



Delta Natural Gas Company, Inc.

3617 Lexington Road
Winchester, Kentucky 40391-9797



www.deltagas.com

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June 22, 2011

RECEIVED

JUN 22 2011

PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen
Executive Director
Public Service Commission
P O Box 615
Frankfort, KY 40602

Dear Mr. Derouen:

Enclosed are the original and ten 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 August 2011 which includes meters read on and after July 25, 2011.

Per the Order in Case No. 2010-00377, a "blended rate" was calculated in order to true up the actual adjustment on Schedule V. A copy of the calculation is attached with the filing.

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
RECOVERY RATE CALCULATION

Date Filed **6/22/11**

Date to be Effective **7/25/11**

DELTA NATURAL GAS COMPANY, INC.

SCHEDULE I

GAS COST RECOVERY CALCULATION

COST RECOVERY RATE EFFECTIVE JULY 25, 2011		
PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	6.5172
SUPPLIER REFUND (RA)	\$/MCF	(0.0444)
ACTUAL ADJUSTMENT (AA)	\$/MCF	1.0606
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.4681)
GAS COST RECOVERY RATE (GCR)	\$/MCF	<u>7.0653</u>

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
PRIMARY GAS SUPPLIERS (SCHEDULE II)	\$	2,261,313
UTILITY PRODUCTION	\$	-
INCLUDABLE PROPANE	\$	-
UNCOLLECTIBLE GAS COSTS	\$	<u>6,468</u>
	\$	2,267,781
TOTAL ESTIMATED SALES FOR QUARTER	MCF	<u>347,968</u>
EXPECTED GAS COST (EGC) RATE	\$/MCF	<u>6.5172</u>

SUPPLIER REFUND ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE III)	\$/MCF	(0.0155)
PREVIOUS QUARTER	\$/MCF	(0.0145)
SECOND PREVIOUS QUARTER	\$/MCF	(0.0072)
THIRD PREVIOUS QUARTER	\$/MCF	(0.0072)
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	<u>(0.0444)</u>

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE IV)	\$/MCF	(0.3284)
PREVIOUS QUARTER	\$/MCF	0.6372
SECOND PREVIOUS QUARTER	\$/MCF	0.5666
THIRD PREVIOUS QUARTER	\$/MCF	<u>0.1852</u>
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>1.0606</u>

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
BALANCE ADJUSTMENT AMOUNT (SCHEDULE V)	\$	(162,896)
ESTIMATED SALES FOR QUARTER	MCF	<u>347,968</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>(0.4681)</u>

MCF PURCHASES FOR THREE MONTHS BEGINNING
August 1, 2011
AT SUPPLIERS COSTS EFFECTIVE
August 1, 2011

Supplier	MCF Purchases	DTH Conv Factor	Rates (\$)	Quarterly Cost	Rate Increase (I)/ Reduction (R)
TENNESSEE GAS PIPELINE PIPELINE (SCH II, PAGE 2 OF 2)				394,250	
ATMOS ENERGY MARKETING COLUMBIA GAS TRANSMISSION PIPELINE (SCH II, PAGE 2 OF 2)	112,514	1.036	4.5399	529,191	I
ATMOS ENERGY MARKETING COLUMBIA GULF TRANSMISSION	52,759	1.029	4.5323	246,054	I
M&B GAS SERVICES KENTUCKY PRODUCERS	181,092	1.035	5.0992	955,744	I
VINLAND STORAGE	1,603		6.4227	10,296	I
	-			-	
TOTAL	347,968			2,261,313	

COMPANY USAGE 5,220

ESTIMATED UNCOLLECTIBLE GAS COSTS
FOR THE THREE MONTHS ENDED
October 31, 2011

TWELVE MONTH AVERAGE % OF PURCHASED GAS TO RECORDED REVENUE	49.00%	D
ESTIMATED BAD DEBT EXPENSE	\$13,200.00	D
% OF PURCHASED GAS TO BILLED REVENUE UNCOLLECTIBLE GAS COSTS	6,468	D

TENNESSEE GAS PIPELINE RATES EFFECTIVE 8/01/11

		DTH VOLUMES	FIXED OR VARIABLE		RATES	ANNUAL 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.	(3,032)	V	6.	\$0.0899	(\$273)
FT-G COMMODITY RATE - ZONE 1-2	7.	(8,153)	V	8.	\$0.0793	(\$647)
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	V	16.	\$0.0899	\$1,928
FT-A COMMODITY RATE - ZONE 1-2	17.	91,980	V	18.	\$0.0795	\$7,312
FT-A COMMODITY RATE - ZONE 3-2	19.	14,326	V	20.	\$0.0547	\$784
FUEL & RETENTION - ZONE 0-2	21.	18,411	V	22.	\$0.2148	\$3,955
FUEL & RETENTION - ZONE 1-2	23.	83,827	V	24.	\$0.1786	\$14,972
FUEL & RETENTION - ZONE 3-2	25.	14,326	V	26.	\$0.0532	\$762
SUB-TOTAL						\$307,627
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.	\$0.0676	\$3,158
SUB-TOTAL						\$26,783
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.	\$0.0676	\$6,555
SUB-TOTAL						\$59,839
TOTAL TENNESSEE GAS PIPELINE CHARGES						<u>\$394,250</u>

COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 8/01/11

GTS COMMODITY RATE	47.	54,289	V	48.	\$0.7921	\$43,002
FUEL & RETENTION	49.	54,289	V	50.	\$0.1796	\$9,751
TOTAL COLUMBIA GAS TRANSMISSION CHARGES						<u>\$52,754</u>

COLUMBIA GULF CORPORATION RATES EFFECTIVE 8/01/11

FTS-1 RESERVATION RATE	51.	13,134	F	52.	\$5.4919	\$72,131
FTS-1 COMMODITY RATE	53.	54,289	V	54.	\$0.0161	\$874
FUEL & RETENTION	55.	54,289	V	56.	\$0.0004	\$20
TOTAL COLUMBIA GULF CORPORATION CHARGES						<u>\$73,025</u>

TOTAL PIPELINE CHARGES\$520,028

SUPPLIER REFUND ADJUSTMENT
 DETAIL FOR THE THREE MONTHS ENDED
 April 30, 2011

Particulars	Unit	Amount
SUPPLIERS REFUNDS RECEIVED (1)	\$	(48,232)
INTEREST FACTOR (2)		0.998617
REFUND ADJUSTMENT INCLUDING INTEREST	\$	(48,165)
SALES TWELVE MONTHS ENDED April 30, 2011	MCF	3,115,919
CURRENT SUPPLIER REFUND ADJUSTMENT	\$/MCF	<u>(0.0155)</u>

(1) Suppliers Refunds Received	Date Received	Amount
PCB Refund from TGP	4/4/2011	48,231.88
Total		<u>48,231.88</u>

(2) Interest Factor			
RESULT OF PRESENT VALUE	0.2446150	-0.5 =	(0.255385)

ACTUAL ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
April 30, 2011

Particulars	Unit	For the Month Ended		
		Feb-11	Mar-11	Apr-11
SUPPLY VOLUME PER BOOKS				
PRIMARY GAS SUPPLIERS	MCF	433,165	731,110	233,722
UTILITY PRODUCTION	MCF	-	-	-
INCLUDABLE PROPANE	MCF	-	-	-
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	<u>433,165</u>	<u>731,110</u>	<u>233,722</u>
SUPPLY COST PER BOOKS				
PRIMARY GAS SUPPLIERS	\$	2,235,658	3,334,816	1,233,970
UTILITY PRODUCTION	\$	-	-	-
INCLUDABLE PROPANE	\$	-	-	-
UNCOLLECTIBLE GAS COSTS	\$	35,420	30,361	20,689
OTHER COST (SPECIFY)	\$	-	-	-
TOTAL	\$	<u>2,271,078</u>	<u>3,365,177</u>	<u>1,254,659</u>
SALES VOLUME				
JURISDICTIONAL	MCF	689,367	477,476	371,009
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	<u>689,367</u>	<u>477,476</u>	<u>371,009</u>
UNIT BOOK COST OF GAS				
EGC IN EFFECT FOR MONTH	\$	3.2944	7.0478	3.3817
RATE DIFFERENCE	\$	(1.8519)	1.9015	(1.7646)
MONTHLY SALES	MCF	689,367	477,476	371,009
MONTHLY COST DIFFERENCE	\$	<u>(1,276,639)</u>	<u>907,921</u>	<u>(654,682)</u>
				Three Month
				Period
COST DIFFERENCE FOR THE THREE MONTHS				
TWELVE MONTHS SALES FOR PERIOD ENDED	\$			(1,023,400)
CURRENT QUARTERLY ACTUAL ADJUSTMENT	MCF			<u>3,115,919</u>
	\$/MCF			<u>(0.3284)</u>

DELTA NATURAL GAS COMPANY, INC.

SCHEDULE V

EXPECTED GAS COST BALANCE ADJUSTMENT
 DETAIL FOR THE THREE MONTHS ENDED
 April 30, 2011

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	\$	4,640,749
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF 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	1.5428 ** \$	 <u>4,807,240</u>
BALANCE ADJUSTMENT FOR THE AA	\$	<u>(166,491)</u>
DOLLAR AMOUNT OF SUPPLIER REFUND ADJUSTMENT AS USED TO COMPUTE RA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	-
LESS: DOLLAR AMOUNT RESULTING FROM THE UNIT RATE FOR SUPPLIER REFUND ADJUSTMENT OF \$/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	0.0000 \$/MCF \$	 -
BALANCE ADJUSTMENT FOR THE RA	\$	-
DOLLAR AMOUNT OF BALANCE ADJUSTMENT AS USED TO COMPUTE BA OF THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	(31,007)
LESS: DOLLAR AMOUNT RESULTING FROM THE BA OF \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL MCF SALES OF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR RATE IN EFFECT IMMEDIATELY PRIOR TO THE CURRENT RATE	(0.0225) \$	 <u>(34,602)</u>
BALANCE ADJUSTMENT FOR THE BA	\$	<u>3,595</u>
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	<u>(162,896)</u>

**Blended Rate - See Attached

Date		Mcf	Rate	
May 10		118,796	2.0192	239,873
June 10		74,891	2.0192	151,220
July 10		59,885	1.5112	90,498
Aug 10		52,948	1.5112	80,015
Sept 10		44,660	1.5112	67,490
Oct 10		68,797	1.5112	103,966
Nov 10		127,063	1.5112	192,018
Dec 10		264,010	1.5112	398,972
Jan 11		767,016	1.5112	1,159,115
Feb 11		689,367	1.5112	1,041,771
March 11		477,476	1.5112	721,562
April 11		371,009	1.5112	560,669
		3,115,918		4,807,168

Blended Rate 4,807,168 / 3,115,918 = 1.5428

**COMPUTATION OF VINLAND PRICE EFFECTIVE 8/01/11 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR AUGUST THROUGH OCTOBER 2011**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$6.4227 per MCF

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 8/01/11 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR AUGUST THROUGH OCTOBER 2011 (TGP)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$4.5399 per MMBtu dry

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 8/01/11 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR AUGUST THROUGH OCTOBER 2011 (TCO)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$4.5323 per MMBtu dry

**COMPUTATION OF M&B PRICE EFFECTIVE 8/01/11 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR AUGUST THROUGH OCTOBER 2011**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$5.0992 per MMBtu dry

TGP SUPPLIED AREAS PURCHASE PROFILE:

6/15/2011

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
August 2011	26,401	27,351	\$4.567	(\$0.060)	\$123,270.59
September	29,564	30,628	\$4.589	(\$0.060)	\$138,715.59
October	<u>56,550</u>	<u>58,585</u>	\$4.621	(\$0.060)	<u>\$267,208.42</u>
	112,514	116,565			\$529,194.59
FIXED PRICE		0			\$0.00
FIXED PRICE		0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:				<u><u>\$4.5399</u></u>	

COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
August 2011	10,250	10,547	\$4.567	(\$0.07)	\$47,428.90
September	13,478	13,869	\$4.589	(\$0.07)	\$62,671.76
October	<u>29,032</u>	<u>29,874</u>	\$4.621	(\$0.07)	<u>\$135,956.25</u>
	52,759	54,289			\$246,056.91
FIXED PRICE		0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:				<u><u>\$4.5323</u></u>	

VINLAND SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	NYMEX \$ PER DTH	ADD-ON PER DTH	BTU ADJUSTMENT	TOTAL
August 2011	344	\$4.567	\$0.75	1.2	\$2,194.86
September	358	\$4.589	\$0.75	1.2	\$2,293.63
October	<u>901</u>	\$4.621	\$0.75	1.2	<u>\$5,807.13</u>
	1,603				\$10,295.62
WEIGHTED AVERAGE PRICE PER MCF:				<u><u>\$6.4227</u></u>	

COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
August 2011	44,236	45,784	\$4.567	\$0.50	\$231,987.27
September	48,510	50,208	\$4.589	\$0.50	\$255,507.75
October	<u>88,346</u>	<u>91,438</u>	\$4.621	\$0.50	<u>\$468,253.50</u>
	181,092	187,430			\$955,748.52
FIXED PRICE		0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:				<u><u>\$5.0992</u></u>	

FOR All Service Areas
P.S.C. NO. 12
Fourth Revised SHEET NO. 2
CANCELLING P.S.C. NO. 12
Third Revised SHEET NO. 2

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

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

	<u>Base Rate</u> +	Gas Cost Recovery Rate (GCR) ** =	<u>Total Rate</u>
Customer Charge *	\$ 20.90		\$ 20.90
All Ccf ***	\$ 0.43185	\$ 0.70653	\$ 1.13838/Ccf (R)

* 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.

*** Residential rates are also subject to the "Conservation/Efficiency Program Cost Recovery Component (CEPRC)" of \$.01013/Ccf. The CEPRC is an adjustment determined in accordance with the Conservation/Efficiency Program Cost Recovery as set forth on Sheets 39 - 42 of this tariff.

(N) Residential rates are also subject to a Pipe Replacement Program charge of \$.21, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE June 22, 2011 DATE EFFECTIVE July 25, 2011 (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 _____

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR All Service Areas
P.S.C. NO. 12
Fourth Revised SHEET NO. 3
CANCELLING P.S.C. NO. 12
Third Revised 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

	<u>Base Rate</u> +	Gas Cost Recovery Rate (GCR) ** =	<u>Total Rate</u>	
Customer Charge	\$ 31.20		\$ 31.20	
All Ccf	\$ 0.43185	\$ 0.70653	\$ 1.13838/Ccf	(R)

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.

(N) Small Non-Residential rates are also subject to a Pipe Replacement Program charge of \$.40, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE June 22, 2011 DATE EFFECTIVE July 25, 2011 (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 Service Areas
P.S.C. NO. 12
Fourth Revised SHEET NO. 4
CANCELLING P.S.C. NO. 12
Third Revised SHEET NO. 4

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

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

	<u>Base Rate</u> +	Gas Cost Recovery Rate (GCR) ** =	=	<u>Total Rate</u>	
Customer Charge	\$131.00			\$131.00	
1 - 2,000 Ccf	\$ 0.43185	\$ 0.70653		\$ 1.13838/Ccf	(R)
2,001 - 10,000 Ccf	\$ 0.26696	\$ 0.70653		\$ 0.97349/Ccf	
10,001 - 50,000 Ccf	\$ 0.18735	\$ 0.70653		\$ 0.89388/Ccf	
50,001 - 100,000 Ccf	\$ 0.14735	\$ 0.70653		\$ 0.85388/Ccf	
Over 100,000 Ccf	\$ 0.12735	\$ 0.70653		\$ 0.83388/Ccf	

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.

(N) Large Non-Residential rates are also subject to a Pipe Replacement Program charge of \$3.12, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE June 22, 2011 DATE EFFECTIVE July 25, 2011 (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 _____

