

## Delta Natural Gas Company, Inc.



3617 Lexington Road Winchester, Kentucky 40391-9797

> PHONE: 859-744-6171 FAX: 859-744-3623

March 21, 2007

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MAR 2 2 2007

PUBLIC SERVICE COMMISSION

Ms. Beth O'Donnell Executive Director Public Service Commission P O Box 615 Frankfort, KY 40602

Dear Ms. O'Donnell:

Case No. 2007-00118

Enclosed are the original and three copies of Delta's Quarterly Report of Gas Cost Recovery Rate Calculation which determines the Gas Cost Recovery Rate (GCR) to be effective with the first billing cycle of May 2007 which includes meters read on and after April 24, 2007.

An extra copy of the filing is attached for public files.

Please acknowledge receipt of this filing by stamping the extra copy of the cover letter and returning to Delta in the envelope provided.

Sincerely,

Connie King

ConnieKing

Manager - Corporate & Employee Services

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PUBLIC SERVICE COMMISSION

Case No. 2007-00118

# **GAS COST**

# RECOVERY RATE CALCULATION

**Date Filed** 

03/21/07

Date to be Effective

04/24/07

#### GAS COST RECOVERY CALCULATION

COST RECOVERY RATE EFFECTIVE	MAY 1, 2007	
PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	9.1477
SUPPLIER REFUND (RA)	\$/MCF	(0.0003)
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.7084)
BALANCE ADJUSTMENT (BA)	\$/MCF	1.9810
GAS COST RECOVERY RATE (GCR)	\$/MCF	10.4200
EXPECTED GAS COST SUMMARY CAI	LCULATION	
PARTICULARS	UNIT	AMOUNT
PRIMARY GAS SUPPLIERS (SCHEDULE II)	\$	3,182,773
UTILITY PRODUCTION	\$	· · · · ·
INCLUDABLE PROPANE	\$	_
	\$	3,182,773
TOTAL ESTIMATED SALES FOR QUARTER	MCF	347,932
EXPECTED GAS COST (EGC) RATE	\$/MCF	9.1477
SUPPLIER REFUND ADJUSTMENT SUMMA	RY CALCULATION	T
PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE III)	\$/MCF	_
PREVIOUS QUARTER	\$/MCF	-
SECOND PREVIOUS QUARTER	\$/MCF	-
THIRD PREVIOUS QUARTER	\$/MCF	(0.0003)
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	(0.0003)
ACTUAL ADJUSTMENT SUMMARY CA	LCULATION	
PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE IV)	\$/MCF	1.0642
PREVIOUS QUARTER	\$/MCF	0.2733
SECOND PREVIOUS QUARTER	\$/MCF	0.1191
THIRD PREVIOUS QUARTER	\$/MCF	(2.1650
ACTUAL ADJUSTMENT (AA)	\$/MCF	(0.7084
BALANCE ADJUSTMENT SUMMARY C	ALCULATION	
PARTICULARS	UNIT	AMOUNT
BALANCE ADJUSTMENT AMOUNT (SCHEDULE V)	\$	689,269
ESTIMATED SALES FOR QUARTER	MCF	347,932
BALANCE ADJUSTMENT (BA)	\$/MCF	1.9810

# MCF PURCHASES FOR THREE MONTHS BEGINNING May 1, 2007 AT SUPPLIERS COSTS EFFECTIVE May 1, 2007

Supplier	MCF Purchases	DTH Conv Factor	Rates (\$)	Quarterly Cost	Rate Increase (I)/ Reduction (R)
TENNESSEE GAS PIPELINE					
PIPELINE (SCH II, PAGE 2 OF 2)				410,621	
ATMOS ENERGY MARKETING	111,298	1.036	7.1400	823,276	${f R}$
COLUMBIA GAS TRANSMISSION					
PIPELINE (SCH II, PAGE 2 OF 2)				93,228	
ATMOS ENERGY MARKETING	46,703	1.029	7.1300	342,649	$\mathbf{R}$
COLUMBIA GULF TRANSMISSION					
M&B GAS SERVICES	186,973	1.030	7.7100	1,484,809	R
KENTUCKY PRODUCERS					
CHESAPEAKE	2,958		9.5300	28,190	R
STORAGE	-		0.0000		
TOTAL	347,932			3,182,773	

COMPANY USAGE 5,219

#### **TENNESSEE GAS PIPELINE RATES EFFECTIVE 5/01/07**

		DTH	FIXED OR			ANNUAL	
		VOLUMES	VARIABLE		RATES	COST	
FT-G RESERVATION RATE - ZONE 0-2	1.	8,371	F	2.	\$9.060	\$75,837	
FT-G RESERVATION RATE - ZONE 1-2	3.	22,511	F	4.	\$7.620	\$171,532	
FT-G COMMODITY RATE - ZONE 0-2	5.	(3,374)	V	6.	\$0.0898	(\$303)	
FT-G COMMODITY RATE - ZONE 1-2	7.	(9,071)	V	8.	\$0.0794	(\$720)	
FT-A RESERVATION RATE - ZONE 0-2	9.	705	F	10.	\$9.060	\$6,387	
FT-A RESERVATION RATE - ZONE 1-2	11.	3,024	F	12.	\$7.620	\$23,043	
FT-A RESERVATION RATE - ZONE 3-2	13.	471	F	14.	\$4.320	\$2,035	
FT-A COMMODITY RATE - ZONE 0-2	15.	21,444	٧	16.	\$0.0898	\$1,926	
FT-A COMMODITY RATE - ZONE 1-2	17.	91,980	V	18.	\$0.0794	\$7,303	
FT-A COMMODITY RATE - ZONE 3-2	19.	14,326	V	20.	\$0.0548	\$785	
FUEL & RETENTION - ZONE 0-2	21.	18,070	V	22.	\$0.3380	\$6,108	
FUEL & RETENTION - ZONE 1-2	23.	82,909	٧	24.	\$0.2810	\$23,298	
FUEL & RETENTION - ZONE 3-2	25.	14,326	V	26.	\$0.0837	\$1,199	
SUB-TOTAL						\$318,429	
FS-PA DELIVERABILITY RATE	27.	4,572	F	28.	\$2.02	\$9,235	
FS-PA INJECTION RATE	29.	46,689	V	30.	\$0.0053	\$247	
FS-PA WITHDRAWAL RATE	31.	46,689	v	32.	\$0.0053	\$247	
FS-PA SPACE RATE	33.	560,271	F	34.	\$0.0248	\$13,895	
FS-PA RETENTION	35.	46,689	V	36.	\$0.1064	\$4,969	
134 ANCIENTION	00.	40,000	v	00.	ψο.100+ <u></u>	φ4,000	
SUB-TOTAL						\$28,594	
FS-MA DELIVERABILITY RATE	37.	25,908	F	38.	\$1.15	\$29,794	
FS-MA INJECTION RATE	39.	96,906	V	40.	\$0.0102	\$988	
FS-MA WITHDRAWAL RATE	41.	96,906	V	42.	\$0.0102	\$988	
FS-MA SPACE RATE	43.	1,162,866	F	44.	\$0.0185	\$21,513	
FS-MA RETENTION	45.	96,906	V	46.	\$0.1064	\$10,314	
SUB-TOTAL						\$63,598	
TOTAL TENNESSEE GAS PIPELINE CHAP	RGES					\$410,621	
OOLUMBIA OAC TRANCAICCION	DATE	O EFFECTIV	r = 10.4.107		=		
COLUMBIA GAS TRANSMISSION	KAIE	SEFFECTIV	E 3/01/07				
GTS COMMODITY RATE	47.	48,057	V	48.	\$0.7772	\$37,350	
FUEL & RETENTION	49.	48,057	V	50.	\$0.2842	\$13,660	
TOTAL COLUMBIA GAS TRANSMISSION	CHARGI	:S				\$51,009	
					***	721,224	
COLUMBIA GULF CORPORATION	N RATE	S EFFECTI	VE 5/01/07	7			
FTS-1 RESERVATION RATE	51.	13,134	F	52.	\$3.1450	\$41,306	
FTS-1 COMMODITY RATE	53.	48,057	V	54.	\$0.0186	\$894	
FUEL & RETENTION	55.	48,057	V	56.	\$0.0004	\$18	
TOTAL COLUMBIA GULF CORPORATION	CHARG	ES			***	\$42,218	
TOTAL PIPELINE CHARGES						\$503,849	
tion of the state							

#### SUPPLIER REFUND ADJUSTMENT DETAIL FOR THE THREE MONTHS ENDED January 31, 2007

Particulars	Unit	Amount
SUPPLIERS REFUNDS RECEIVED (1)	\$	0
INTEREST FACTOR (2)		1.0206
REFUND ADJUSTMENT INCLUDING INTEREST	\$	0
SALES TWELVE MONTHS ENDED January 31, 2007	$\mathbf{MCF}$	3,056,807
CURRENT SUPPLIER REFUND ADJUSTMENT	\$/MCF	0.0000
COMMENT SOIT MENTAL CITY TIPOCOLIMINA	φι ItaCI	0.0000

(1) Suppliers Refunds Received	Date Received	Amount
		•
Total	- -	0.00

(2) Interest Factor				
RESULT OF PRESENT VALUE	4.2784620	-0.5 =	3.778462	

# ACTUAL ADJUSTMENT DETAIL FOR THE THREE MONTHS ENDED January 31, 2007

	For the Month Ended					
Particulars	Unit	Nov-06	Dec-06	Jan-07		
OTTODY TO TOO TIME DEED DOOMS						
SUPPLY VOLUME PER BOOKS PRIMARY GAS SUPPLIERS	MCF	622,870	402,872	461,939		
UTILITY PRODUCTION	MCF	022,070	402,012	401,000		
INCLUDABLE PROPANE	MCF		-	-		
OTHER VOLUMES (SPECIFY)	MCF	***	-	_		
TOTAL	MCF	622,870	402,872	461,939		
SUPPLY COST PER BOOKS						
PRIMARY GAS SUPPLIERS	\$	5,047,774	3,685,446	3,473,026		
UTILITY PRODUCTION	\$	-		-		
INCLUDABLE PROPANE	\$ \$		-	-		
OTHER COST (SPECIFY)		<u></u>	-			
TOTAL	\$	5,047,774	3,685,446	3,473,026		
SALES VOLUME						
JURISDICTIONAL	MCF	216,922	447,513	418,532		
OTHER VOLUMES (SPECIFY)	MCF		<del></del>	-		
TOTAL	MCF	216,922	447,513	418,532		
UNIT BOOK COST OF GAS	\$	23.2700	8.2354	8.2981		
EGC IN EFFECT FOR MONTH	\$	8.2672	8.2672	8.2672		
RATE DIFFERENCE	\$	15.0028	(0.0318)	0.0309		
MONTHLY SALES	MCF	216,922	447,513	418,532		
MONTHLY COST DIFFERENCE	\$	3,254,437	(14,231)	12,933		
				Three Month		
Particulars	Unit			Period		
COST DIFFERENCE FOR THE THREE MONTHS	\$			3,253,139		
TWELVE MONTHS SALES FOR PERIOD ENDED	MCF			3,056,807		
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF			1.0642		

# EXPECTED GAS COST BALANCE ADJUSTMENT DETAIL FOR THE THREE MONTHS ENDED January 31, 2007

Particulars	Unit	Amount
COST DIFFERENCE BETWEEN BOOK AND EFFECTIVE EGC AS		
USED TO COMPUTE AA OF THE GCR IN EFFECT FOUR		
QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	5,970,140
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF 1.7299	•	*,* ,=
\$/MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR		
QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR		
TIMES THE JURISDICTIONAL SALES OF 3,056,807		
MCF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE		
OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE		
OF THE GCR IN EFFECT APPROXIMATELY ONE YEAR		
PRIOR TO THE CURRENT RATE	\$	5,287,970
BALANCE ADJUSTMENT FOR THE AA	\$	682,170
DALIANCE ADJUSTMENT FOR THE AA	Ψ ~	002,110
DOLLAR AMOUNT OF SUPPLIER REFUND ADJUSTMENT AS USED		
TO COMPUTE RA OF THE GCR IN EFFECT FOUR QUART-	ф	
ERS PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	-
LESS: DOLLAR AMOUNT RESULTING FROM THE UNIT RATE FOR		
SUPPLIER REFUND ADJUSTMENT OF 0.0000 \$/MCF	•	
AS USED TO COMPUTE RA OF THE JURISDICTIONAL SALES		
FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE		
CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR		
RATE IN EFFECT APPROXIMATELY ONE YEAR PRIOR TO THE	•	
CURRENT RATE FOR THE MCF TOTAL OF 3,056,807	\$	-
BALANCE ADJUSTMENT FOR THE RA	\$	-
DOLY AD ABSOLISHED DAT ANION AD TRICKS STORES MO COM		
DOLLAR AMOUNT OF BALANCE ADJUSTMENT AS USED TO COM-		
PUTE BA OF THE GCR IN EFFECT ONE QUARTER PRIOR	ф	14100
TO THE CURRENTLY EFFECTIVE GCR	\$	14,139
LESS: DOLLAR AMOUNT RESULTING FROM THE BA OF 0.0065		
\$/MCF AS USED TO COMPUTE THE GCR IN EFFECT ONE		
QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES		
THE JURISDICTIONAL MCF SALES OF 1,082,967 FOR		
THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CUR-		
RENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR		
RATE IN EFFECT IMMEDIATELY PRIOR TO THE CURRENT	ф	7.000
RATE	\$	7,039
BALANCE ADJUSTMENT FOR THE BA	\$ _	7,100
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	689,269

# COMPUTATION OF CHESAPEAKE PRICE EFFECTIVE 5/01/07 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR MAY THRU JULY, 2007

WEIGHTED AVERAGE PRICE W/ ADD-ON \_\_\_\_\$9.53\_ per MCF

COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 5/01/07 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR MAY THRU JULY, 2007 (TGP)

WEIGHTED AVERAGE PRICE W/ ADD-ON \_\_\_\_ \$7.14 per MMBtu dry

COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 5/01/07 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR MAY THRU JULY, 2007 (TCO)

WEIGHTED AVERAGE PRICE W/ ADD-ON \_\_\_ \$7.13\_per MMBtu dry

COMPUTATION OF M&B PRICE EFFECTIVE 5/01/07 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR MAY THRU JULY, 2007

WEIGHTED AVERAGE PRICE W/ ADD-ON \_\_\_\_\$7.71\_per MMBtu dry

3/16/2007

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2007	49,975	51,774	\$7.093	(\$0.060)	\$364,127.25
June	30.833	31,943	\$7.225	(\$0.060)	\$228,871.51
July	30,490	31,588	\$7.361	(\$0.060)	\$230,621.36
44)	111,298	115,305			\$823,620.11
FIXED PRICE		0			\$0.00
FIXED PRICE		0			\$0.00
WEIGHTED AVER	AGE PRICE PER D	TH:		\$7.14	

#### **COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:**

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2007	21,796	22,428	\$7.093	(\$0.07)	\$157,512.43
June	12,645	13,012	\$7.225	(\$0.07)	\$93,098.75
July	12,262	12,618	\$7.361	(\$0.07)	<u>\$91,994.91</u>
•	46,703	48,057			\$342,606.09
FIXED PRICE		0			\$0.00
WEIGHTED AVER	AGE PRICE PER D	TH:	_	\$7.13	

#### CHESAPEAKE SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	NYMEX \$ PER DTH	ADD-ON PER DTH	BTU ADJUSTMENT	TOTAL
May 2007	1,367	\$7.093	\$0.75	1.2	\$12,865.66
June	1,060	\$7.225	\$0.75	1.2	\$10,144.20
July	<u>531</u>	\$7.361	\$0.75	1.2	\$5,168.33
	2,958				\$28,178.19

WEIGHTED AVERAGE PRICE PER MCF: \$9.53

#### **COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:**

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2007	80,115	82,919	\$7.093	\$0.50	\$629,604.16
June	53,945	55,833	\$7.225	\$0.50	\$431,310.50
July	<u>52,913</u>	<u>54,765</u>	\$7.361	\$0.50	<u>\$430,507.31</u>
·	186,973	193,517			\$1,491,421.97
FIXED PRICE		0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:			Vagantia Repaire	\$7.71	

		P.S.C. NO.
DELTA NATURAL GAS	COMPANY, INC.	Eleventh R
Name of Issuing	Corporation	CANCELLING P
	_	

FOR	All Servic	e Areas	
P.S.C. NO.		10	
Eleventh	Revised	SHEET NO.	22
CANCELLING		10	
Tenth Rev	rised	SHEET NO.	2

CLASSIFICAT	TON OF	SERVICE	
סאידי	SCHEDIT	r.#G	
1/27 3. 3.3	DCHIDDO.	الالتدليا	

#### RESIDENTIAL

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 16.

#### AVAILABILITY

Available for use by residential customers.

#### CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

#### RATES

	Base Rate +	Gas Cost Recovery Rate (GCR) ** =	Total Rate
Customer Charge * All Mcf	\$ 10.00 \$ 4.1592	\$10.4200	\$ 10.00 \$ 14.5792/Mcf (I)

- \* The customer charge includes \$0.20 collected under Delta's Energy Assistance Program Tariff Rider as set forth on Sheet No. 35 of this tariff.
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 12 and 13 of this tariff.

DATE OF ISSUE March 21, 2007 DATE EFFECTIVE	JE April 24, 2007 (Final Meter Reads)
ISSUED BY Glenn R. Jennings	TITLE Chairman of the Board
Name of Officer	President and CEO
Issued by authority of an Order of the Public	c Service Commission of KY in
CASE NO.	DATED

	FOR	All Servic	e Areas	
	P.S.C. NO.	10		
DELTA NATURAL GAS COMPANY, INC.	Eleventh R	Revised	SHEET NO.	3
Name of Issuing Corporation	CANCELLING F	P.S.C. NO.	10	
	Tenth Revi	ised	SHEET NO.	3

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

#### SMALL NON-RESIDENTIAL GENERAL SERVICE \*

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 16.

#### AVAILABILITY

Available for use by small non-residential customers.

#### CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

#### RATES

	Base Rate +	Gas Cost Recovery Rate (GCR) ** =	Total Rate
Customer Charge	\$ 20.00	\$10.4200	\$ 20.00
All Mcf	\$ 3.7950		\$ 14.2150/Mcf (I)

#### TERMS AND CONDITIONS

For a customer that is utilizing transportation service and has underdeliveries of transportation gas to Delta's system, and/or requests to revert to the General Service or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the General Service or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the General Service or Interruptible Service rate schedule.

- \* Meter no larger than AL425
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 10 and 11 of this tariff.

DATE OF ISSUE March 21, 2007 DATE EFFECTIVE April 24, 2007 (Fin	al Meter Reads)
ISSUED BY Glenn R. Jennings TITLE Chairman of th	ne Board
Name of Officer President and	ıd CEO
Issued by authority of an Order of the Public Service Commission of	of KY in
CASE NO DATED	

FOR	All Service	ce Areas	
P.S.C. NO.	1	0	
Eleventh	Revised	SHEET NO.	4
CANCELLING	P.S.C. NO.	10	
Tenth Rev	/ised	SHEET NO.	4

# DELTA NATURAL GAS COMPANY, INC. Name of Issuing Corporation

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

#### LARGE NON-RESIDENTIAL GENERAL SERVICE \*

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 16.

#### AVAILABILITY

Available for use by large non-residential customers.

#### CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

#### RATES

		Gas Cost Recovery Rate		
	Base Rate +	( <u>GCR) **</u> =	Total Rate	
Customer Charge .1 - 200 Mcf 200.1 - 1000 Mcf 1000.1 - 5000 Mcf 5000.1 - 10000 Mcf Over 10,000 Mcf	\$ 72.00 \$ 3.7950 \$ 2.1461 \$ 1.3500 \$ 0.9500 \$ 0.7500	\$10.4200 \$10.4200 \$10.4200 \$10.4200 \$10.4200	\$ 12.5661/Mcf ( \$ 11.7700/Mcf ( \$ 11.3700/Mcf (	(I) (I) (I) (I)

#### TERMS AND CONDITIONS

For a customer that is utilizing transportation service and has underdeliveries of transportation gas to Delta's system, and/or requests to revert to the General Service or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the General Service or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the General Service or Interruptible Service rate schedule.

- \* Meter larger than AL425
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 10 and 11 of this tariff.

DATE OF ISSUE March 21, 2007 DATE EFFECTIVE	April 24, 2007 (Final Meter Reads)
ISSUED BY Glenn R. Jennings	TITLE Chairman of the Board
Name of Officer	President and CEO
Issued by authority of an Order of the Public S	Service Commission of KY in
CASE NO.	DATED

	FOR Al	ll Service Areas	
	P.S.C. NO.	10	
DELTA NATURAL GAS COMPANY, INC.	Eleventh Re	vised SHEET NO. 5	;
Name of Issuing Corporation	CANCELLING P.	S.C. NO. 10	
	Tenth Revi	sed SHEET NO. 5	<u>;</u>

CLASSIFICATION OF SERVICE	
 RATE SCHEDULES	

#### INTERRUPTIBLE SERVICE

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 16.

#### AVAILABILITY

Available for use by interruptible customers.

#### CHARACTER OF SERVICE

Interruptible - within the reasonable limits of the Company's capability to provide such service.

#### RATES

		Gas Cost Recovery Rate		
	Base Rate +	( <u>GCR) **</u> =	Total Rate	
Customer Charge	\$250.00		\$250.00	
.1 - 1000 Mcf	\$ 1.6000	\$10.4200	\$ 12.0200/Mcf	(I)
1000.1 - 5000 Mcf	\$ 1.2000	\$10.4200	\$ 11.6200/Mcf	(I)
5000.1 - 10000 Mcf	\$ 0.8000	\$10.4200	\$ 11.2200/Mcf	(I)
Over 10,000 Mcf	\$ 0.6000	\$10.4200	\$ 11.0200/Mcf	(I)

Special Conditions - All customers having a connected load in excess of 2,500,000 Btu input per hour may be required to enter into an Interruptible Sales Agreement. Determinations of those customers so required shall be based on peak day use as well as annual volume and shall be at the sole discretion of the Company.

Any customer required to enter into an Interruptible Agreement shall be permitted to purchase or transport gas under the Interruptible Rate Schedule as set forth on Sheet No. 5. Gas requirements, minimum charges and other specific information shall be set forth in the Agreement.

#### TERMS AND CONDITIONS

For a customer that is utilizing transportation service and has underdeliveries of transportation gas to Delta's system, and/or requests to revert to the General Service or Interruptible Service rate schedule,

DATE OF ISSUE March 21, 2007 DATE EFFECTIV	E April 24, 2007 (Final Meter Reads)
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Name of Officer	President and CEO
Issued by authority of an Order of the Public	Service Commission of KY in
CASE NO.	DATED

04/24/07	ВА	SE RATE	+	GCR	=	RATE
General Service	<u> </u>					
Residential	<u></u>					
Customer Charge		10.00				\$ 10.00
All Mcf		4.1592		\$10.4200		\$14.5792
Small Non-Residential*						
Customer Charge		20.00				\$ 20.00
All Mcf		3.7950		\$10.4200		\$14.2150
	<u> </u>		<u> </u>			
Large Non-Residential	+				_	
Customer Charge		72.00				\$ 72.00
.1 - 200 Mcf	\$	3.7950		\$10.4200		\$14.2150
200.1 - 1000 Mcf	\$	2.1461		\$10.4200	Ī	\$12.5661
1000.1 - 5000 Mcf	\$	1.3500		\$10.4200		\$11.7700
5000.1 - 10000 Mcf	\$	0.9500		\$10.4200		\$11.3700
Over 10,000 Mcf	\$	0.7500		\$10.4200		\$11.1700
Interruptible Service						
Customer Charge		250.0000				\$ 250.00
.1 - 1000 Mcf	\$	1.6000		\$10.4200		\$12.0200
1000.1 - 5000 Mcf	\$	1.2000		\$10.4200		\$ 11.6200
5000.1 - 10000 Mcf	\$	0.8000		\$ 10.4200		\$11.2200
Over 10,000 Mcf		0.6000		\$ 10.4200		\$11.0200

<sup>\*</sup>Meter no larger than AL425

# DELTA NATURAL GAS COMPANY, INC. AND SUBSIDIARY COMPANIES

3617 Lexington Road Winchester, Kentucky 40391

RECEIVED

MAR 2 2 2007

PUBLIC SERVICE

POMM/ISSION

BETH O'DONNELL
EXECUTIVE DIRECTOR
PUBLIC SERVICE COMMISSION
P 0 BOX 615
FRANKFORT, KY 40602



Hasle

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