



DELTA NATURAL GAS COMPANY, INC.

3617 Lexington Road  
Winchester, Kentucky 40391-9797

www.deltagas.com

PHONE: 859-744-6171

FAX: 859-744-3623



March 23, 2017

RECEIVED

MAR 24 2017

PUBLIC SERVICE  
COMMISSION

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

Dear Ms. Mathews:

Case No. 2017-00145

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 May 2017 which includes meters read on and after April 24, 2017.

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

Please acknowledge receipt of this filing.

Sincerely,

Jenny Lowery Croft  
Manager –Employee & Regulatory Services

DELTA NATURAL GAS COMPANY, INC.

SCHEDULE I

GAS COST RECOVERY CALCULATION

RECEIVED

MAR 24 2017

COST RECOVERY RATE EFFECTIVE APRIL 24, 2017		
PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	5.5054
SUPPLIER REFUND (RA)	\$/MCF	-
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.7094
BALANCE ADJUSTMENT (BA)	\$/MCF	0.1031
GAS COST RECOVERY RATE (GCR)	\$/MCF	<u>6.3179</u>

PUBLIC SERVICE  
COMMISSION

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
PRIMARY GAS SUPPLIERS (SCHEDULE II)	\$	1,175,050
UTILITY PRODUCTION	\$	-
INCLUDABLE PROPANE	\$	-
UNCOLLECTIBLE GAS COSTS	\$	<u>7,174</u>
	\$	1,182,224
TOTAL ESTIMATED SALES FOR QUARTER	MCF	<u>214,739</u>
EXPECTED GAS COST (EGC) RATE	\$/MCF	<u>5.5054</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	0.8252
PREVIOUS QUARTER	\$/MCF	0.4863
SECOND PREVIOUS QUARTER	\$/MCF	0.0691
THIRD PREVIOUS QUARTER	\$/MCF	<u>(0.6712)</u>
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>0.7094</u>

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE V)	\$/MCF	0.0494
PREVIOUS QUARTER	\$/MCF	(0.0149)
SECOND PREVIOUS QUARTER	\$/MCF	(0.2082)
THIRD PREVIOUS QUARTER	\$/MCF	<u>0.2768</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>0.1031</u>

DELTA NATURAL GAS COMPANY, INC.

SCHEDULE II  
PAGE 1 OF 2

MCF PURCHASES FOR THREE MONTHS BEGINNING  
May 1, 2017  
AT SUPPLIERS COSTS EFFECTIVE  
May 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)				277,904	
ATMOS ENERGY MARKETING COLUMBIA GAS TRANSMISSION PIPELINE (SCH II, PAGE 2 OF 2)	80,755	1.062	2.9768	255,291	R
ATMOS ENERGY MARKETING COLUMBIA GULF TRANSMISSION				83,420	
MIDWEST ENERGY SERVICES KENTUCKY PRODUCERS	29,283	1.096	2.9616	95,050	R
VINLAND STORAGE	101,410	1.258	3.5388	451,465	R
	3,291	1.200	3.0184	11,920	R
	-		0.0000	-	
<b>TOTAL</b>	<b>214,739</b>			<b>1,175,050</b>	
COMPANY USAGE	3,221				

ESTIMATED UNCOLLECTIBLE GAS COSTS  
FOR THE THREE MONTHS ENDED  
July 31, 2017

TWELVE MONTH AVERAGE % OF PURCHASED GAS TO RECORDED REVENUE	34.00%	
ESTIMATED BAD DEBT EXPENSE	\$21,100	R
% OF PURCHASED GAS TO BILLED REVENUE UNCOLLECTIBLE GAS COSTS	\$7,174	R

**TENNESSEE GAS PIPELINE RATES EFFECTIVE 5/01/17**

		DTH VOLUMES	FIXED OR VARIABLE		RATES	QUARTERLY COST
FT-G RESERVATION RATE - ZONE 0-2	1.	4,503	F	2.	\$15.597	\$70,239
FT-G RESERVATION RATE - ZONE 1-2	3.	12,111	F	4.	\$10.662	\$129,131
FT-G COMMODITY RATE - ZONE 0-2	5.	4,617	V	6.	\$0.0186	\$86
FT-G COMMODITY RATE - ZONE 1-2	7.	12,414	V	8.	\$0.0156	\$194
FT-A RESERVATION RATE - ZONE 0-2	9.	379	F	10.	\$15.597	\$5,916
FT-A RESERVATION RATE - ZONE 1-2	11.	1,627	F	12.	\$10.662	\$17,347
FT-A RESERVATION RATE - ZONE 3-2	13.	253	F	14.	\$5.567	\$1,411
FT-A COMMODITY RATE - ZONE 0-2	15.	11,537	V	16.	\$0.0186	\$215
FT-A COMMODITY RATE - ZONE 1-2	17.	49,486	V	18.	\$0.0156	\$772
FT-A COMMODITY RATE - ZONE 3-2	19.	7,708	V	20.	\$0.0035	\$27
FUEL & RETENTION - ZONE 0-2	21.	16,154	V	22.	\$0.0464	\$750
FUEL & RETENTION - ZONE 1-2	23.	61,900	V	24.	\$0.0393	\$2,432
FUEL & RETENTION - ZONE 3-2	25.	7,708	V	26.	\$0.0095	\$73

SUB-TOTAL

\$228,592

FS-PA DELIVERABILITY RATE	27.	2,460	F	28.	\$2.03	\$5,002
FS-PA INJECTION RATE	29.	25,119	V	30.	\$0.0073	\$183
FS-PA WITHDRAWAL RATE	31.	25,119	V	32.	\$0.0073	\$183
FS-PA SPACE RATE	33.	301,430	F	34.	\$0.0207	\$6,240
FS-PA RETENTION	35.	25,119	V	36.	\$0.0408	\$1,024

SUB-TOTAL

\$12,632

FS-MA DELIVERABILITY RATE	37.	13,939	F	38.	\$1.49	\$20,822
FS-MA INJECTION RATE	39.	52,136	V	40.	\$0.0087	\$454
FS-MA WITHDRAWAL RATE	41.	52,136	V	42.	\$0.0087	\$454
FS-MA SPACE RATE	43.	625,631	F	44.	\$0.0205	\$12,825
FS-MA RETENTION	45.	52,136	V	46.	\$0.0408	\$2,126

SUB-TOTAL

\$36,680

TOTAL TENNESSEE GAS PIPELINE CHARGES

\$277,904**COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 5/01/17**

GTS COMMODITY RATE	47.	32,094	V	48.	\$0.8064	\$25,881
FUEL & RETENTION	49.	32,094	V	50.	\$0.0753	\$2,418

TOTAL COLUMBIA GAS TRANSMISSION CHARGES

\$28,299**COLUMBIA GULF CORPORATION RATES EFFECTIVE 5/01/17**

FTS-1 RESERVATION RATE	51.	13,134	F	52.	\$4.1700	\$54,769
FTS-1 COMMODITY RATE	53.	32,094	V	54.	\$0.0109	\$350
FUEL & RETENTION	55.	32,094	V	56.	\$0.0001	\$2

TOTAL COLUMBIA GULF CORPORATION CHARGES

\$55,121

TOTAL PIPELINE CHARGES

\$361,324

**TGP SUPPLIED AREAS PURCHASE PROFILE:**

3/14/2017

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2017	38,435	40,818	\$2.987	(\$0.060)	\$119,472.90
June	21,864	23,220	\$3.051	(\$0.060)	\$69,450.01
July	<u>20,456</u>	<u>21,724</u>	\$3.115	(\$0.060)	<u>\$66,367.83</u>
	80,755	85,762			\$255,290.73
Fixed Price ____		0	\$0.000		\$0.00
Fixed Price ____		0	\$0.000		\$0.00
Total Dth		85,762			
<b>WEIGHTED AVERAGE PRICE PER DTH:</b>				<b><u><u>\$2.9768</u></u></b>	

**COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:**

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2017	15,057	16,503	\$2.987	(\$0.07)	\$48,137.85
June	8,043	8,815	\$3.051	(\$0.07)	\$26,277.96
July	<u>6,183</u>	<u>6,776</u>	\$3.115	(\$0.07)	<u>\$20,633.89</u>
	29,283	32,094			\$95,049.70
Fixed Price ____		0	\$0.000		\$0.00
Fixed Price ____		0	\$0.000		\$0.00
Total Dth		32,094			
<b>WEIGHTED AVERAGE PRICE PER DTH:</b>				<b><u><u>\$2.9616</u></u></b>	

**VINLAND SUPPLIED AREAS PURCHASE PROFILE:**

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2017	2,076	2,491	\$2.987	0	\$7,441.21
June	817	980	\$3.051	0	\$2,991.20
July	<u>398</u>	<u>478</u>	\$3.115	0	<u>\$1,487.72</u>
	3,291	3,949			\$11,920.14
<b>WEIGHTED AVERAGE PRICE PER DTH:</b>				<b><u><u>\$3.0184</u></u></b>	

**COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:**

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
May 2017	45,768	57,576	\$2.987	\$0.50	\$200,769.22
June	29,144	36,664	\$3.051	\$0.50	\$130,192.60
July	<u>26,498</u>	<u>33,334</u>	\$3.115	\$0.50	<u>\$120,502.94</u>
	101,410	127,574			\$451,464.77
FIXED PRICE		0			\$0.00
<b>WEIGHTED AVERAGE PRICE PER DTH:</b>				<b><u><u>\$3.5388</u></u></b>	

**COMPUTATION OF VINLAND PRICE EFFECTIVE 5/01/17 BASED ON WEIGHTED  
AVERAGE NYMEX FUTURES PRICES FOR MAY THROUGH JULY 2017**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.0184 per MMBtu dry

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 5/01/17 BASED ON WEIGHTED  
AVERAGE NYMEX FUTURES PRICES FOR MAY THROUGH JULY 2017 (TGP)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$2.9768 per MMBtu dry

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 5/01/17 BASED ON WEIGHTED  
AVERAGE NYMEX FUTURES PRICES FOR MAY THROUGH JULY 2017 (TCO)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$2.9616 per MMBtu dry

**COMPUTATION OF MIDWEST ENERGY SERVICES PRICE EFFECTIVE 5/01/17 BASED ON WEIGHTED  
AVERAGE NYMEX FUTURES PRICES FOR MAY THROUGH JULY 2017**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.5388 per MMBtu dry

SUPPLIER REFUND ADJUSTMENT  
 DETAIL FOR THE THREE MONTHS ENDED  
 January 31, 2017

Particulars	Unit	Amount
SUPPLIERS REFUNDS RECEIVED (1)	\$	0
INTEREST FACTOR (2)		1.000246
REFUND ADJUSTMENT INCLUDING INTEREST	\$	0
SALES TWELVE MONTHS ENDED January 31, 2017	MCF	2,878,169
CURRENT SUPPLIER REFUND ADJUSTMENT	\$/MCF	0.0000

(1) Suppliers Refunds Received	Date Received	Amount
Total		0.00

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

ACTUAL ADJUSTMENT  
DETAIL FOR THE THREE MONTHS ENDED  
January 31, 2017

Particulars	Unit	For the Month Ended		
		Nov-16	Dec-16	Jan-17
<b>SUPPLY VOLUME PER BOOKS</b>				
PRIMARY GAS SUPPLIERS	MCF	358,496	638,974	525,122
UTILITY PRODUCTION	MCF	-	-	-
INCLUDABLE PROPANE	MCF	-	-	-
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	<u>358,496</u>	<u>638,974</u>	<u>525,122</u>
<b>SUPPLY COST PER BOOKS</b>				
PRIMARY GAS SUPPLIERS	\$	1,188,331	2,139,236	2,167,912
UTILITY PRODUCTION	\$	-	-	-
INCLUDABLE PROPANE	\$	-	-	-
UNCOLLECTIBLE GAS COSTS	\$	3,187	(1,360)	10,516
OTHER COST (SPECIFY)	\$	-	-	-
TOTAL	\$	<u>1,191,518</u>	<u>2,137,876</u>	<u>2,178,428</u>
<b>SALES VOLUME</b>				
JURISDICTIONAL	MCF	99,289	285,305	476,825
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	<u>99,289</u>	<u>285,305</u>	<u>476,825</u>
<b>UNIT BOOK COST OF GAS</b>				
EGC IN EFFECT FOR MONTH	\$	12.0005	7.4933	4.5686
RATE DIFFERENCE	\$	<u>3.6367</u>	<u>3.6367</u>	<u>3.6367</u>
MONTHLY SALES	MCF	99,289	285,305	476,825
MONTHLY COST DIFFERENCE	\$	<u>830,433</u>	<u>1,100,307</u>	<u>444,353</u>
				Three Month Period
COST DIFFERENCE FOR THE THREE MONTHS				\$ 2,375,093
TWELVE MONTHS SALES FOR PERIOD ENDED				MCF <u>2,878,169</u>
CURRENT QUARTERLY ACTUAL ADJUSTMENT				<u>\$/MCF 0.8252</u>



## DELTA NATURAL GAS COMPANY, INC.

## SCHEDULE V

**EXPECTED GAS COST BALANCE ADJUSTMENT  
DETAIL FOR THE THREE MONTHS ENDED  
January 31, 2017**

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	\$	1,188,031
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF 0.3639 \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF 2,878,169 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>1,047,366</u>
BALANCE ADJUSTMENT FOR THE AA	\$	<u>140,665</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 2,878,169	\$	-
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	\$	12,971
LESS: SEE ATTACHED SCHEDULE VI	\$	<u>11,513</u>
BALANCE ADJUSTMENT FOR THE BA	\$	<u>1,458</u>
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	<u>142,123</u>
ESTIMATED ANNUAL SALES	MCF	<u>2,878,169</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>0.0494</u>



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		\$ 0.63179		\$ 1.06364 /Ccf	(l)

\* 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.

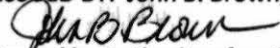
\*\*\* Residential rates are also subject to the "Conservation/Efficiency Program Cost Recovery Component (CEPRC)" of .01873/Ccf. The CEPRC is an adjustment determined in accordance with the Conservation/Efficiency Program Cost Recovery as set forth on Sheets 39 – 42 of this tariff.

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: \_\_\_\_\_, 2017

DATE EFFECTIVE: April 24, 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.

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 *	\$ 31.20000				\$ 31.20000	
All Ccf ***	\$ 0.43185		\$ 0.63179		\$ 1.06364 /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: \_\_\_\_\_, 2017

DATE EFFECTIVE: April 24, 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.

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		\$ 0.63179		\$ 1.06364 /Ccf	(l)
2,001 - 10,000 Ccf	\$ 0.26696		\$ 0.63179		\$ 0.89875 /Ccf	(l)
10,001 - 50,000 Ccf	\$ 0.18735		\$ 0.63179		\$ 0.81914 /Ccf	(l)
50,001 - 100,000 Ccf	\$ 0.14735		\$ 0.63179		\$ 0.77914 /Ccf	(l)
Over 100,000 Ccf	\$ 0.12735		\$ 0.63179		\$ 0.75914 /Ccf	(l)

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

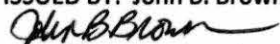
\*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

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: \_\_\_\_\_, 2017

DATE EFFECTIVE: April 24, 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.

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

	<u>Base Rate</u>	+	Gas Cost Recovery Rate (GCR) **	=	<u>Total Rate</u>	
Customer Charge	\$ 250.00000				\$ 250.00000	
1 - 10,000 Ccf	\$ 0.16000		\$ 0.63179		\$ 0.79179 /Ccf	(l)
10,001 - 50,000 Ccf	\$ 0.12000		\$ 0.63179		\$ 0.75179 /Ccf	(l)
50,001 - 100,000 Ccf	\$ 0.08000		\$ 0.63179		\$ 0.71179 /Ccf	(l)
Over 100,000 Ccf	\$ 0.06000		\$ 0.63179		\$ 0.69179 /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: \_\_\_\_\_, 2017

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