN USE VS DEPRCIATION STUDY IN 1986
ITEM 49

Line Number	ACCT NO	DESCRIPTION	BALANCE 12/31/98	IN USE RATE	AMOUNT	86 DEPR STUDY RATE	AMOUNT	DIFF STUDY VS USING
1	301	ORGANIZATION	53,151	0.0%	0	0.0%	0	0
2	302	FRAN & CONSENT	1,786	0.0%	0	0.0%	0	0
3		SUB TOTAL	54,937		0		0	0
		<u>PRODUCTION PLANT</u>						
4	304	LAND & RIGHTS	35,377	0.00%	0	0.00%	0	0
5	305	STRUCTURES & IMPROVEMENTS	60,604	2.20%	1,333	3.79%	2,297	964
6	325	RIGHT OF WAYS	75,975	3.00%	2,279	3.19%	2,424	144
7	327	COMP STAT STRUCTURES	42,950	3.00%	1,289	3.00%	1,289	0
8	* 331	WELL EQUIPMENT	13,392	0.00%	0	0.00%	0	0
9	332	FIELD LINES	1,835,883	4.00%	73,435	1.86%	34,147	(39,288)
10	* 333	COMPRESSOR STAT EQUIP	800,454	4.50%	36,020	4.50%	36,020	0
11	334	MEAS & REG STATIONS	82,734	4.00%	3,309	1.40%	1,158	(2,151)
12		SUB TOTAL	2,947,369		117,666		77,335	(40,331)
		<u>STORAGE AND PROCESSING PLANT</u>						
13	* 35001	STORAGE LAND	14,142	0.00%	0	0.00%	0	0
14	* 35002	STORAGE - RIGHT OF WAY	129,425	0.00%	0	0.00%	0	0
15	35005	GAS RIGHTS WELLS - DELTA	46,895	0.00%	0	0.00%	0	0
16	* 35006	GAS RHTS STORAGE	171,665	0.00%	0	0.00%	0	0
17	* 351	STRUCTURES & IMPROVEMENTS	69,487	3.00%	2,085	3.00%	2,085	0
18	* 352	STORAGE WELLS	226,147	4.50%	10,177	4.50%	10,177	0
19	* 35201	STORAGE RIGHTS	860,396	4.50%	38,718	4.50%	38,718	0
20	* 35202	STORAGE RESERVOIRS	1,881,731	4.50%	84,678	4.50%	84,678	0
21	* 35203	NONRECOVERABLE NAT GAS	294,307	4.50%	13,244	4.50%	13,244	0
22	* 353	STORAGE LINES	5,013,487	4.50%	225,607	4.50%	225,607	0
23	* 354	STOR COMPRESSOR STAT EQUIP	1,134,726	4.50%	51,063	4.50%	51,063	0
24	* 355	STORAGE MEAS & REG EQUIP	353,185	3.00%	10,596	3.00%	10,596	0
25	* 356	PURIFICATION EQUIPMENT	320,225	4.50%	14,410	4.50%	14,410	0
26	* 357	STORAGE OTHER EQUIPMENT	47,209	10.00%	4,721	10.00%	4,721	0
27		SUB TOTAL	10,563,027		455,297		455,297	0
		<u>TRANSMISSION PLANT</u>						
28	36501	LAND & RIGHTS	43,284	0.00%	0	0.00%	0	0
29	36502	RIGHTS OF WAY	428,208	0.00%	0	0.00%	0	0
30	36503	LAND RIGHTS CVPL	163,626	2.50%	4,091	2.06%	3,371	(720)
31	366	STRUCTURES & IMPROVEMENTS	145,444	3.00%	4,363	2.22%	3,229	(1,134)
32	367	MAINS	21,011,330	2.50%	525,283	2.90%	609,329	84,045
33	368	COMPRESSOR STAT EQUIP	1,276,289	4.50%	57,433	3.19%	40,714	(16,719)
34	369	MEAS & REG STAT EQUIP	1,078,811	3.00%	32,364	3.18%	34,306	1,942
35	371	OTHER EQUIPMENT	437,893	10.00%	43,789	3.17%	13,881	(29,908)
36		SUB TOTAL	24,584,885		667,324		704,829	37,505

DEPRECIATION RATES IN USE VS DEPRCIATION STUDY IN 1986
ITEM 49

Line Number	ACCT NO	DESCRIPTION	BALANCE 12/31/98	IN USE RATE	AMOUNT	86 DEPR STUDY RATE	AMOUNT	DIFF STUDY VS USING
<u>DISTRIBUTION PLANT</u>								
37	374	LAND & RIGHTS	248,478	0.00%	0	0.00%	0	0
38	375	STRUCTURES & IMPROVEMENTS	104,498	3.00%	3,135	1.90%	1,985	(1,149)
39	376	MAINS	46,498,998	2.50%	1,162,475	3.98%	1,850,660	688,185
40	378	MEAS & REG STAT - GEN	965,592	3.00%	28,968	2.88%	27,809	(1,159)
41	379	MEAS & REG STAT - CITY	390,893	3.00%	11,727	3.39%	13,251	1,524
42	380	SERVICES	7,634,653	2.50%	190,866	3.98%	303,859	112,993
43	381	METERS	5,454,418	3.00%	163,633	3.76%	205,086	41,454
44	382	METER & REG INSTALLATION	2,365,154	3.00%	70,955	2.39%	56,527	(14,427)
45	383	HOUSE REG	2,190,578	3.00%	65,717	3.81%	83,461	17,744
46	385	INDUSTRIAL METER SETS	1,201,246	3.00%	36,037	6.01%	72,195	36,158
47		SUB TOTAL	67,054,508		1,733,513		2,614,834	881,322
<u>GENERAL PLANT</u>								
48	389	LAND & RIGHTS	845,317	0.00%	0	0.00%	0	0
49	390	STRUCTURES & IMPROVEMENTS	2,882,604	2.20%	63,417	2.91%	83,884	20,466
50	391	OFFICE FURN & EQUIPMENT	628,358	10.00%	62,836	2.17%	13,635	(49,200)
51	392	AUTOS & TRUCKS	2,844,375	15.00%	426,656	15.00%	426,656	0
52	393	STORES EQUIPMENT	42,466	10.00%	4,247	2.09%	888	(3,359)
53	394	TOOLS & WORK EQUIPMENT	564,616	10.00%	56,462	0.33%	1,863	(54,598)
54	39401	COMPR NAT GAS STAT & EQUIP	421,498	10.00%	42,150	0.33%	1,391	(40,759)
55	395	LABORATORY EQUIP	139,912	10.00%	13,991	2.16%	3,022	(10,969)
56	396	POWER OPERATED EQUIP	1,524,764	10.00%	152,476	7.46%	113,747	(38,729)
57	397	COMMUNICATION EQUIP	608,667	10.00%	60,867	2.68%	16,312	(44,554)
58	398	MISCELLANEOUS EQUIP	101,995	10.00%	10,200	3.58%	3,651	(6,548)
59	39901	OTHER TANG EQUIP	565,218	10.00%	56,522	2.17%	12,265	(44,257)
60	39902	COMPUTER SOFTWARE	1,559,966	20.00%	311,993	33.00%	514,789	202,796
61	39903	COMPUTER HARDWARE	1,824,044	20.00%	364,809	13.37%	243,875	(120,934)
62		SUB TOTAL	14,553,800		1,626,625		1,435,979	(190,646)
63		TOTAL A/C 101	119,758,526		4,600,425		5,288,274	687,850

• RATES FOR A/C 333 AND A/C 380 WERE NOT CONSIDERED IN THE STUDY SO THE RATE USED IS THE SAME AS EITHER THE BOOK RATE OR WHERE THE PROPERTY WAS INCLUDED WHEN THE STUDY WAS MADE.

• STORAGE ACCOUNTS 35001 & 351 - 357 WERE NOT IN USE IN 1986 AND NOT CONSIDERED IN THE STUDY SO THE RATE USED IS THE BOOK RATE

• ACCOUNT 331 AND 35006 ARE FULLY DEPRECIATED



**STONE
& WEBSTER** Management Consultants, Inc.

DELTA NATURAL GAS COMPANY, INC.

DEPRECIATION STUDY
UTILITY PLANT
AT DECEMBER 31, 1985

JUNE 1986



**STONE
& WEBSTER** Management Consultants, Inc.

One Penn Plaza
250 West 34th Street - P.O. Box 1265
New York, New York 10116
212-290-7000

June 23, 1986

Mr. T. A. Kohnle
Controller
Delta Natural Gas Company, Inc.
Rural Route 1, Box 30A
Winchester, Kentucky 40391

Dear Mr. Kohnle:

In accordance with your request, we have performed a study of the depreciable gas property of Delta Natural Gas Company, Inc., as of December 31, 1985, to determine the appropriate rates to be used for computing book depreciation. The results of the study are presented herein by primary account and functional classification, segregated between Depreciable Plant and Other Property.

This study has been prepared using the remaining life depreciation method. The depreciation rate, developed by use of the remaining life method, is the composite result of the complex relationship between average service life, mortality dispersion, remaining life, original cost or account balance, accrued depreciation, salvage values, and removal costs.

Revisions of service life, mortality dispersion and salvage which affect remaining life, percent salvage and the depreciation rate are the result of analysis and application of judgment. However,

changes in account balances through retirements or plant additions also change remaining life. Moreover, annual accruals also have an impact on the unrecovered service value and thus may have an effect on the depreciation rate as a result of the mathematical relationship without changes in the judgmental factors. This adjustment is part of the self-correcting feature of the remaining life method.

The service lives and retirement patterns were selected on the basis of tests using the simulated plant record and turnover methods for those accounts where sufficient data with respect to plant additions and retirements were available to provide meaningful results. For those accounts where insufficient historical data were available to perform such tests the estimated service lives and retirement patterns were selected on the basis of our experience and judgment. The remaining life of Account 325 Rights-of-Way was based on the remaining life of Account 332 Field Lines and the remaining life of Account 3653 Land and Land Rights CVPL was based on the remaining life of Account 367 Transmission Mains, because these rights generally permit installation of and access to the pipelines. When the lines are removed, generally the rights no longer have value as "used and useful" plant.

The salvage and retirement cost percentages reflected in the study were developed from recent historical experience as well as our judgment and experience. The estimated amounts were obtained by multiplying the balance in the plant account by the percentage indicated. The salvage amounts so determined were recognized in developing the total unrecovered service value for the respective

accounts. The annual depreciation rate for each primary account was then computed by apportioning the unrecovered service value on a straight-line basis over the estimated remaining life of the property in each account. This method, in our view, provides the most accurate technique for determining the annual depreciation charge and automatically adjusts for any excess or deficiency which may develop in the depreciation reserve.

As Transportation Equipment is being depreciated on a unit basis this account as excluded from the study but is included in the "Other Property" section.

We wish to express our appreciation for your assistance in obtaining the basic data required for the study.

Yours very truly,



William K. Strand

Vice President

DELTA NATURAL GAS COMPANY, INC.

SUMMARY OF ANNUAL DEPRECIATION AMOUNTS AND RATES
UTILITY PLANT IN SERVICE AT DECEMBER 31, 1985

Account Number	Description	Unrecovered Service Value	Estimated Remaining Life	Annual Depreciation	
				Amount	Percent
<u>Production and Gathering Plant</u>					
305	Structures and Improvements				
	- Propane	49,570	21.1	\$ 2,349	3.79
319	Gas Mixing Equipment - Propane	153,374	5.0	30,675	11.80
325	Rights of Way	17,914	20.1	891	3.19
331	Well Equipment	3,788	27.5	138	2.26
332	Field Lines	145,096	20.1	7,219	1.86
334	Field Measuring & Regulating Station Equipment	4,225	17.5	241	1.40
	Total	373,967		41,513	5.46
<u>Underground Storage Plant</u>					
3506	Gas Rights Storage	105,373	22.5	4,683	2.65
	Total	105,373		4,683	2.65
<u>Transmission Plant</u>					
3653	Land and Land Rights CVPL	77,602	22.7	3,419	2.06
366	Structures and Improvements	18,715	23.3	803	2.22
367	Transmission Mains	4,651,560	22.7	204,915	2.90
368	Compressor Station Equipment	612,323	23.2	26,393	3.19
369	Measuring & Regulating Station Equipment	285,137	20.6	13,842	3.18
371	Other Equipment	93,774	22.5	4,168	3.17
	Total	5,739,111		253,540	2.93
<u>Distribution Plant</u>					
375	Structures and Improvements	40,295	29.6	1,361	1.90
376	Distribution Mains	13,062,721	20.8	628,015	3.98
378	Measuring & Regulating Station Equipment-General	195,944	23.9	8,198	2.88
379	Measuring & Regulating Station Equipment-City Gate	185,697	24.4	7,611	3.39
381	Meters	901,613	12.6	71,557	3.76
382	Meter & Regulator Installations	376,044	33.0	11,395	2.39
383	Regulators	510,039	19.6	26,022	3.81
385	Industrial Meter Sets	155,501	14.6	10,651	6.01
387	Other Equipment	6,230	7.5	831	8.67
	Total	15,434,084		765,641	3.90

DELTA NATURAL GAS COMPANY, INC.

SUMMARY OF ANNUAL DEPRECIATION AMOUNTS AND RATES
UTILITY PLANT IN SERVICE AT DECEMBER 31, 1985

<u>Account Number</u>	<u>Description</u>	<u>Recovered Service Value</u>	<u>Estimated Remaining Life</u>	<u>Annual Depreciation</u>	
				<u>Amount</u>	<u>Percent</u>
<u>General Plant</u>					
390	Structures and Improvements	,447,486	29.4	49,234	2.91
391	Office Furniture and Equipment	126,454	11.3	11,191	2.17
393	Stores Equipment	17,867	31.3	571	2.09
394	Tools, Shop and Garage Equipment	20,193	12.3	1,642	0.33
395	Laboratory Equipment	18,927	25.1	754	2.16
396	Power Operated Equipment	199,408	7.4	26,947	7.46
397	Communication Equipment	72,816	13.7	5,315	2.68
398	Miscellaneous Equipment	76,545	16.7	4,584	3.58
3991	Other Tangible Equipment	97,458	26.5	3,678	2.17
3993	Computer Hardware	167,283	5.0	33,457	13.37
	Total	<u>,244,437</u>		<u>137,373</u>	3.55
	Total Depreciable Plant	<u>,896,972</u>		<u>\$1,202,750</u>	3.64
<u>Other Property</u>					
301	Organization				
302	Franchises and Consents				
304	Land - Propane				
3505	Gas Rights Wells				
3651	Land and Land Rights				
3652	Rights of Way				
374	Land and Land Rights				
389	Land				
392	Transportation Equipment				
3992	Computer Software				
	Total				
	Total Utility Plant				

DELTA NATURAL GAS COMPANY, INC.
 PRODUCTION PLANT
 ACCOUNT 305 STRUCTURES AND IMPROVEMENTS - PROPANE

30 SQ

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1982	3.5	1183	26.5	31
1977	8.5	54778	21.5	1178
1975	10.5	1997	19.5	39
1974	11.5	237	18.5	4
1972	13.5	553	16.5	9
1971	14.5	2097	15.5	33
1969	16.5	354	13.5	5
1966	19.5	793	10.5	8
		61992	21.1	1307

AVERAGE AGE OF SURVIVORS EQUALS 8.9 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 30.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
 PRODUCTION PLANT
 ACCOUNT 319 GAS MIXING EQUIPMENT - PROPANE

18 SQ

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1983	2.5	3196	15.5	50
1982	3.5	773	14.5	11
1980	5.5	1536	12.5	19
1978	7.5	172	10.5	2
1977	8.5	41940	9.5	398
1975	10.5	50349	7.5	378
1974	11.5	55811	6.5	363
1970	15.5	16954	2.5	42
1967	18.5	2973	0.5	1
1966	19.5	86193	0.5	43
		259897	5.0	1307

AVERAGE AGE OF SURVIVORS EQUALS 13.0 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 18.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GATHERING PLANT
 ACCOUNT 325 RIGHTS OF WAY

YEAR	PLANT SURVIVING DEC.31,1985	PROBABLE RETIREMENT DATE	REMAINING LIFE	DOLLAR YEARS (\$000)S
1976	9976	2006	20.1	201
1975	1850	2006	20.1	37
1974	203	2006	20.1	4
1973	9891	2006	20.1	199
1971	4200	2006	20.1	84
1970	1850	2006	20.1	37
	27970		20.1	562

AVERAGE AGE OF SURVIVORS EQUALS 11.8 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 31.9 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GATHERING PLANT
 ACCOUNT 331 WELL EQUIPMENT

32 SQ

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1982	3.5	5596	28.5	159
1971	14.5	147	17.5	3
1969	16.5	368	15.5	6
		6111	27.5	168

AVERAGE AGE OF SURVIVORS EQUALS 4.5 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 32.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GATHERING PLANT
 ACCOUNT 332 FIELD LINES

30 R1

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	7097	29.6	210
1984	1.5	12250	28.9	354
1983	2.5	6298	28.2	177
1982	3.5	2243	27.4	62
1981	4.5	357	26.7	10
1980	5.5	1106	26.0	29
1979	6.5	703	25.3	18
1976	9.5	195	23.2	5
1974	11.5	1957	21.9	43
1973	12.5	215585	21.2	4575
1972	13.5	263	20.6	5
1971	14.5	500	19.9	10
1970	15.5	317	19.3	6
1968	17.5	317	18.0	6
1967	18.5	4220	17.4	73
1966	19.5	88654	16.8	1485
1965	20.5	32334	16.2	522
1964	21.5	94	15.6	1
1963	22.5	174	15.0	3
1961	24.5	13119	13.9	182
		387783	20.1	7776

AVERAGE AGE OF SURVIVORS EQUALS 14.4 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 34.5 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GATHERING PLANT
 ACCOUNT 334 FIELD MEASURING & REGULATING STATION EQUIPMENT

30 R1

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	2758	29.6 -	82
1984	1.5	1987	28.9	57
1960	25.5	3970	13.3	53
1959	26.5	8517	12.8	109
		17232	17.5	301

AVERAGE AGE OF SURVIVORS EQUALS 19.2 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 36.7 YEARS

DELTA NATURAL GAS COMPANY, INC.
UNDERGROUND STORAGE PLANT
ACCOUNT 3506 GAS RIGHTS STORAGE

30 SQ

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1978	7.5	176665	22.5	3975
		176665	22.5	3975

AVERAGE AGE OF SURVIVORS EQUALS 7.5 YEARS
PROBABLE LIFE OF SURVIVORS EQUALS 30.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
 TRANSMISSION PLANT
 ACCOUNT 3653 LAND RIGHTS CVPL

YEAR	PLANT SURVIVING DEC. 31, 1985	PROBABLE RETIREMENT DATE	REMAINING LIFE	DOLLAR YEARS (\$000)S
1976	3454	2008	22.7	78
1975	26701	2008	22.7	606
1974	4320	2008	22.7	98
1971	6573	2008	22.7	149
1969	444	2008	22.7	10
1968	64146	2008	22.7	1456
1967	7162	2008	22.7	163
1966	13936	2008	22.7	316
1965	24862	2008	22.7	564
1960	12865	2008	22.7	292
1958	1288	2008	22.7	29
	165751		22.7	3761

AVERAGE AGE OF SURVIVORS EQUALS 17.3 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 40.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
 TRANSMISSION PLANT
 ACCOUNT 366 STRUCTURES AND IMPROVEMENTS

30 R5

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	3682	29.5	109
1984	1.5	20275	28.5	578
1975	10.5	4125	19.5	80
1974	11.5	844	18.5	16
1973	12.5	446	17.5	8
1967	18.5	467	11.6	5
1966	19.5	1893	10.6	20
1965	20.5	384	9.7	4
1964	21.5	677	8.8	6
1962	23.5	547	7.1	4
1961	24.5	216	6.3	1
1960	25.5	275	5.6	2
1959	26.5	1480	4.9	7
1958	27.5	60	4.3	0
1956	29.5	847	3.2	3
		36218	23.3	843

AVERAGE AGE OF SURVIVORS EQUALS 6.9 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 30.2 YEARS

DELTA NATURAL GAS COMPANY, INC.
TRANSMISSION PLANT
ACCOUNT 367 TRANSMISSION MAINS

34 R4

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	920732	33.5	30845
1984	1.5	124371	32.5	4042
1983	2.5	100359	31.5	3162
1982	3.5	67784	30.5	2068
1981	4.5	94837	29.5	2798
1980	5.5	636721	28.5	18155
1979	6.5	157054	27.5	4322
1978	7.5	350920	26.5	9310
1977	8.5	32533	25.5	831
1976	9.5	665748	24.6	16349
1975	10.5	1035285	23.6	24409
1974	11.5	154587	22.6	3494
1973	12.5	20047	21.6	434
1972	13.5	218386	20.7	4516
1971	14.5	386287	19.7	7621
1970	15.5	29894	18.8	562
1969	16.5	10067	17.9	180
1968	17.5	558182	17.0	9464
1967	18.5	41125	16.1	660
1966	19.5	179059	15.2	2718
1965	20.5	383240	14.3	5488
1964	21.5	41263	13.5	556
1963	22.5	4722	12.7	60
1962	23.5	10126	11.9	120
1960	25.5	389661	10.3	4027
1959	26.5	179598	9.6	1725
1958	27.5	33769	8.9	300
1957	28.5	2212	8.2	18
1956	29.5	117391	7.5	884
TOTALS FORWARD		6945960		159118

DELTA NATURAL GAS COMPANY, INC.
 TRANSMISSION PLANT
 ACCOUNT 367 TRANSMISSION MAINS

34 R4

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
TOTALS BROUGHT FORWARD		6945960		159118
1955	30.5	69688	6.9	480
1954	31.5	6154	6.3	39
1951	34.5	32553	4.7	155
		7054355	22.7	159792

AVERAGE AGE OF SURVIVORS EQUALS 11.7 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 34.4 YEARS

DELTA NATURAL GAS COMPANY, INC.
 TRANSMISSION PLANT
 ACCOUNT 368 COMPRESSOR STATION EQUIPMENT

28 S1

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	77490	27.5	2131
1984	1.5	483760	26.5	12822
1982	3.5	638	24.6	16
1981	4.5	1013	23.6	24
1980	5.5	12587	22.7	286
1979	6.5	13847	21.9	303
1978	7.5	584	21.0	12
1976	9.5	41758	19.4	811
1975	10.5	53304	18.7	995
1974	11.5	880	17.9	16
1972	13.5	271	16.6	4
1971	14.5	19749	15.9	314
1970	15.5	399	15.3	6
1969	16.5	3110	14.7	46
1967	18.5	1300	13.5	18
1966	19.5	720	13.0	9
1965	20.5	51813	12.5	646
1964	21.5	1779	12.0	21
1963	22.5	54639	11.5	626
1962	23.5	6355	11.0	70
1961	24.5	424	10.5	4
		826420	23.2	19180

AVERAGE AGE OF SURVIVORS EQUALS 5.8 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 29.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
TRANSMISSION PLANT
ACCOUNT 369 MEASURING & REGULATING STATION EQUIPMENT

30 R3

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	40662	29.5	1200
1984	1.5	93623	28.5	2671
1983	2.5	11220	27.5	309
1982	3.5	2116	26.6	56
1981	4.5	2091	25.6	54
1980	5.5	4524	24.7	112
1979	6.5	11895	23.7	282
1978	7.5	2112	22.8	48
1977	8.5	5814	21.8	127
1976	9.5	25713	20.9	538
1975	10.5	68113	20.0	1364
1974	11.5	21115	19.1	404
1973	12.5	10792	18.3	197
1972	13.5	1805	17.4	31
1971	14.5	22052	16.6	365
1970	15.5	4307	15.7	68
1969	16.5	18187	14.9	271
1968	17.5	5662	14.1	80
1967	18.5	5718	13.3	76
1966	19.5	11785	12.6	148
1965	20.5	10355	11.8	123
1964	21.5	2255	11.1	25
1963	22.5	1431	10.4	15
1962	23.5	127	9.8	1
1961	24.5	2043	9.1	19
1960	25.5	31018	8.5	263
1959	26.5	9679	7.9	76
1958	27.5	3419	7.3	25
1957	28.5	1360	6.8	9
TOTALS FORWARD		430993		8957

DELTA NATURAL GAS COMPANY, INC.
 TRANSMISSION PLANT
 ACCOUNT 369 MEASURING & REGULATING STATION EQUIPMENT

30 R3

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
TOTALS BROUGHT FORWARD		430993		8957
1956	29.5	2525	6.3	16
1955	30.5	2072	5.8	12
1951	34.5	373	4.2	2
		435963	20.6	8987

AVERAGE AGE OF SURVIVORS EQUALS 10.4 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 31.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
 TRANSMISSION PLANT
 ACCOUNT 371 OTHER EQUIPMENT

25 R2

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1984	1.5	92076	23.6	2177
1983	2.5	6643	22.8	151
1981	4.5	585	21.0	12
1980	5.5	3461	20.2	70
1979	6.5	19670	19.3	380
1978	7.5	4822	18.5	89
1977	8.5	4414	17.7	78
		131671	22.5	2957

AVERAGE AGE OF SURVIVORS EQUALS 2.8 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 25.3 YEARS

DELTA NATURAL GAS COMPANY, INC.
 DISTRIBUTION PLANT
 ACCOUNT 375 STRUCTURES AND IMPROVEMENTS

40 R2

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	9853	39.5	390
1983	2.5	730	37.7	28
1981	4.5	1256	36.0	45
1980	5.5	564	35.1	20
1979	6.5	2314	34.2	79
1977	8.5	16221	32.5	528
1976	9.5	4531	31.7	144
1975	10.5	400	30.9	12
1974	11.5	287	30.0	9
1972	13.5	349	28.4	10
1971	14.5	1362	27.6	38
1970	15.5	18615	26.8	499
1969	16.5	60	26.0	2
1968	17.5	740	25.3	19
1967	18.5	2627	24.5	64
1966	19.5	3997	23.8	95
1964	21.5	236	22.3	5
1961	24.5	1484	20.2	30
1960	25.5	416	19.5	8
1959	26.5	420	18.8	8
1958	27.5	165	18.1	3
1957	28.5	663	17.5	12
1956	29.5	2881	16.9	49
1955	30.5	1162	16.2	19
1951	34.5	286	13.9	4
		71619	29.6	2120

AVERAGE AGE OF SURVIVORS EQUALS 12.4 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 42.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
DISTRIBUTION PLANT
ACCOUNT 376 DISTRIBUTION MAINS

28 S2

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	1581605	27.5	43494
1984	1.5	1436971	26.5	38080
1983	2.5	1579871	25.5	40287
1982	3.5	1666098	24.5	40824
1981	4.5	1958994	23.5	46055
1980	5.5	645718	22.5	14545
1979	6.5	721996	21.6	15561
1978	7.5	315207	20.6	6492
1977	8.5	213644	19.7	4200
1976	9.5	198624	18.7	3722
1975	10.5	401730	17.9	7172
1974	11.5	286347	17.0	4865
1973	12.5	432189	16.2	6983
1972	13.5	308634	15.4	4740
1971	14.5	1003843	14.6	14645
1970	15.5	1333962	13.9	18482
1969	16.5	521382	13.2	6857
1968	17.5	158603	12.5	1980
1967	18.5	268025	11.8	3174
1966	19.5	110160	11.2	1238
1965	20.5	96734	10.7	1031
1964	21.5	66834	10.1	675
1963	22.5	61610	9.6	590
1962	23.5	47894	9.1	435
1961	24.5	69470	8.6	597
1960	25.5	40766	8.1	332
1959	26.5	57662	7.7	445
1958	27.5	17058	7.3	124
1957	28.5	17963	6.9	124
TOTALS FORWARD		15619594		327749

DELTA NATURAL GAS COMPANY, INC.
 DISTRIBUTION PLANT
 ACCOUNT 376 DISTRIBUTION MAINS

28 S2

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
TOTALS BROUGHT FORWARD		15619594		327749
1956	29.5	58684	6.5	383
1955	30.5	54037	6.2	333
1954	31.5	15201	5.8	88
1953	32.5	3630	5.5	20
1952	33.5	4466	5.1	23
1951	34.5	7416	4.8	36
1950	35.5	4993	4.5	23
1949	36.5	8351	4.3	36
1948	37.5	7108	4.0	28
1947	38.5	3992	3.7	15
		15787472	20.8	328734
		(1578747)*		
		17366219		

* ADJUSTMENT FOR 10 PER CENT SALVAGE NEGATIVE

AVERAGE AGE OF SURVIVORS EQUALS 7.8 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 28.6 YEARS

DELTA NATURAL GAS COMPANY, INC.
 DISTRIBUTION PLANT
 ACCOUNT 378 MEASURING & REGULATING STATION EQUIPMENT-GENERAL

32 R3

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	12417	31.5	391
1984	1.5	16759	30.5	512
1983	2.5	20914	29.5	618
1982	3.5	13581	28.6	388
1981	4.5	51809	27.6	1431
1980	5.5	41014	26.7	1093
1979	6.5	8962	25.7	230
1978	7.5	7148	24.8	177
1977	8.5	8484	23.8	202
1976	9.5	3572	22.9	82
1975	10.5	6160	22.0	135
1974	11.5	5118	21.1	108
1973	12.5	3890	20.2	79
1972	13.5	13611	19.3	263
1971	14.5	24139	18.5	446
1970	15.5	22413	17.6	395
1969	16.5	268	16.8	5
1968	17.5	299	16.0	5
1966	19.5	4859	14.4	70
1965	20.5	800	13.6	11
1964	21.5	543	12.9	7
1962	23.5	275	11.5	3
1959	26.5	9751	9.5	92
1957	28.5	797	8.3	7
1956	29.5	2674	7.7	21
1955	30.5	3410	7.2	25
1954	31.5	23	6.7	0
1953	32.5	450	6.2	3
1952	33.5	473	5.8	3
TOTALS FORWARD		284613		6802

DELTA NATURAL GAS COMPANY, INC.
 DISTRIBUTION PLANT
 ACCOUNT 378 MEASURING & REGULATING STATION EQUIPMENT-GENERAL

32 R3

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
TOTALS BROUGHT FORWARD		284613		6802
1951	34.5	253	5.4	1
1950	35.5	85	5.0	0
1949	36.5	36	4.6	0
1948	37.5	81	4.3	0
		285068	23.9	6803

AVERAGE AGE OF SURVIVORS EQUALS 8.8 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 32.7 YEARS

DELTA NATURAL GAS COMPANY, INC.
 DISTRIBUTION PLANT
 ACCOUNT 379 MEASURING & REGULATING STATION EQUIPMENT-CITY GATE

30 R4

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	69107	29.5	2039
1984	1.5	13765	28.5	392
1983	2.5	14039	27.5	386
1981	4.5	10542	25.5	269
1980	5.5	43561	24.5	1068
1979	6.5	31981	23.5	752
1978	7.5	1634	22.5	37
1977	8.5	9198	21.6	198
1976	9.5	1176	20.6	24
1974	11.5	1280	18.6	24
1970	15.5	5939	14.9	89
1969	16.5	1693	14.0	24
1968	17.5	13	13.1	0
1967	18.5	1505	12.3	18
1966	19.5	9479	11.5	109
1965	20.5	165	10.7	2
1964	21.5	102	9.9	1
1962	23.5	81	8.4	1
1961	24.5	539	7.7	4
1960	25.5	3539	7.0	25
1959	26.5	701	6.3	4
1958	27.5	225	5.7	1
1957	28.5	1343	5.1	7
1956	29.5	2261	4.6	10
1955	30.5	668	4.2	3
		224536	24.4	5487

AVERAGE AGE OF SURVIVORS EQUALS 5.8 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 30.2 YEARS

DELTA NATURAL GAS COMPANY, INC.
DISTRIBUTION PLANT
ACCOUNT 381 METERS

22 S6

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	82296	21.5	1769
1984	1.5	147259	20.5	3019
1983	2.5	125587	19.5	2449
1982	3.5	195244	18.5	3612
1981	4.5	92069	17.5	1611
1980	5.5	69898	16.5	1153
1979	6.5	53560	15.5	830
1978	7.5	67406	14.5	977
1977	8.5	66317	13.5	895
1976	9.5	48111	12.5	601
1975	10.5	78982	11.5	908
1974	11.5	58878	10.5	618
1973	12.5	91823	9.5	872
1972	13.5	91736	8.5	780
1971	14.5	210607	7.5	1580
1970	15.5	219572	6.5	1427
1969	16.5	61853	5.5	340
1968	17.5	44041	4.5	199
1967	18.5	36301	3.6	130
1966	19.5	19009	2.7	52
1965	20.5	19317	2.0	39
1964	21.5	10842	1.5	17
1963	22.5	11243	1.2	13
1962	23.5	232	0.9	0

1902183 12.6 23891

285327*

1616856

* ADJUSTMENT FOR 15 PER CENT SALVAGE POSITIVE

AVERAGE AGE OF SURVIVORS EQUALS 9.4 YEARS
PROBABLE LIFE OF SURVIVORS EQUALS 22.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
 DISTRIBUTION PLANT
 ACCOUNT 382 METER & REGULATOR INSTALLATIONS

40 R5

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	67324	39.5	2659
1984	1.5	94296	38.5	3630
1983	2.5	99610	37.5	3735
1982	3.5	66540	36.5	2429
1981	4.5	12046	35.5	428
1980	5.5	5200	34.5	179
1979	6.5	4463	33.5	149
1978	7.5	1604	32.5	52
1977	8.5	2209	31.5	70
1976	9.5	2843	30.5	87
1975	10.5	4065	29.5	120
1974	11.5	5641	28.5	161
1973	12.5	8877	27.5	244
1972	13.5	6795	26.5	180
1971	14.5	6017	25.5	153
1970	15.5	8413	24.5	206
1969	16.5	8651	23.5	203
1968	17.5	5823	22.5	131
1967	18.5	4152	21.5	89
1966	19.5	2088	20.5	43
1965	20.5	2280	19.5	44
1964	21.5	1800	18.5	33
1963	22.5	1800	17.5	32
1962	23.5	9390	16.6	156
1961	24.5	3303	15.6	52
1960	25.5	3980	14.7	58
1959	26.5	4834	13.7	66
1958	27.5	6197	12.8	79
1957	28.5	8152	11.9	97
TOTALS FORWARD		458393		15565

DELTA NATURAL GAS COMPANY, INC.
 DISTRIBUTION PLANT
 ACCOUNT 382 METER & REGULATOR INSTALLATIONS

40 R5

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
TOTALS BROUGHT FORWARD		458393		15565
1956	29.5	8675	11.0	96
1955	30.5	2891	10.2	29
1954	31.5	1636	9.4	15
1953	32.5	384	8.6	3
1952	33.5	283	7.8	2
1951	34.5	1705	7.1	12
1950	35.5	1056	6.4	7
1949	36.5	978	5.8	6
1948	37.5	491	5.2	3
1947	38.5	256	4.7	1
1940	45.5	228	2.1	0
		476976	33.0	15739

AVERAGE AGE OF SURVIVORS EQUALS 7.1 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 40.1 YEARS

DELTA NATURAL GAS COMPANY, INC.
 DISTRIBUTION PLANT
 ACCOUNT 383 REGULATORS

27 S6

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	82809	26.5	2195
1984	1.5	68536	25.5	1748
1983	2.5	79203	24.5	1940
1982	3.5	62018	23.5	1457
1981	4.5	46611	22.5	1049
1980	5.5	44258	21.5	952
1979	6.5	17688	20.5	363
1978	7.5	20730	19.5	404
1977	8.5	29083	18.5	538
1976	9.5	18467	17.5	323
1975	10.5	12375	16.5	204
1974	11.5	29340	15.5	455
1973	12.5	18409	14.5	267
1972	13.5	18706	13.5	253
1971	14.5	44148	12.5	552
1970	15.5	15245	11.5	175
1969	16.5	15644	10.5	164
1968	17.5	10199	9.5	97
1967	18.5	8100	8.5	69
1966	19.5	5883	7.5	44
1965	20.5	9365	6.5	61
1964	21.5	5228	5.5	29
1963	22.5	8013	4.6	37
1962	23.5	4294	3.7	16
1961	24.5	8519	2.9	25
		682871	19.6	13417

AVERAGE AGE OF SURVIVORS EQUALS 7.4 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 27.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
 DISTRIBUTION PLANT
 ACCOUNT 385 INDUSTRIAL METER SETS

19 R5

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	39740	18.5	735
1984	1.5	26528	17.5	464
1983	2.5	17371	16.5	287
1982	3.5	19688	15.5	305
1981	4.5	33109	14.5	480
1980	5.5	4307	13.5	58
1979	6.5	3969	12.5	50
1978	7.5	4035	11.5	46
1976	9.5	6515	9.5	62
1975	10.5	1679	8.5	14
1974	11.5	2529	7.5	19
1973	12.5	3131	6.6	21
1972	13.5	2481	5.7	14
1971	14.5	2917	4.8	14
1970	15.5	3150	4.0	13
1969	16.5	1474	3.3	5
1968	17.5	1613	2.7	4
1967	18.5	1756	2.1	4
1966	19.5	834	1.7	1
1965	20.5	318	1.3	0
1964	21.5	47	1.0	0
1963	22.5	90	0.8	0
		177281	14.6	2596

AVERAGE AGE OF SURVIVORS EQUALS 4.5 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 19.1 YEARS

DELTA NATURAL GAS COMPANY, INC.
 DISTRIBUTION PLANT
 ACCOUNT 387 OTHER EQUIPMENT

17 S2

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1979	6.5	2738	10.7	29
1978	7.5	1223	9.9	12
1977	8.5	604	9.1	5
1976	9.5	205	8.3	2
1974	11.5	621	7.0	4
1972	13.5	205	5.9	1
1971	14.5	528	5.4	3
1970	15.5	1768	4.9	9
1969	16.5	668	4.5	3
1968	17.5	1021	4.1	4
		9581	7.5	72

AVERAGE AGE OF SURVIVORS EQUALS 11.5 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 19.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GENERAL PLANT
 ACCOUNT 390 STRUCTURES AND IMPROVEMENTS

35 R2

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	138078	34.5	4770
1984	1.5	176021	33.6	5922
1983	2.5	78802	32.8	2581
1982	3.5	169512	31.9	5402
1981	4.5	250016	31.0	7749
1980	5.5	57420	30.1	1730
1979	6.5	23305	29.3	682
1978	7.5	552924	28.4	15711
1977	8.5	1328	27.6	37
1976	9.5	2036	26.7	54
1975	10.5	668	25.9	17
1974	11.5	455	25.1	11
1973	12.5	79294	24.3	1927
1972	13.5	10633	23.5	250
1971	14.5	27289	22.7	620
1970	15.5	34181	22.0	751
1969	16.5	85	21.2	2
1968	17.5	2841	20.5	58
1967	18.5	131	19.7	3
1966	19.5	21038	19.0	400
1965	20.5	9179	18.3	168
1964	21.5	301	17.6	5
1963	22.5	19345	16.9	327
1962	23.5	972	16.2	16
1961	24.5	661	15.6	10
1960	25.5	194	15.0	3
1959	26.5	21012	14.3	301
1958	27.5	15186	13.7	208
		1692907	29.4	49715

AVERAGE AGE OF SURVIVORS EQUALS 6.5 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 35.9 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GENERAL PLANT
 ACCOUNT 391 OFFICE FURNITURE AND EQUIPMENT

17 R2

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	27053	16.5	448
1984	1.5	25205	15.7	395
1983	2.5	18184	14.8	269
1982	3.5	118816	13.9	1654
1981	4.5	34690	13.1	454
1980	5.5	26477	12.3	325
1979	6.5	23164	11.5	266
1978	7.5	78225	10.7	836
1977	8.5	37979	9.9	377
1976	9.5	3251	9.2	30
1975	10.5	26517	8.5	226
1974	11.5	7918	7.8	62
1973	12.5	10069	7.2	72
1972	13.5	20682	6.6	136
1971	14.5	17802	6.0	107
1970	15.5	16349	5.5	89
1969	16.5	5774	4.9	29
1968	17.5	5366	4.5	24
1967	18.5	182	4.0	1
1966	19.5	1695	3.6	6
1965	20.5	5038	3.2	16
1964	21.5	644	2.9	2
1963	22.5	1103	2.6	3
1962	23.5	1254	2.3	3
1961	24.5	230	2.0	0
1960	25.5	233	1.7	0
1959	26.5	257	1.4	0
1958	27.5	128	1.1	0
1957	28.5	88	0.8	0
TOTALS FORWARD		514373		5830

DELTA NATURAL GAS COMPANY, INC.
 GENERAL PLANT
 ACCOUNT 391 OFFICE FURNITURE AND EQUIPMENT

17 R2

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
TOTALS BROUGHT FORWARD		514373		5830
1956	29.5	274	0.5	0
1955	30.5	48	0.2	0
		514695	11.3	5830
		25735*		
		488960		

* ADJUSTMENT FOR 5 PER CENT SALVAGE POSITIVE

AVERAGE AGE OF SURVIVORS EQUALS 7.1 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 18.4 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GENERAL PLANT
 ACCOUNT 393 STORES EQUIPMENT

35 R4

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	11270	34.5	389
1984	1.5	2577	33.5	86
1983	2.5	147	32.5	5
1982	3.5	971	31.5	31
1981	4.5	6224	30.5	190
1979	6.5	1884	28.5	54
1978	7.5	2887	27.5	79
1977	8.5	561	26.5	15
1960	25.5	119	11.2	1
1958	27.5	403	9.7	4
1956	29.5	193	8.3	2
1951	34.5	121	5.4	1
		27357	31.3	857

AVERAGE AGE OF SURVIVORS EQUALS 3.8 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 35.1 YEARS

DELTA NATURAL GAS COMPANY, INC.
GENERAL PLANT
ACCOUNT 394 TOOLS, SHOP AND GARAGE EQUIPMENT

20 R3

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	19789	19.5	386
1984	1.5	33152	18.5	614
1983	2.5	58353	17.6	1025
1982	3.5	58905	16.6	978
1981	4.5	43384	15.7	679
1980	5.5	20112	14.7	296
1979	6.5	11819	13.8	163
1978	7.5	12400	12.9	160
1977	8.5	3129	12.0	38
1976	9.5	12039	11.2	135
1975	10.5	8269	10.3	86
1974	11.5	9906	9.5	95
1973	12.5	59309	8.8	520
1972	13.5	12637	8.0	101
1971	14.5	16967	7.3	124
1970	15.5	50031	6.6	331
1969	16.5	24161	6.0	144
1968	17.5	24598	5.4	132
1967	18.5	1559	4.8	7
1966	19.5	1405	4.3	6
1965	20.5	994	3.8	4
1964	21.5	1276	3.4	4
1963	22.5	308	3.0	1
1962	23.5	2481	2.7	7
1961	24.5	453	2.4	1
1960	25.5	284	2.1	1
1959	26.5	1040	1.8	2
1958	27.5	450	1.6	1
1957	28.5	1636	1.3	2
TOTALS FORWARD		490846		6043

DELTA NATURAL GAS COMPANY, INC.
 GENERAL PLANT
 ACCOUNT 394 TOOLS, SHOP AND GARAGE EQUIPMENT

20 R3

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
TOTALS BROUGHT FORWARD		490846		6043
1956	29.5	1819	1.0	2
1955	30.5	19	0.8	0
1954	31.5	157	0.5	0
1953	32.5	22	0.2	0
		492863	12.3	6045
		24643*		
		468220		

* ADJUSTMENT FOR 5 PER CENT SALVAGE POSITIVE

AVERAGE AGE OF SURVIVORS EQUALS 8.7 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 21.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GENERAL PLANT
 ACCOUNT 395 LABORATORY EQUIPMENT

30 S4

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	5178	29.5	153
1984	1.5	14830	28.5	423
1983	2.5	3851	27.5	106
1982	3.5	2591	26.5	69
1978	7.5	1224	22.5	28
1977	8.5	103	21.5	2
1976	9.5	642	20.5	13
1975	10.5	94	19.5	2
1974	11.5	756	18.5	14
1972	13.5	981	16.5	16
1971	14.5	1037	15.5	16
1970	15.5	410	14.5	6
1969	16.5	105	13.6	1
1968	17.5	645	12.6	8
1964	21.5	2145	9.1	19
1957	28.5	293	4.8	1
		34885	25.1	877

AVERAGE AGE OF SURVIVORS EQUALS 5.0 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 30.1 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GENERAL PLANT
 ACCOUNT 396 POWER OPERATED EQUIPMENT

10 S1

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	58575	9.5	557
1984	1.5	117004	8.5	1000
1983	2.5	42682	7.7	327
1982	3.5	23083	6.9	158
1981	4.5	43997	6.1	270
1980	5.5	31796	5.5	174
1979	6.5	3120	4.9	15
1978	7.5	22787	4.4	99
1977	8.5	9329	3.9	36
1976	9.5	5790	3.4	20
1975	10.5	204	3.0	1
1974	11.5	1560	2.6	4
1973	12.5	143	2.2	0
1972	13.5	1130	1.9	2
1970	15.5	41	1.3	0
		361241	7.4	2663
		36124*		
		325117		

* ADJUSTMENT FOR 10 PER CENT SALVAGE POSITIVE

AVERAGE AGE OF SURVIVORS EQUALS 3.1 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 10.5 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GENERAL PLANT
 ACCOUNT 397 COMMUNICATION EQUIPMENT

18 R1

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	14984	17.6	264
1984	1.5	9154	16.9	155
1983	2.5	3060	16.2	50
1982	3.5	45345	15.5	702
1981	4.5	32975	14.8	487
1980	5.5	39916	14.1	562
1979	6.5	291	13.4	4
1978	7.5	2895	12.7	37
1977	8.5	10236	12.1	124
1976	9.5	293	11.4	3
1975	10.5	1414	10.8	15
1974	11.5	2501	10.2	25
1973	12.5	8484	9.6	81
1972	13.5	5746	9.0	52
1971	14.5	3690	8.4	31
1970	15.5	3179	7.9	25
1969	16.5	1950	7.4	14
1968	17.5	10971	6.9	75
1967	18.5	934	6.4	6
1966	19.5	208	5.9	1
		198226	13.7	2713

AVERAGE AGE OF SURVIVORS EQUALS 6.3 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 20.0 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GENERAL PLANT
 ACCOUNT 398 MISCELLANEOUS EQUIPMENT

20 R1

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	8037	19.6	158
1984	1.5	8883	18.9	168
1983	2.5	5721	18.2	104
1982	3.5	30294	17.5	529
1981	4.5	20884	16.8	350
1980	5.5	40302	16.1	648
1979	6.5	259	15.4	4
1978	7.5	3042	14.7	45
1977	8.5	3422	14.0	48
1976	9.5	2872	13.4	38
1975	10.5	797	12.7	10
1974	11.5	707	12.1	9
1973	12.5	147	11.5	2
1972	13.5	187	10.9	2
1971	14.5	249	10.3	3
1970	15.5	618	9.7	6
1969	16.5	567	9.1	5
1968	17.5	425	8.6	4
1967	18.5	414	8.1	3
1966	19.5	28	7.6	0
1965	20.5	23	7.1	0
1962	23.5	83	5.7	0
1961	24.5	10	5.3	0
1960	25.5	55	4.9	0
1959	26.5	14	4.5	0
1957	28.5	14	3.8	0
		128054	16.7	2136

AVERAGE AGE OF SURVIVORS EQUALS 4.7 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 21.4 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GENERAL PLANT
 ACCOUNT 3991 OTHER TANGIBLE EQUIPMENT

30 S1

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC. 31, 1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	94893	29.5	2799
1984	1.5	21763	28.5	620
1983	2.5	980	27.5	27
1982	3.5	6104	26.6	162
1981	4.5	3320	25.6	85
1980	5.5	3500	24.7	87
1975	10.5	304	20.6	6
1974	11.5	344	19.8	7
1973	12.5	12756	19.1	244
1972	13.5	8527	18.4	157
1971	14.5	17368	17.7	308
		169859	26.5	4502

AVERAGE AGE OF SURVIVORS EQUALS 4.0 YEARS
 PROBABLE LIFE OF SURVIVORS EQUALS 30.5 YEARS

DELTA NATURAL GAS COMPANY, INC.
 GENERAL PLANT
 ACCOUNT 3993 COMPUTER HARDWARE

7 SQ

YEAR INSTALLED	YEARS IN SERVICE	PLANT SURVIVING DEC.31,1985	ESTIMATED FUTURE SERVICE LIFE	DOLLAR YEARS (000)S
1985	0.5	3912	6.5	25
1984	1.5	177757	5.5	978
1983	2.5	18756	4.5	84
1982	3.5	47669	3.5	167
1981	4.5	2097	2.5	5
		250191	5.0	1259

AVERAGE AGE OF SURVIVORS EQUALS 2.0 YEARS,
 PROBABLE LIFE OF SURVIVORS EQUALS 7.0 YEARS