

Delta Natural Gas Company, Inc.



3617 Lexington Road Winchester, Kentucky 40391-9797

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September 19, 2008

RECEIVED

SEP 2 2 2008 PUBLIC SERVICE

COMMISSION

Ms. Stephanie Stumbo
Executive Director
Public Service Commission
P O Box 615
Frankfort, KY 40602

Dear Ms. Stumbo:

2008-391

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 November 2008 which includes meters read on and after October 27, 2008.

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

Connie King

Manager - Corporate & Employee Services

GAS COST

2008-391

RECOVERY RATE CALCULATION

Date Filed

9/19/08

Date to be Effective

10/27/08

DELTA NATURAL GAS COMPANY, INC.

GAS COST RECOVERY CALCULATION

COST RECOVERY RATE EFFECTIVE OCTOR	COST RECOVERY RATE EFFECTIVE OCTOBER 27, 2008					
PARTICULARS	UNIT	AMOUNT				
EXPECTED GAS COST (EGC)	\$/MCF	9.8377				
SUPPLIER REFUND (RA)	\$/MCF	-				
ACTUAL ADJUSTMENT (AA)	\$/MCF	3.3181				
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.0263)				
GAS COST RECOVERY RATE (GCR)	\$/MCF	13.1295				
EXPECTED GAS COST SUMMARY CALCU	LATION					
PARTICULARS	UNIT	AMOUNT				
PRIMARY GAS SUPPLIERS (SCHEDULE II)	\$	20,059,273				
UTILITY PRODUCTION	\$	20,000,270				
INCLUDABLE PROPANE	\$	_				
NODODINDED I NOTITALE	\$	20,059,273				
TOTAL ESTIMATED SALES FOR QUARTER	MCF	2,039,019				
EXPECTED GAS COST (EGC) RATE	\$/MCF	9.8377				
Rifferdenti-11-ray Man-aross- consta						
SUPPLIER REFUND ADJUSTMENT SUMMARY	CALCULATION	<u> </u>				
PARTICULARS	UNIT	AMOUNT				
CURRENT QUARTER (SCHEDULE III)	\$/MCF	-				
PREVIOUS QUARTER	\$/MCF	-				
SECOND PREVIOUS QUARTER	\$/MCF	-				
THIRD PREVIOUS QUARTER	\$/MCF					
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF					
ACTUAL ADJUSTMENT SUMMARY CALCU	JLATION					
PARTICULARS	UNIT	AMOUNT				
CURRENT QUARTER (SCHEDULE IV)	\$/MCF	1.3499				
PREVIOUS QUARTER	\$/MCF	(0.6555)				
SECOND PREVIOUS QUARTER	\$/MCF	1.7213				
THIRD PREVIOUS QUARTER	\$/MCF	0.9024				
ACTUAL ADJUSTMENT (AA)	\$/MCF	3.3181				
BALANCE ADJUSTMENT SUMMARY CALCULATION						
PARTICULARS	UNIT	AMOUNT				
BALANCE ADJUSTMENT AMOUNT (SCHEDULE V)	\$	(53,636)				
ESTIMATED SALES FOR QUARTER	MCF	2,039,019				
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.0263)				
MARIA OF THE OPTIMENT (DA)	φMCF	(0.0203)				

SCHEDULE II PAGE 1 OF 2

DELTA NATURAL GAS COMPANY, INC.

MCF PURCHASES FOR THREE MONTHS BEGINNING November 1, 2008 AT SUPPLIERS COSTS EFFECTIVE November 1, 2008

Supplier	MCF Purchases	DTH Conv Factor	Rates (\$)	Quarterly Cost	Rate Increase (I)/ Reduction (R)
TENNESSEE GAS PIPELINE					
PIPELINE (SCH II, PAGE 2 OF 2)				658,787	
ATMOS ENERGY MARKETING	679,584	1.036	7.9600	5,604,230	\mathbf{R}
COLUMBIA GAS TRANSMISSION					
PIPELINE (SCH II, PAGE 2 OF 2)				460,338	
ATMOS ENERGY MARKETING	341,158	1.029	7.9600	2,794,371	R
COLUMBIA GULF TRANSMISSION					
M&B GAS SERVICES	229,058	1.035	8.1600	1,934,532	R
KENTUCKY PRODUCERS					
CHESAPEAKE	16,485		10.5700	174,246	\mathbf{R}
STORAGE	772,734		10.9129	8,432,769	N
TOTAL	2,039,019			20,059,273	

COMPANY USAGE 30,585

TENNESSEE GAS PIPELINE RATES EFFECTIVE 11/01/08

### FT-G RESERVATION RATE - ZONE 1-2			DTH VOLUMES	FIXED OR VARIABLE		RATES	ANNUAL COST
FT-G COMMODITY RATE - ZONE 0-2 5. 156,235 V 6. \$0.0899 \$14,045 FT-G COMMODITY RATE - ZONE 1-2 7. 420,064 V 8. \$0.00795 \$33,365 \$36,367 FT-A RESERVATION RATE - ZONE 0-2 9. 705 F 10. \$9.060 \$6,367 FT-A RESERVATION RATE - ZONE 0-2 9. 705 F 10. \$9.060 \$6,367 FT-A RESERVATION RATE - ZONE 0-2 11. \$0.024 F 12. \$7.620 \$23,043 FT-A RESERVATION RATE - ZONE 0-2 15. \$21,444 V 16. \$0.0899 \$1,928 FT-A COMMODITY RATE - ZONE 0-2 15. \$21,444 V 16. \$0.0899 \$1,928 FT-A COMMODITY RATE - ZONE 0-2 17. \$91,960 V 18. \$0.0794 \$7,303 FT-A COMMODITY RATE - ZONE 0-2 19. \$14,326 V 20. \$0.0549 \$767 FULL & RETENTION - ZONE 0-2 21. \$177,678 V 22. \$0.3766 \$66,911 FULL & RETENTION - ZONE 0-2 23. \$12,044 V 24. \$0.3131 \$160,335 FULL & RETENTION - ZONE 0-2 25. \$14,326 V 26. \$0.0932 \$1,336 FULL & RETENTION - ZONE 0-2 25. \$14,326 V 26. \$0.0932 \$1,336 FULL & RETENTION - ZONE 0-2 25. \$14,326 V 26. \$0.0932 \$1,336 FULL & RETENTION - ZONE 0-2 25. \$14,326 V 26. \$0.0932 \$1,336 FULL & RETENTION - ZONE 0-2 25. \$14,326 V 26. \$0.0932 \$1,336 FULL & RETENTION - ZONE 0-2 25. \$14,689 V 30. \$0.0053 \$247 FS-PA INJECTION RATE 29. \$46,689 V 30. \$0.0053 \$247 FS-PA WITHORAWAR RATE 31. \$46,689 V 30. \$0.0053 \$247 FS-PA WITHORAWAR RATE 31. \$46,689 V 36. \$0.0105 \$20,605 \$20	FT-G RESERVATION RATE - ZONE 0-2	1.			2.		\$75,837
FT-G COMMODITY RATE - ZONE 1-2 7, 420,084 V 8, \$0,0795 S33,395 FT-A RESERVATION RATE - ZONE 1-2 11, 3,024 F 12, \$7,620 \$23,043 FT-A RESERVATION RATE - ZONE 1-2 11, 3,024 F 12, \$7,620 \$23,043 FT-A RESERVATION RATE - ZONE 1-2 11, 3,024 F 12, \$7,620 \$23,043 FT-A RESERVATION RATE - ZONE 0-2 15, 21,444 V 16, \$0,0899 \$1,928 FT-A COMMODITY RATE - ZONE 0-2 17, 91,980 V 18, \$0,0794 \$7,303 FT-A COMMODITY RATE - ZONE 1-2 17, 91,980 V 18, \$0,0794 \$7,303 FT-A COMMODITY RATE - ZONE 1-2 17, 91,980 V 20, \$0,0549 \$787.00 FT-A COMMODITY RATE - ZONE 1-2 11, 177,678 V 20, \$0,0549 \$787.00 FT-A COMMODITY RATE - ZONE 2-2 12, 177,678 V 20, \$0,0549 \$787.00 FT-A COMMODITY RATE - ZONE 3-2 25, \$12,044 V 24, \$0,3131 \$160,313 FUEL & RETENTION - ZONE 1-2 23, \$12,044 V 24, \$0,3131 \$160,313 FUEL & RETENTION - ZONE 3-2 25, \$14,326 V 26, \$0,0932 \$1,336 SUB-TOTAL \$\$564,851 \$	FT-G RESERVATION RATE - ZONE 1-2	3.	22,511	F	4.	\$7.620	
FT-A RESERVATION RATE - ZONE 0-2 9. 705 F 10. \$9.060 \$56,387 FT-A RESERVATION RATE - ZONE 1-2 11. 3.024 F 12. \$7.020 \$23,035 FT-A RESERVATION RATE - ZONE 1-2 13. 471 F 14. \$4.320 \$22,035 FT-A COMMODITY RATE - ZONE 0-2 15. 21,444 V 16. \$0.0899 \$1.928 FT-A COMMODITY RATE - ZONE 1-2 17. 91,980 V 18. \$0.0794 \$7.00 FT-A COMMODITY RATE - ZONE 1-2 17. 91,980 V 18. \$0.0794 \$7.00 FT-A COMMODITY RATE - ZONE 1-2 17. 91,980 V 18. \$0.0549 \$7.67 FT-A COMMODITY RATE - ZONE 3-2 19. 14,326 V 20. \$0.0549 \$7.67 FT-A COMMODITY RATE - ZONE 3-2 19. 14,326 V 20. \$0.0549 \$7.67 FT-A COMMODITY RATE - ZONE 3-2 19. 14,326 V 20. \$0.0549 \$7.67 FT-A COMMODITY RATE - ZONE 3-2 21. 177,678 V 22. \$0.3766 \$66,911 FT-A COMMODITY RATE - ZONE 3-2 25. 14,326 V 26. \$0.0932 \$1.336 SUB-TOTAL \$564,851 \$7.94 NILECTION - ZONE 3-2 25. 14,326 V 26. \$0.0932 \$1.336 SUB-TOTAL \$554,851 \$1.365 \$1	FT-G COMMODITY RATE - ZONE 0-2	5.	156,235	V	6.	\$0.0899	\$14,045
FT-A RESERVATION RATE - ZONE 1-2	FT-G COMMODITY RATE - ZONE 1-2	7.	420,064	V	8.	\$0.0795	\$33,395
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 V 16. \$0.0899 \$1,928 FT-A COMMODITY RATE - ZONE 1-2 17. 91,990 V 18. \$0.0549 \$7.87 FT-A COMMODITY RATE - ZONE 1-2 19. 14,326 V 20. \$0.0549 \$7.87 FUEL & RETENTION - ZONE 0-2 21. 177,678 V 22. \$0.3766 \$66,911 FUEL & RETENTION - ZONE 1-2 23. 512,044 V 24. \$0.3131 FUEL & RETENTION - ZONE 1-2 23. 512,044 V 24. \$0.3131 FUEL & RETENTION - ZONE 1-2 23. 512,044 V 24. \$0.3131 FUEL & RETENTION - ZONE 3-2 25. 14,326 V 26. \$0.0932 \$1,336 SUB-TOTAL \$564,851 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 30. \$0.0053 \$247 FS-PA WITHDRAWAL RATE 33. 560,271 F 34. \$0.00248 \$13,895 FS-PA RETENTION 35. 46,689 V 36. \$0.1186 \$55,336 SUB-TOTAL \$29,161 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 WITHDRAWAL RATE 41. 96,906 V 42. \$0.0102 \$988 FS-MA WITHDRAWAL RATE 43. 1,162,666 F 44. \$0.0185 \$21,131 SUB-TOTAL \$45. 96,906 V 46. \$0.1186 \$11,491 SUB-TOTAL \$564,775 COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 11/01/08 FTS-1 RESERVATION 49. 351,052 V 48. \$0.7802 \$273,891 FUEL & RETENTION 49. 351,052 V 50. \$0.3940 \$138,321 TOTAL COLUMBIA GAS TRANSMISSION CHARGES FTS-1 COMMODITY RATE 51. 13,134 F 52. \$3.1450 \$413,261 FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FTS-1 COMMODITY RATE 55. 351,052 V 54. \$0.0189 \$6,635 FTOTAL COLUMBIA GULF CORPORATION CHARGES \$441,211	FT-A RESERVATION RATE - ZONE 0-2	9.	705	F	10.	\$9.060	\$6,387
FT-A COMMODITY RATE - ZONE 0-2	FT-A RESERVATION RATE - ZONE 1-2	11.	3,024	F	12.	\$7.620	\$23,043
FT-A COMMODITY RATE - ZONE 1-2	FT-A RESERVATION RATE - ZONE 3-2	13.	471	F	14.	\$4.320	\$2,035
FT-A COMMODITY RATE - ZONE 3-2	FT-A COMMODITY RATE - ZONE 0-2	15.	21,444	V	16.	\$0.0899	\$1,928
FUEL & RETENTION - ZONE 0-2 21. 177,678 V 22. \$0.3766 \$66,911 FUEL & RETENTION - ZONE 1-2 23. 512,044 V 24. \$0.3131 \$160,313 FUEL & RETENTION - ZONE 3-2 25. 14,326 V 26. \$0.0932 \$1,336 SUB-TOTAL \$564,851 \$1,336 SUB-TOTAL \$564,851 \$1,345 SUB-TOTAL \$564,851 \$1,345 SUB-TOTAL \$564,851 SUB-TOTAL \$564,851 SUB-TOTAL \$564,859 V 30. \$0.0053 \$247 SUB-TOTAL \$1. 46,689 V 30. \$0.0054 \$13,895 SUB-TOTAL \$2. 46,689 V 36. \$0.1186 \$55,536 SUB-TOTAL \$2. 46,689 V 36. \$0.0102 \$9.888 SUB-TOTAL \$2. 46,689 V 36. \$0.0185 \$21,513 SUB-TOTAL \$2. 46,689 V 36. \$0.0185 SUB-	FT-A COMMODITY RATE - ZONE 1-2	17.	91,980	V	18.	\$0.0794	\$7,303
FUEL & RETENTION - ZONE 1-2	FT-A COMMODITY RATE - ZONE 3-2	19.	14,326	V	20.	\$0.0549	\$787
FUEL & RETENTION - ZONE 3-2 25. 14,326 V 26. \$0.0932 \$1,336 SUB-TOTAL \$564,851 FS-PA DELIVERABILITY RATE 27. 4,572 F 28. \$2.02 \$9.235 FS-PA DELIVERABILITY RATE 29. 46,689 V 30. \$0.0053 \$247 FS-PA BINDECTION 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. \$0.1186 \$5,536 SUB-TOTAL \$29,161 \$29,161 \$29,161 \$29,161 \$29,161 \$29,161 FS-MA ETENTION 37. 25,908 F 38. \$1,15 \$29,794 FS-MA WITHDRAWAL RATE 41. 96,906 V 40. \$0.0102 \$988 FS-MA WITHDRAWAL RATE 43. 1,162,866 F 44. \$0.0185 \$21,513 S-MA RETENTION 45.	FUEL & RETENTION - ZONE 0-2	21.	177,678	V	22.	\$0.3766	\$66,911
SUB-TOTAL FS-PA DELIVERABILITY RATE 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 WITHDRAWAL RATE 33. 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. \$0,1186 \$5,536 SUB-TOTAL 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. \$0,1186 \$11,491 SUB-TOTAL SUB-TO	FUEL & RETENTION - ZONE 1-2	23.	512,044	V	24.	\$0.3131	\$160,313
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. \$0.1186 \$5,536 SUB-TOTAL \$29,161 \$29	FUEL & RETENTION - ZONE 3-2	25.	14,326	V	26.	\$0.0932	\$1,336
FS-PA INJECTION RATE	SUB-TOTAL						\$564,851
FS-PA INJECTION RATE	ES-PA DELIVERABILITY RATE	27	4 572	F	28	\$2.02	\$ 9 235
FS-PA WITHDRAWAL RATE			•				
FS-PA SPACE RATE			•				
SUB-TOTAL S29,161 S29,794 S29,161 S29,194 S2							
SUB-TOTAL 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. \$0.1186 \$11,491 SUB-TOTAL SUB-TOTAL TOTAL TENNESSEE GAS PIPELINE CHARGES GTS COMMODITY RATE 47. 351,052 V 48. \$0.7802 \$273,891 FUEL & RETENTION 49. 351,052 V 50. \$0.3940 \$138,321 TOTAL COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 11/01/08 FTS-1 RESERVATION RATE 51. 13,134 F 52. \$3.1450 \$41,306 FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127			,				
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. \$0.1186 \$11,491 SUB-TOTAL \$64,775 TOTAL TENNESSEE GAS PIPELINE CHARGES \$658,787 COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 11/01/08 GTS COMMODITY RATE 47. 351,052 V 48. \$0.7802 \$273,891 FUEL & RETENTION 49. 351,052 V 50. \$0.3940 \$138,321 TOTAL COLUMBIA GAS TRANSMISSION CHARGES \$412,211 COLUMBIA GULF CORPORATION RATES EFFECTIVE 11/01/08 FTS-1 RESERVATION RATE 51. 13,134 F 52. \$3.1450 \$41,306 FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127	SUB-TOTAL					·	
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 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. \$0.1186 \$11,491 SUB-TOTAL \$64,775 TOTAL TENNESSEE GAS PIPELINE CHARGES \$658,787 COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 11/01/08 GTS COMMODITY RATE 47. 351,052 V 48. \$0,7802 \$273,891 FUEL & RETENTION 49. 351,052 V 50. \$0.3940 \$138,321 TOTAL COLUMBIA GAS TRANSMISSION CHARGES \$412,211 COLUMBIA GULF CORPORATION RATES EFFECTIVE 11/01/08 FTS-1 RESERVATION RATE 51. 13,134 F 52. \$3,1450 \$41,306 FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127							, ,,
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. \$0.1186 \$11,491 \$11,	FS-MA DELIVERABILITY RATE	37.	25,908	F	38.	\$1.15	\$29,794
FS-MA SPACE RATE	FS-MA INJECTION RATE	39.	96,906	V	40.	\$0.0102	\$988
FS-MA RETENTION 45. 96,906 V 46. \$0.1186 \$11,491 SUB-TOTAL TOTAL TENNESSEE GAS PIPELINE CHARGES \$658,787 COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 11/01/08 GTS COMMODITY RATE 47. 351,052 V 48. \$0.7802 \$273,891 FUEL & RETENTION 49. 351,052 V 50. \$0.3940 \$138,321 TOTAL COLUMBIA GAS TRANSMISSION CHARGES \$412,211 COLUMBIA GULF CORPORATION RATES EFFECTIVE 11/01/08 FTS-1 RESERVATION RATE 51. 13,134 F 52. \$3.1450 \$41,306 FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127	FS-MA WITHDRAWAL RATE	41.	96,906	V	42.	\$0.0102	\$988
\$64,775 TOTAL TENNESSEE GAS PIPELINE CHARGES COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 11/01/08 GTS COMMODITY RATE	FS-MA SPACE RATE	43.	1,162,866	F	44.	\$0.0185	\$21,513
TOTAL TENNESSEE GAS PIPELINE CHARGES \$658,787 COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 11/01/08 GTS COMMODITY RATE 47. 351,052 V 48. \$0.7802 \$273,891 FUEL & RETENTION 49. 351,052 V 50. \$0.3940 \$138,321 TOTAL COLUMBIA GAS TRANSMISSION CHARGES \$412,211 COLUMBIA GULF CORPORATION RATES EFFECTIVE 11/01/08 FTS-1 RESERVATION RATE 51. 13,134 F 52. \$3.1450 \$41,306 FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127	FS-MA RETENTION	45.	96,906	V	46.	\$0.1186	\$11,491
COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 11/01/08 GTS COMMODITY RATE	SUB-TOTAL						\$64,775
GTS COMMODITY RATE	TOTAL TENNESSEE GAS PIPELINE CHAR	GES				_	\$658,787
FUEL & RETENTION 49. 351,052 V 50. \$0.3940 \$138,321 TOTAL COLUMBIA GAS TRANSMISSION CHARGES \$412,211 COLUMBIA GULF CORPORATION RATES EFFECTIVE 11/01/08 FTS-1 RESERVATION RATE 51. 13,134 F 52. \$3.1450 \$41,306 FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127	COLUMBIA GAS TRANSMISSION	RATES	EFFECTIV	E 11/01/08	}	:	
FUEL & RETENTION 49. 351,052 V 50. \$0.3940 \$138,321 TOTAL COLUMBIA GAS TRANSMISSION CHARGES \$412,211 COLUMBIA GULF CORPORATION RATES EFFECTIVE 11/01/08 FTS-1 RESERVATION RATE 51. 13,134 F 52. \$3.1450 \$41,306 FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127	GTS COMMODITY RATE	47	351.052	V	18	\$0.7802	\$272 801
TOTAL COLUMBIA GAS TRANSMISSION CHARGES \$412,211 COLUMBIA GULF CORPORATION RATES EFFECTIVE 11/01/08 FTS-1 RESERVATION RATE 51. 13,134 F 52. \$3.1450 \$41,306 FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127							•
COLUMBIA GULF CORPORATION RATES EFFECTIVE 11/01/08 FTS-1 RESERVATION RATE 51. 13,134 F 52. \$3.1450 \$41,306 FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127	TOTAL COLUMNIA CAS TRANSMISSION O	HADOE	•	·		44.00.0	
FTS-1 RESERVATION RATE 51. 13,134 F 52. \$3.1450 \$41,306 FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127	TOTAL COLUMBIA GAS TRANSMISSION C	\$412,211					
FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127	COLUMBIA GULF CORPORATION	RATES	S EFFECTIV	E 11/01/0	8		
FTS-1 COMMODITY RATE 53. 351,052 V 54. \$0.0189 \$6,635 FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127	FTS-1 RESERVATION RATE	51 .	13,134	F	52.	\$3.1450	\$41,306
FUEL & RETENTION 55. 351,052 V 56. \$0.0005 \$185 TOTAL COLUMBIA GULF CORPORATION CHARGES \$48,127	FTS-1 COMMODITY RATE	53.	351,052	V	54.		
	FUEL & RETENTION	55.	351,052	٧	56.	\$0.0005	
TOTAL PIPELINE CHARGES \$1,119,125	TOTAL COLUMBIA GULF CORPORATION C	\$48,127					
	TOTAL PIPELINE CHARGES					=	\$1,119,125

SUPPLIER REFUND ADJUSTMENT DETAIL FOR THE THREE MONTHS ENDED July 31, 2008

Particulars	Unit	Amount
SUPPLIERS REFUNDS RECEIVED (1)	\$	0
INTEREST FACTOR (2)		1.0163
REFUND ADJUSTMENT INCLUDING INTEREST	\$	0
SALES TWELVE MONTHS ENDED July 31, 2008	MCF	3,094,615
CURRENT SUPPLIER REFUND ADJUSTMENT	\$/MCF	0.0000

(1) Compliant Defends Descind	Date	
(1) Suppliers Refunds Received	Received	Amount
		-
Cotal Cotal		0.0

(2) Interest Factor				
RESULT OF PRESENT VALUE	3.4900000	-0.5 =	2.990000	

ACTUAL ADJUSTMENT DETAIL FOR THE THREE MONTHS ENDED July 31, 2008

		For the Month Ended			
Particulars	Unit	May-08	Jun-08	Jul-08	
SUPPLY VOLUME PER BOOKS					
PRIMARY GAS SUPPLIERS	MCF	190,873	221,293	173,050	
UTILITY PRODUCTION	MCF	-	221,200	110,000	
INCLUDABLE PROPANE	MCF	-	<u>.</u>	_	
OTHER VOLUMES (SPECIFY)	MCF	_	_	_	
TOTAL	MCF	190,873	221,293	173,050	
				· · · · · · · · · · · · · · · · · · ·	
SUPPLY COST PER BOOKS					
PRIMARY GAS SUPPLIERS	\$	2,462,331	2,901,418	2,863,534	
UTILITY PRODUCTION	\$	-	-	-	
INCLUDABLE PROPANE	\$	-	-	-	
OTHER COST (SPECIFY)	\$				
TOTAL	\$	2,462,331	2,901,418	2,863,534	
SALES VOLUME					
JURISDICTIONAL	MCF	200,724	90,641	EE 117	
OTHER VOLUMES (SPECIFY)	MCF	200,724	50,641	55,117	
TOTAL	MCF	200,724	90,641	55,117	
	MOI	200,124	30,041		
UNIT BOOK COST OF GAS	Φ.	10.0070	00.0400		
EGC IN EFFECT FOR MONTH	\$ \$	12.2672	32.0100	51.9537	
		11.6886	11.6886	11.6886	
RATE DIFFERENCE MONTHLY SALES	\$ MOE	0.5786	20.3214	40.2651	
	MCF	200,724	90,641	55,117	
MONTHLY COST DIFFERENCE	\$	116,139	1,841,952	2,219,292	
				Three Month	
Particulars	Unit			Period	
COST DIFFERENCE FOR THE THREE MONTHS	\$			4,177,383	
TWELVE MONTHS SALES FOR PERIOD ENDED	MCF			3,094,615	
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF		-	1.3499	

DELTA NATURAL GAS COMPANY, INC.

EXPECTED GAS COST BALANCE ADJUSTMENT DETAIL FOR THE THREE MONTHS ENDED July 31, 2008

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	\$	(1,435,721)
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF (0.4466)	Ψ	(1,400,721)
\$/MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR		
QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR		
TIMES THE JURISDICTIONAL SALES OF 3,094,615		
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	\$	(1,382,055)
BALANCE ADJUSTMENT FOR THE AA	\$ _	(53,666)
DALANCE ADJUSTMENT FOR THE AA	Φ _	(55,000)
DOLLAR AMOUNT OF SUPPLIER REFUND ADJUSTMENT AS USED		
TO COMPUTE RA OF THE GCR IN EFFECT FOUR QUART-		
ERS PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	(59)
LESS: DOLLAR AMOUNT RESULTING FROM THE UNIT RATE FOR	Ф	(58)
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 3,094,615 BALANCE ADJUSTMENT FOR THE RA	\$ \$	(59)
BALANCE ADJUSTMENT FOR THE RA	Φ	(99)
DOLLAR AMOUNT OF BALANCE ADJUSTMENT AS USED TO COM-		
PUTE BA OF THE GCR IN EFFECT ONE QUARTER PRIOR		
TO THE CURRENTLY EFFECTIVE GCR	\$	17,898
LESS: DOLLAR AMOUNT RESULTING FROM THE BA OF 0.0514	·	,
\$/MCF AS USED TO COMPUTE THE GCR IN EFFECT ONE		
QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES		
THE JURISDICTIONAL MCF SALES OF 346,482 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		
RATE	\$	17,809
BALANCE ADJUSTMENT FOR THE BA	\$	89
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	(53,636)

COMPUTATION OF CHESAPEAKE PRICE EFFECTIVE 11/01/08 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR NOVEMBER 2008 THRU JANUARY 2009

WEIGHTED AVERAGE PRICE W/ ADD-ON ___\$10.57 per MCF

COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 11/01/08 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR NOVEMBER 2008 THRU JANUARY 2009 (TGP)

WEIGHTED AVERAGE PRICE W/ ADD-ON \$7.96 per MMBtu dry

COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 11/01/08 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR NOVEMBER 2008 THRU JANUARY 2009 (TCO)

WEIGHTED AVERAGE PRICE W/ ADD-ON ____\$7.96 per MMBtu dry

COMPUTATION OF M&B PRICE EFFECTIVE 11/01/08 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR NOVEMBER 2008 THRU JANUARY 2009

WEIGHTED AVERAGE PRICE W/ ADD-ON \$8.16 per MMBtu dry

9/16/2008

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
November 2008	. 154,546	160,110	\$7.656	(\$0.060)	\$1,216,192.95
December	247,228	256,128	\$8.000	(\$0.060)	\$2,033,657.97
January 2009	277,810	<u> 287,811</u>	\$8.236	(\$0.060)	\$2,353,144.04
	679,584	704,049			\$5,602,994.96
FIXED PRICE		0			\$0.00
FIXED PRICE		. 0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:				\$7.96	

COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
November 2008	68,809	70,804	\$7.656	(\$0.07)	\$537,122.64
December	126,425	130,091	\$8.000	(\$0.07)	\$1,031,624.21
January 2009	<u>145,924</u>	<u>150,156</u>	\$8.236	(\$0.07)	\$1,226,172.23
	341,158	351,052			\$2,794,919.08
FIXED PRICE		0			\$0.00
WEIGHTED AVERA	GE PRICE PER D	тн:	_	\$7.96	

CHESAPEAKE SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	NYMEX \$ PER DTH	ADD-ON PER DTH	BTU ADJUSTMENT	TOTAL
November 2008	2,854	\$7.656	\$0.75	1.2	\$28,788.87
December	5,425	\$8.000	\$0.75	1.2	\$56,962.50
January 2009	<u>8,206</u>	\$8.236	\$0.75	1.2	\$88,486.94
	16,485			_	\$174,238,31

WEIGHTED AVERAGE PRICE PER MCF:

\$10.57

COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
November 2008	229,058	237,075	\$ 7.656	\$0.50	\$1,933,583.94
December	0	0	\$8.000	\$0.50	\$0.00
January 2009	<u>0</u>	<u>0</u>	\$8.236	\$0.50	\$0.00
	229,058	237,075			\$1,933,583.94
FIXED PRICE		0			\$0.00
WEIGHTED AVERA	GE PRICE PER D	TH:	==	\$8.16	V 5.05

FOR All	Service Areas	_
P.S.C. NO.	11	
Fifth Revised	SHEET NO. 2	
CANCELLING P.S.	C. NO. 11	
Fourth Revise	ed SHEET NO. 2	

CLASSIFICATION OF SERVICE RATE SCHEDULES

RESIDENTIAL

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

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

Customer Charge * \$ 15.50 \$ 15.50 \$ 1.7288/Ccf (D)

- * The customer charge includes \$0.20 collected under Delta's Energy Assistance Program Tariff Rider as set forth on Sheet No. 38 of this tariff.
- ** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

DATE OF ISSUE September 19, 2008 DATE EFFECTIVE	E October 27, 2008 (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	Service Commission of KY in
CASE NO.	DATED

FOR	All	Servi	ce Are	as	
P.S.C.	NO.		11		
Fifth	Revised		SHEET	NO.	3
CANCELL	ING P.S.	C. NO.		11	
Fourt	h Revise	d	SHEET	NO.	3

CLASSIFICATION OF SERVICE RATE SCHEDULES

SMALL NON-RESIDENTIAL *

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

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 All Ccf	\$ 25.00 \$ 0.4158	\$ 1.3130	\$ 25.00 \$ 1.7288/Ccf	(D)

TERMS AND CONDITIONS

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

* Meter no larger than AL425

** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

DATE OF ISSUE September 19, 2008 DATE EFFECTIVE October 27, 2008 (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 Service Commission of KY in	
CASE NO. DATED	

FOR	All Servi	ce Are	as	
P.S.C. NO.		11		
Fifth Rev	vised	SHEET	NO.	4
CANCELLING	P.S.C. NO	•	11	
Fourth Re	evised	SHEET	NO.	4

CLASSIFICATION OF SERVICE RATE SCHEDULES

LARGE NON-RESIDENTIAL *

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

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

	Base Rate +	Gas Cost Recovery Rate (GCR) ** =	Total Rate
Customer Charge 1 - 2000 Ccf 2001 - 10,000 Ccf 10,001 - 50,000 Ccf 50,001 - 100,000 Ccf Over 100,000 Ccf	\$100.00 \$ 0.4158 \$ 0.2509 \$ 0.1713 \$ 0.1313 \$ 0.1113	\$ 1.3130 \$ 1.3130 \$ 1.3130 \$ 1.3130 \$ 1.3130	\$100.00 \$ 1.7288/Ccf (D) \$ 1.5639/Ccf (D) \$ 1.4843/Ccf (D) \$ 1.4443/Ccf (D) \$ 1.4243/Ccf (D)

TERMS AND CONDITIONS

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

* Meter larger than AL425

** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

DATE OF ISSUE September 19, 2008 DATE EFFECTIV	E October 27, 2008 (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	Service Commission of KY in
CASE NO.	DATED

FOR	All Serv	rice Are	as	
P.S.C. NO.		11		
Fifth Rev	ised	SHEET	NO.	5
CANCELLING	P.S.C. NO	ō	11	
Fourth Re	vised	SHEET	NO.	5

CLASSIFICATION OF SERVICE RATE SCHEDULES

INTERRUPTIBLE SERVICE

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

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 Ra t e		
	Base Rate +	$(\underline{GCR}) \star \star =$	Total Rate	
Customer Charge	\$250.00		\$250.00	
1 - 10,000 Ccf	\$ 0.1600	\$ 1.3130	\$ 1.4730/Ccf	(D)
10,001 - 50,000 Ccf	\$ 0.1200	\$ 1.3130	\$ 1.4330/Ccf	(D)
50,001 - 100,000 Ccf	\$ 0.0800	\$ 1.3130	\$ 1.3930/Ccf	(D)
Over 100,000 Ccf	\$ 0.0600	\$ 1.3130	\$ 1.3730/Ccf	(D)

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 under deliveries of transportation gas to Delta's system, and/or requests to

DATE OF ISSUE <u>September 19, 2008</u> DATE EFFECTIVE	October 27, 2008(Final Meter Reads)
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CASE NO.	DATED