



DELTA NATURAL GAS COMPANY, INC.

3617 Lexington Road
Winchester, Kentucky 40391-9797

www.deltagas.com

PHONE: 859-744-6171

FAX: 859-744-3623



December 16, 2016

RECEIVED

DEC 21 2016

Public Service
Commission

Ms. Talina Mathews
Executive Director
Public Service Commission
P O Box 615
Frankfort, KY 40602

Dear Ms. Mathews:

Enclosed are the original and ten copies of Delta's Quarterly Report of Gas Cost Recovery Rate Calculation which determines the Gas Cost Recovery (GCR) to be effective with the first billing cycle of February 2017 which includes meters read on and after January 30, 2017.

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

Please acknowledge receipt of this filing.

Sincerely,

A handwritten signature in black ink that reads "Jenny Lowery Croft".

Jenny Lowery Croft
Manager -Employee & Regulatory Services

DELTA NATURAL GAS COMPANY, INC.

RECEIVED

SCHEDULE I

GAS COST RECOVERY CALCULATION

DEC 21 2016

Public Service
Commission

COST RECOVERY RATE EFFECTIVE JANUARY 30, 2017		
PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	4.1006
SUPPLIER REFUND (RA)	\$/MCF	-
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.7177
BALANCE ADJUSTMENT (BA)	\$/MCF	0.1278
GAS COST RECOVERY RATE (GCR)	\$/MCF	<u>4.9461</u>

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
PRIMARY GAS SUPPLIERS (SCHEDULE II)	\$	4,639,032
UTILITY PRODUCTION	\$	-
INCLUDABLE PROPANE	\$	-
UNCOLLECTIBLE GAS COSTS	\$	<u>21,252</u>
	\$	4,660,284
TOTAL ESTIMATED SALES FOR QUARTER	MCF	<u>1,136,500</u>
EXPECTED GAS COST (EGC) RATE	\$/MCF	<u>4.1006</u>

SUPPLIER REFUND ADJUSTMENT SUMMARY CALCULATION

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

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE IV)	\$/MCF	0.4863
PREVIOUS QUARTER	\$/MCF	0.0691
SECOND PREVIOUS QUARTER	\$/MCF	(0.6712)
THIRD PREVIOUS QUARTER	\$/MCF	0.8335
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>0.7177</u>

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE V)	\$/MCF	(0.0149)
PREVIOUS QUARTER	\$/MCF	(0.2082)
SECOND PREVIOUS QUARTER	\$/MCF	0.2768
THIRD PREVIOUS QUARTER	\$/MCF	0.0741
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>0.1278</u>

MCF PURCHASES FOR THREE MONTHS BEGINNING
February 1, 2017
AT SUPPLIERS COSTS EFFECTIVE
February 1, 2017

Supplier	MCF Purchases	DTH Conv Factor	Rates (\$)	Quarterly Cost (\$)	Rate Increase (I)/ Reduction (R)
TENNESSEE GAS PIPELINE PIPELINE (SCH II, PAGE 2 OF 2)				695,657	
ATMOS ENERGY MARKETING COLUMBIA GAS TRANSMISSION PIPELINE (SCH II, PAGE 2 OF 2)	403,128	1.064	3.5974	1,543,034	I
ATMOS ENERGY MARKETING COLUMBIA GULF TRANSMISSION	171,842	1.111	3.5895	685,289	I
MIDWEST ENERGY SERVICES KENTUCKY PRODUCERS	84,612	1.251	3.9600	419,167	I
VINLAND STORAGE	18,214	1.200	3.6476	79,725	I
	<u>458,704</u>		2.1582	<u>989,975</u>	N/C
TOTAL	<u>1,136,500</u>			<u>4,639,032</u>	
 COMPANY USAGE	 17,047				

ESTIMATED UNCOLLECTIBLE GAS COSTS
FOR THE THREE MONTHS ENDED
April 30, 2017

TWELVE MONTH AVERAGE % OF PURCHASED GAS TO RECORDED REVENUE	33.00%	
ESTIMATED BAD DEBT EXPENSE	\$64,400	I
% OF PURCHASED GAS TO BILLED REVENUE UNCOLLECTIBLE GAS COSTS	\$21,252	I

TENNESSEE GAS PIPELINE RATES EFFECTIVE 2/01/17

	DTH VOLUMES	FIXED OR VARIABLE		RATES	QUARTERLY COST
FT-G RESERVATION RATE - ZONE 0-2	1. 10,984	F	2.	\$15.597	\$171,321
FT-G RESERVATION RATE - ZONE 1-2	3. 29,540	F	4.	\$10.662	\$314,966
FT-G COMMODITY RATE - ZONE 0-2	5. 70,834	V	6.	\$0.0186	\$1,318
FT-G COMMODITY RATE - ZONE 1-2	7. 190,451	V	8.	\$0.0156	\$2,971
FT-A RESERVATION RATE - ZONE 0-2	9. 925	F	10.	\$15.597	\$14,429
FT-A RESERVATION RATE - ZONE 1-2	11. 3,968	F	12.	\$10.662	\$42,311
FT-A RESERVATION RATE - ZONE 3-2	13. 618	F	14.	\$5.567	\$3,441
FT-A COMMODITY RATE - ZONE 0-2	15. 28,140	V	16.	\$0.0186	\$523
FT-A COMMODITY RATE - ZONE 1-2	17. 120,702	V	18.	\$0.0156	\$1,883
FT-A COMMODITY RATE - ZONE 3-2	19. 18,800	V	20.	\$0.0035	\$66
FUEL & RETENTION - ZONE 0-2	21. 98,974	V	22.	\$0.0561	\$5,554
FUEL & RETENTION - ZONE 1-2	23. 311,153	V	24.	\$0.0475	\$14,775
FUEL & RETENTION - ZONE 3-2	25. 18,800	V	26.	\$0.0115	\$216
SUB-TOTAL					\$573,775
FS-PA DELIVERABILITY RATE	27. 6,000	F	28.	\$2.03	\$12,200
FS-PA INJECTION RATE	29. 61,269	V	30.	\$0.0073	\$447
FS-PA WITHDRAWAL RATE	31. 61,269	V	32.	\$0.0073	\$447
FS-PA SPACE RATE	33. 735,226	F	34.	\$0.0207	\$15,219
FS-PA RETENTION	35. 61,269	V	36.	\$0.0493	\$3,020
SUB-TOTAL					\$31,333
FS-MA DELIVERABILITY RATE	37. 33,998	F	38.	\$1.49	\$50,787
FS-MA INJECTION RATE	39. 127,166	V	40.	\$0.0087	\$1,106
FS-MA WITHDRAWAL RATE	41. 127,166	V	42.	\$0.0087	\$1,106
FS-MA SPACE RATE	43. 1,525,992	F	44.	\$0.0205	\$31,283
FS-MA RETENTION	45. 127,166	V	46.	\$0.0493	\$6,267
SUB-TOTAL					\$90,549
TOTAL TENNESSEE GAS PIPELINE CHARGES					\$695,657

COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 2/01/17

GTS COMMODITY RATE	47. 190,916	V	48.	\$0.7872	\$150,289
FUEL & RETENTION	49. 190,916	V	50.	\$0.0913	\$17,434
TOTAL COLUMBIA GAS TRANSMISSION CHARGES					\$167,723

COLUMBIA GULF CORPORATION RATES EFFECTIVE 2/01/17

FTS-1 RESERVATION RATE	51. 13,134	F	52.	\$4.2917	\$56,367
FTS-1 COMMODITY RATE	53. 190,916	V	54.	\$0.0109	\$2,081
FUEL & RETENTION	55. 190,916	V	56.	\$0.0001	\$14
TOTAL COLUMBIA GULF CORPORATION CHARGES					\$58,462
TOTAL PIPELINE CHARGES					\$921,842

**COMPUTATION OF VINLAND PRICE EFFECTIVE 2/01/17 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY THROUGH APRIL 2017**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.6476 per MMBtu dry

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 2/01/17 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY THROUGH APRIL 2017 (TGP)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.5974 per MMBtu dry

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 2/01/17 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY THROUGH APRIL 2017 (TCO)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.5895 per MMBtu dry

**COMPUTATION OF MIDWEST ENERGY SERVICES PRICE EFFECTIVE 2/01/17 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY THROUGH APRIL 2017**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.9600 per MMBtu dry

TGP SUPPLIED AREAS PURCHASE PROFILE:

12/7/2016

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2017	195,840	208,374	\$3.720	(\$0.060)	\$762,648.53
March	141,921	151,004	\$3.662	(\$0.060)	\$543,917.08
April	<u>65,366</u>	<u>69,550</u>	\$3.460	(\$0.060)	<u>\$236,468.55</u>
	403,128	428,928			\$1,543,034.16
Fixed Price ____		0	\$0.000		\$0.00
Fixed Price ____		0	\$0.000		\$0.00
Total Dth		428,928			
WEIGHTED AVERAGE PRICE PER DTH:				\$3.5974	

COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2017	87,210	96,890	\$3.720	(\$0.07)	\$353,648.96
March	57,445	63,821	\$3.662	(\$0.07)	\$229,246.42
April	<u>27,187</u>	<u>30,205</u>	\$3.460	(\$0.07)	<u>\$102,393.84</u>
	171,842	190,916			\$685,289.22
Fixed Price ____		0	\$0.000		\$0.00
Fixed Price ____		0	\$0.000		\$0.00
Total Dth		190,916			
WEIGHTED AVERAGE PRICE PER DTH:				\$3.5895	

VINLAND SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2017	7,574	9,089	\$3.720	0	\$33,810.34
March	7,169	8,603	\$3.662	0	\$31,503.45
April	<u>3,471</u>	<u>4,165</u>	\$3.460	0	<u>\$14,411.59</u>
	18,214	21,857			\$79,725.38
WEIGHTED AVERAGE PRICE PER DTH:				\$3.6476	

COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2017	0	0	\$3.720	\$0.50	\$0.00
March	0	0	\$3.662	\$0.50	\$0.00
April	<u>84,612</u>	<u>105,850</u>	\$3.460	\$0.50	<u>\$419,166.85</u>
	84,612	105,850			\$419,166.85
FIXED PRICE		0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:				\$3.9600	

SUPPLIER REFUND ADJUSTMENT
 DETAIL FOR THE THREE MONTHS ENDED
 October 31, 2016

Particulars	Unit	Amount
SUPPLIERS REFUNDS RECEIVED (1)	\$	0
INTEREST FACTOR (2)		0.999654
REFUND ADJUSTMENT INCLUDING INTEREST	\$	0
SALES TWELVE MONTHS ENDED October 31, 2016	MCF	2,635,105
CURRENT SUPPLIER REFUND ADJUSTMENT	\$/MCF	0.0000

(1) Suppliers Refunds Received	Date Received	Amount
		0.00

(2) Interest Factor			
RESULT OF PRESENT VALUE	0.4361540	-0.5 =	(0.063846)

ACTUAL ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
October 31, 2016

Particulars	Unit	For the Month Ended		
		Aug-16	Sep-16	Oct-16
SUPPLY VOLUME PER BOOKS				
PRIMARY GAS SUPPLIERS	MCF	158,267	218,344	193,806
UTILITY PRODUCTION	MCF	-	-	-
INCLUDABLE PROPANE	MCF	-	-	-
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	158,267	218,344	193,806
SUPPLY COST PER BOOKS				
PRIMARY GAS SUPPLIERS	\$	549,478	826,220	756,498
UTILITY PRODUCTION	\$	-	-	-
INCLUDABLE PROPANE	\$	-	-	-
UNCOLLECTIBLE GAS COSTS	\$	2,788	(11,350)	3,088
OTHER COST (SPECIFY)	\$	-	-	-
TOTAL	\$	552,266	814,870	759,586
SALES VOLUME				
JURISDICTIONAL	MCF	52,512	58,862	58,683
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	52,512	58,862	58,683
UNIT BOOK COST OF GAS				
EGC IN EFFECT FOR MONTH	\$	10.5169	13.8437	12.9439
RATE DIFFERENCE	\$	4.9704	4.9704	4.9704
MONTHLY SALES	MCF	5.5465	8.8733	7.9735
MONTHLY COST DIFFERENCE	\$	52,512	58,862	58,683
	\$	291,258	522,300	467,909
				Three Month Period
COST DIFFERENCE FOR THE THREE MONTHS				
TWELVE MONTHS SALES FOR PERIOD ENDED				1,281,467
CURRENT QUARTERLY ACTUAL ADJUSTMENT				<u>2,635,105</u>
				0.4863

DELTA NATURAL GAS COMPANY, INC.

SCHEDULE V

**EXPECTED GAS COST BALANCE ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
October 31, 2016**

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	\$	(153,566)
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF (0.0471) \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF 2,635,105 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	\$	<u>(124,113)</u>
BALANCE ADJUSTMENT FOR THE AA	\$	<u>(29,453)</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 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 2,635,105	\$	<u>-</u>
BALANCE ADJUSTMENT FOR THE RA	\$	<u>-</u>
DOLLAR AMOUNT OF BALANCE ADJUSTMENT AS USED TO COMPUTE BA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	(51,093)
LESS: SEE ATTACHED SCHEDULE VI	\$	<u>(41,370)</u>
BALANCE ADJUSTMENT FOR THE BA	\$	<u>(9,723)</u>
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	<u>(39,176)</u>
ESTIMATED ANNUAL SALES	MCF	<u>2,635,105</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>(0.0149)</u>

Delta Natural Gas Company, Inc.
 Balance Adjustment for the BA

SCHEDULE VI

	A	B		C	D	E	A x B
		Nov-15	Feb-16	May-16	Aug-16		
Balance Adjustment		\$ (51,093)	\$ 12,971	\$ 215,393	\$ 725,962		
	<u>Mcf Billed</u>						
November	119,211	(0.0157)					(1,872)
December	217,903	(0.0157)					(3,421)
January	281,241	(0.0157)					(4,415)
February	573,172	(0.0157)	0.0040				(8,999)
March	628,773	(0.0157)	0.0040				(9,872)
April	283,310	(0.0157)	0.0040				(4,448)
May	196,876	(0.0157)	0.0040	0.0741			(3,091)
June	100,914	(0.0157)	0.0040	0.0741			(1,584)
July	63,648	(0.0157)	0.0040	0.0741			(999)
August	52,512	(0.0157)	0.0040	0.0741	0.2768		(824)
September	58,862	(0.0157)	0.0040	0.0741	0.2768		(924)
October	<u>58,683</u>	(0.0157)	0.0040	0.0741	0.2768		<u>(921)</u>
	2,635,105						(41,370)
Balance Adjustment four quarters prior to the currently effective GCR						\$	<u>(51,093)</u>
Balance Adjustment for the BA						\$	(9,723)

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

	Base Rate	+	Gas Cost Recovery Rate (GCR) **	=	Total Rate	
Customer Charge *	\$ 20.90000				\$ 20.90000	
All Ccf ***	\$ 0.43185		\$ 0.49461		\$ 0.92646 /Ccf	(I)

* 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 .01508/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.

Residential rates are also subject to a Pipe Replacement Program charge of \$2.21, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE: _____, 2016

DATE EFFECTIVE: January 30, 2017

ISSUED BY: John B. Brown, Chief Operating Officer, Treasurer and Secretary



Issued by Authority of an Order of the Public Service Commission of KY in
 Case No. _____ dated _____

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>	+	<u>Gas Cost Recovery Rate (GCR) **</u>	=	<u>Total Rate</u>	
Customer Charge *	\$ 31.20000				\$ 31.20000	
All Ccf ***	\$ 0.43185		\$ 0.49461		\$ 0.92646	/Ccf (I)

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

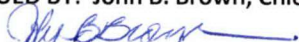
** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

Small Non-Residential rates are also subject to a Pipe Replacement Program charge of \$4.19 as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE: _____, 2016

DATE EFFECTIVE: January 30, 2017

ISSUED BY: John B. Brown, Chief Operating Officer, Treasurer and Secretary



Issued by Authority of an Order of the Public Service Commission of KY in

Case No. _____ dated _____

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	\$ 131.00000				\$ 131.00000	
1 - 2,000 Ccf	\$ 0.43185		\$ 0.49461		\$ 0.92646 /Ccf	(I)
2,001 - 10,000 Ccf	\$ 0.26696		\$ 0.49461		\$ 0.76157 /Ccf	(I)
10,001 - 50,000 Ccf	\$ 0.18735		\$ 0.49461		\$ 0.68196 /Ccf	(I)
50,001 - 100,000 Ccf	\$ 0.14735		\$ 0.49461		\$ 0.64196 /Ccf	(I)
Over 100,000 Ccf	\$ 0.12735		\$ 0.49461		\$ 0.62196 /Ccf	(I)

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

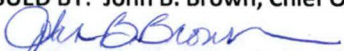
** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

Large Non-Residential rates are also subject to a Pipe Replacement Program charge of \$31.97, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE: _____, 2016

DATE EFFECTIVE: January 30, 2017

ISSUED BY: John B. Brown, Chief Operating Officer, Treasurer and Secretary



Issued by Authority of an Order of the Public Service Commission of KY in

Case No. _____ dated _____

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

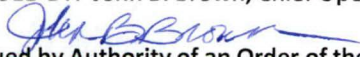
	Base Rate	+	Gas Cost Recovery Rate (GCR) **	=	Total Rate	
Customer Charge	\$ 250.00000				\$ 250.00000	
1 - 10,000 Ccf	\$ 0.16000		\$ 0.49461		\$ 0.65461 /Ccf	(l)
10,001 - 50,000 Ccf	\$ 0.12000		\$ 0.49461		\$ 0.61461 /Ccf	(l)
50,001 - 100,000 Ccf	\$ 0.08000		\$ 0.49461		\$ 0.57461 /Ccf	(l)
Over 100,000 Ccf	\$ 0.06000		\$ 0.49461		\$ 0.55461 /Ccf	(l)

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. In order to provide a fair opportunity to compete with other motor fuels, the customer charge and Pipe Replacement Program charge may be waived by Delta at its sole discretion for compressed natural gas fueling station customers.

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.

Interruptible rates are also subject to a Pipe Replacement Program charge of \$229.44, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 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: _____, 2016
 DATE EFFECTIVE: January 30, 2017
 ISSUED BY: John B. Brown, Chief Operating Officer, Treasurer and Secretary

 Issued by Authority of an Order of the Public Service Commission of KY in
 Case No. _____ dated _____