



Delta Natural Gas Company, Inc.



3617 Lexington Road
Winchester, Kentucky 40391-9797

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

July 8, 2004

RECEIVED

JUL 09 2004

PUBLIC SERVICE
COMMISSION

Elizabeth O'Donnell
Executive Director
211 Sower Blvd
P O Box 615
Frankfort, KY 40601

Re: Delta Natural Gas Company, Inc.
Rate Case 2004 - 00067

Enclosed are the following items of the FIRST DATA REQUEST OF
COMMISSION STAFF TO DELTA NATURAL GAS COMPANY, INC. dated
March 17, 2004:

Item 40. - Financial Statement May 31, 2004
Item 51.c. - Rate Case Expenses at June 30, 2004

Please add the enclosed documents to our Rate Case file.

Sincerely,

John Hall
Vice President - Finance, Secretary & Treasurer

cc:

Honorable Elizabeth E. Blackford, Assistant Attorney General
Leslye M. Bowman, David Barberie, Director of Litigation
Bob Watt, Stoll, Keenon & Park LLP

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 2004-00067
Detailed Monthly Income Statement
May 31, 2004

Item 40.

40. Provide monthly income statements for each month after the test year, including the month in which the hearing ends, as they become available.

RESPONSE

See attached for detail.

Sponsoring Witness:

John Hall

DELTA NATURAL GAS COMPANY, INC.

FINANCIAL STATEMENT

AS OF

MAY 31, 2004

DELTA NATURAL GAS COMPANY, INC.

BALANCE SHEET

MAY 31, 2004

ASSETS	2004	2003
GAS UTILITY PLANT, AT COST	\$ 167,362,647	\$ 159,872,225
Less - Reserve for Depreciation	<u>54,286,339</u>	<u>50,757,704</u>
	\$ <u>113,076,308</u>	\$ <u>109,114,521</u>
CURRENT ASSETS:		
Cash	\$ 247,146	\$ 44,017
Receivables	3,629,373	4,397,647
Deferred Gas Cost	1,178,114	4,027,253
Gas in Storage, at Cost	4,437,692	2,656,153
Materials and Supplies, at Cost	478,762	406,237
Prepayments	<u>648,335</u>	<u>489,631</u>
	\$ <u>10,619,422</u>	\$ <u>12,020,938</u>
OTHER ASSETS:		
Cash Surrender Value of Life Insurance	\$ 364,711	\$ 353,261
Unamortized Expenses	4,086,662	4,323,277
Receivable/Investment in Subsidiaries	385,925	288,089
Other	<u>251,743</u>	<u>2,799,714</u>
	\$ <u>5,089,041</u>	\$ <u>7,764,341</u>
TOTAL ASSETS	\$ <u>128,784,771</u>	\$ <u>128,899,800</u>
LIABILITIES		
CAPITALIZATION:		
Common Stock	\$ 3,196,200	\$ 3,160,034
Paid-in Surplus	44,134,338	43,305,021
Capital Stock Expense	(2,598,000)	(2,556,277)
Accum Other Comprehensive Income	(2,050,636)	0
Retained Earnings	<u>4,955,475</u>	<u>5,245,600</u>
Total Common Equity	\$ 47,637,377	\$ 49,154,378
Long-term Debt	<u>53,083,000</u>	<u>53,393,000</u>
Total Capitalization	\$ <u>100,720,377</u>	\$ <u>102,547,378</u>
CURRENT LIABILITIES:		
Notes Payable	\$ 1,325,511	\$ 2,546,678
Current Portion of Long-Term Debt	1,650,000	1,650,000
Accounts Payable	4,196,951	2,765,425
Accrued Taxes	1,559,211	1,697,561
Refunds Due Customers	130	(8,017)
Customer Deposits	467,124	452,754
Accrued Interest	572,624	573,131
Other	<u>1,139,763</u>	<u>1,091,321</u>
	\$ <u>10,911,314</u>	\$ <u>10,768,853</u>
DEFERRED CREDITS AND OTHER:		
Deferred Income Taxes	\$ 15,628,366	\$ 14,589,173
Deferred Investment Tax Credit	329,400	384,600
Regulatory Items	455,450	525,650
Advances for Construction and Other	108,029	84,146
Accum Provision for Pensions & Benefit	<u>631,835</u>	0
	\$ <u>17,153,080</u>	\$ <u>15,583,569</u>
TOTAL LIABILITIES	\$ <u>128,784,771</u>	\$ <u>128,899,800</u>

DELTA NATURAL GAS COMPANY, INC.

STATEMENT OF RETAINED EARNINGS AND PAID IN SURPLUS

RETAINED EARNINGS

			THIS YEAR	LAST YEAR
BALANCE	JULY 1, 2003/2002	\$	3,912,006	\$ 3,247,299
ADD				
	Net income applicable to common stock		3,859,338	4,251,729
DEDUCT				
	Common Dividends		2,815,869	2,253,428
BALANCE	MAY 31, 2004 / 2003	\$	4,955,475	\$ 5,245,600

PAID-IN SURPLUS

BALANCE	JULY 1, 2003/2002	\$	43,462,433	\$ 30,330,330
ADD				
	Excess of sales price over par value of common stock		671,905	12,974,691
DEDUCT				
BALANCE	MAY 31, 2004 / 2003	\$	44,134,338	\$ 43,305,021

DELTA NATURAL GAS COMPANY, INC.
STATEMENT OF INCOME

MAY 31, 2004

	11 MONTHS TO DATE		12 MONTHS ENDED	
	2004	2003	2004	2003
OPERATING REVENUES	\$ 53,595,162	\$ 48,852,134	\$ 55,642,300	\$ 50,574,991
OPERATING EXPENSES & TAXES:				
Gas Purchased	\$ 30,310,230	\$ 25,712,916	\$ 31,192,484	\$ 26,263,276
Operations	9,274,113	8,837,564	10,173,591	9,795,698
Maintenance	553,153	530,026	609,925	596,500
Depreciation	3,932,286	3,820,240	4,275,054	4,156,106
Property & Other Taxes	1,442,274	1,365,502	1,575,485	1,490,069
Income Taxes	1,537,500	1,631,501	1,301,100	1,375,101
Total	\$ 47,049,556	\$ 41,897,749	\$ 49,127,639	\$ 43,676,750
Operating Income	\$ 6,545,606	\$ 6,954,385	\$ 6,514,661	\$ 6,898,241
OTHER INCOME/(EXPENSES),NET	1,368,371	1,563,070	1,356,224	1,642,423
Gross Income	\$ 7,913,977	\$ 8,517,455	\$ 7,870,885	\$ 8,540,664
OTHER DEDUCTIONS:				
Interest on Debt	\$ 3,837,533	\$ 4,091,243	\$ 4,176,052	\$ 4,469,524
Amortization	217,106	174,483	236,616	187,913
Other	-	-	-	-
Total	\$ 4,054,639	\$ 4,265,726	\$ 4,412,668	\$ 4,657,437
NET INCOME APPLICABLE TO COMMON STOCK	\$ 3,859,338	\$ 4,251,729	\$ 3,458,217	\$ 3,883,227
EARNINGS PER AVERAGE SHARES OUTSTANDING	\$ 1.21	\$ 1.64	\$ 1.09	\$ 1.50
CUSTOMERS AT END OF PERIOD			39,205	39,493

DELTA NATURAL GAS COMPANY, INC.
CASE NO. 2004-00067
Rate Case Expenses
June 30, 2004

Item 51.c.

51.c. During the course of this proceeding, provide monthly updates of the actual costs incurred, in the manner requested in (a) above. Updates will be due the last business day of each month, through the month of the public hearing.

RESPONSE

See attached for detail.

Sponsoring Witness:

John Hall

DELTA NATURAL GAS COMPANY, INC.

Item 51.c.

CASE NO. 2004-00067

Rate Case Expenses
for period ended 12/31/03
(Expenses thru 5/31/04)

Line No.	AC#	Date	Check #	Vendor #	Vendor Name	Total Amount Description
1	1.186.11	2003-12-31	218676	3640	PRIME GROUP LLC	CONSULTING \$1,200.00
2	1.186.11	2003-01-31	219529	3640	PRIME GROUP LLC	CONSULTING \$1,350.00
3	1.186.11	2004-02-29	220130	3640	PRIME GROUP LLC	CONSULTING-SEELYE, FELTNER, GARCIA BLAKE & DEPRECIATION STUDY \$39,550.00
4	1.186.11	2004-03-31	220948	3640	PRIME GROUP LLC	CONSULTING-SEELYE, FELTNER, BLAKE ; DEVELOPING TESTIMONY AND EXHIBITS ; COST OF SERVICE/RATE DESIGN; COST OF CAPITAL TESTIMONY SUPPORT \$23,887.50
5	1.186.11	2004-04-30	221442	3640	PRIME GROUP LLC	PROVIDE SUPPORT FOR RATE CASE \$2,400.00
6	1.186.11	2004-05-31	222037	3640	PRIME GROUP LLC	PROVIDE SUPPORT FOR RATE CASE - SEELYE, BLAKE, FELTNER, GARCIA, BLAKE \$21,276.75
7	1.186.11	2004-05-31	222301	4186	DELOITTE AND TOUCHE	DELTA'S AUDITORS DISCUSSION RATE CASE ISSUES \$400.00
8	1.186.11	2004-07-00	AP	3640	PRIME GROUP LLC	PROVIDE SUPPORT FOR RATE CASE -SEELYE, BLAKE, GARCIA \$5,775.00
9					TOTAL CONSULTANTS	\$95,839.25
10	1.186.11	2004-04-27	221143	2334	STOLL, KEENON & PARK	ATTORNEY FEES \$6,252.16
11	1.186.11	2004-03-22	220403	2334	STOLL, KEENON & PARK	JOURNAL ENTRY - CORRECT DISTRIBUTION 3/04 - ATTORNEY FEES \$1,881.00
12	1.186.11	2004-05-31	221825	2334	STOLL, KEENON & PARK	ATTORNEY FEES \$1,831.51
13	1.186.11	2004-06-28	222696	2334	STOLL, KEENON & PARK	ATTORNEY FEES \$5,062.84
14	1.186.11	2004-07-00	AP	2334	STOLL, KEENON & PARK	ATTORNEY FEES \$6,003.98
15					TOTAL LEGAL	\$21,031.49
16	1.186.11	2004-04-27	221383	3758	KPS - KENTUCKY PRESS SERVICE	25 NEWSPAPERS IN DELTA'S SERVICE AREAS; ADS RUN ON 3/31/04, 4/7/04 AND 4/14/04 \$28,892.19
17					TOTAL NEWSPAPER ADS	\$28,892.19
18	1.186.11	2004-02-27	220111	4419	VIKING OFFICE PRODUCTS	SUPPLIES \$89.00
19	1.186.11	2004-03-24	220546	4314	BB&T BANKCARD CORPORATION(VIKING OFFICE PRODUCTS)	SUPPLIES TO PREPARE RATE CASE \$1,740.86
20	1.186.11	2004-04-27	221237	4314	BB&T BANKCARD CORPORATION (VIKING OFFICE PRODUCTS)	OFFICE SUPPLIES TO PREPARE RATE CASE MATERIAL \$488.27
21	1.186.11	2004-05-31	222442	4419	VIKING OFFICE PRODUCTS	OFFICE SUPPLIES TO PREPARE RATE CASE MATERIAL \$1,586.84
22	1.186.11	2004-06-11	222719	4419	VIKING OFFICE PRODUCTS	OFFICE SUPPLIES TO PREPARE RATE CASE MATERIAL \$570.26
23	1.186.11	2004-05-31	NA		REES OFFICE, CHAPMAN PRINTING	JOURNAL ENTRY TO RECLASS PAPER FROM STOCK SUPPLY - ESTIMATED COST OF COPY PAPER USED FOR PRODUCING DATA, RESPONSES AND COPIES FOR RATE CASE \$784.16
24					TOTAL SUPPLIES - OTHER	\$5,259.39
25					TOTAL RATE CASE #2004-00067 EXPENSE @ 2004-06-30	\$151,022.32

Deloitte.

ck# 222301

Remittance address:
Deloitte & Touche LLP
4140 Collection Center Drive
Chicago, IL 60693
USA

Invoice number: 09271374

Tel: +1 513 784 7100
Fax: +1 513 362 6204

Date: May 28, 2004

Taxpayer I.D. No. 13-3891517

Mr. John Brown
Delta Natural Gas, Co., Inc
3617 Lexington Road
Winchester, Kentucky 40391

For professional services rendered in connection with discussions and
correspondence related to Delta Natural Gas federal IRS audit and rate case
issues.....

\$ 2,600 ✓

PO 03-0360*
Line 5

J Brown

* No Receipts -
order g ty is
one only
F.C.

		g/l acct #
verbal - Rate case	\$400	1.186.11
FRS audit	2,200	1.244.01
	<u>2,600</u>	

PAID
JUN 16 2004

Amounts due may be remitted by Electronic Funds.

To: JP Morgan Chase
ABA #0210-0002-1
Account: Deloitte & Touche LLP
#910-1-048362
By order of: Clearly Specify Sender
invoice Number

May include fees and expenses from affiliated and related entities.

The Prime Group

Priority Marketing, Planning and Regulatory Support

Invoice for Services Rendered

Ch# N/A

7/12

Invoice date: July 2, 2004

To: Delta Natural Gas Company
3617 Lexington Road
R. R. #1, Box 30-A
Winchester, Kentucky 40391

Attn: Mr. John Hall

24.0 hours of consulting work by Steve Seelye @ \$200.00/hr during June in providing support for Delta's rate case at the Kentucky Public Service Commission. \$ 4,800.00

4.5 hour of consulting work by Paul Garcia @ \$150.00/hr during June in providing support for Delta's rate case at the Kentucky Public Service Commission. \$ 675.00

3.0 hour of consulting work by Eric Blake @ \$100.00/hr during June in providing support for Delta's rate case at the Kentucky Public Service Commission. \$ 300.00

Total amount due for June \$ 5,775.00

Please remit payment to: The Prime Group, LLC
P.O. Box 7469
Louisville, KY 40257-7469

Q

OK to pay

JH

7/6/04

■ The Prime Group ■

Priority Marketing, Planning and Regulatory Support

RECEIVED

JUL 6 2004

July 2, 2004

Mr. John Hall
Delta Natural Gas Company
3617 Lexington Road
R. R. #1, Box 30-A
Winchester, Kentucky 40391

Dear John:

Enclosed is an invoice for the work performed by The Prime Group during June in providing assistance in preparing supporting materials for Delta's rate case at the Kentucky Public Service Commission. Thank you for giving us the opportunity to work with you on this project.

Sincerely,



Martin Blake
Principal

STOLL, KEENON & PARK, LLP
300 West Vine Street
Suite 2100
Lexington, Kentucky 40507-1801
(859) 231-3000
Tax Id # 61-0421389
June 14, 2004

Delta Natural Gas Company, Inc.
Attn: Glenn R. Jennings, President
3617 Lexington Road
Winchester, KY 40391

INVOICE NO.: 190585
SKP File No.: 5522/116666

Please Remit Payment by: 07/04/04

MATTER NAME: 2004 Rate Case

TOTAL FEES FOR PROFESSIONAL SERVICES PER ATTACHED	5,466.00
<i>PROFESSIONAL COURTESY DISCOUNT</i>	<i>(546.60)</i>
TOTAL CHARGES FOR EXPENSES AND OTHER SERVICES PER ATTACHED	<u>143.44</u>
INVOICE TOTAL	<u>\$ 5,062.84</u>
TOTAL BALANCE DUE	<u>\$ 5,062.84</u>

Ch# 222696

*PLEASE INDICATE INVOICE NUMBER 190585 ON PAYMENT

BILL DATE: June 14, 2004

Delta Natural Gas Company, Inc.
Attn: Glenn R. Jennings, President
3617 Lexington Road
Winchester, KY 40391

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
05/10/04	RMW	Tel Howard and Delta re extension of time on data requests	0.50	275.00	\$ 137.50
05/11/04	RMW	Tel Garcia, Jennings; examine data requests and procedural order; e-mail re rate case matters	1.50	275.00	412.50
05/12/04	RMW	Tel Hall, Seelye, Garcia; examine data requests	0.50	275.00	137.50
05/13/04	RMW	Tel Blackford and Hall re hearing schedule	1.00	275.00	275.00
05/17/04	RMW	Tel Hall, Mitchell, etc re data request issues; examine data requests from AG; research re data request issues	2.00	275.00	550.00
05/19/04	MMS	Efforts regarding PSC filing of publication notices, including preparation of exhibit, certificate, proof of publication for filing. Serve same	2.90	90.00	261.00
05/19/04	RC	Supervise filing of certificate of publication; conference with Bob Watt and Molly Stephens, paralegal.	0.50	235.00	117.50
05/19/04	RMW	Assemble and prepare certificate of completed service; tel Hazelrigg, King, Wuetcher; meet with Stephens, Cowden	1.50	275.00	412.50
05/21/04	RMW	Tel Jennings	0.40	275.00	110.00
05/22/04	RMW	Research re depreciation statutes; draft responses to AG data requests; e-mail to Jennings and Hall	0.80	275.00	220.00

*PLEASE INDICATE INVOICE NUMBER 190585 ON PAYMENT

05/24/04	RMW	Tel Jennings, Hall, Seelye, Blackford; review discovery issues	1.50	275.00	412.50
05/25/04	RMW	Travel to Winchester; work on responses to discovery requests; travel to Versailles	8.00	275.00	2,200.00
05/26/04	RMW	Tel Hall	0.30	275.00	82.50
05/27/04	RMW	Tel Mitchell; letter to O'Donnell; arrange for filing data request responses	0.50	275.00	137.50
		SUBTOTAL	<u>21.90</u>		<u>\$5,466.00</u>

*PLEASE INDICATE INVOICE NUMBER 190585 ON PAYMENT

DISBURSEMENTS AND SERVICE CHARGES

DATE	DESCRIPTION	AMOUNT
05/11/04	Telephone Expense	1.14
05/12/04	Telephone Expense	3.42
05/13/04	Telephone Expense	1.90
05/13/04	Telephone Expense	0.38
05/13/04	Telephone Expense	0.76
05/13/04	Telephone Expense	1.52
05/17/04	Telephone Expense	0.38
05/17/04	Telephone Expense	1.14
05/19/04	Duplicating Charges	0.70
05/19/04	Duplicating Charges	9.80
05/19/04	Duplicating Charges	8.10
05/19/04	Duplicating Charges	52.20
05/19/04	Duplicating Charges	32.70
05/19/04	Duplicating Charges	1.20
05/19/04	Telephone Expense	0.76
05/21/04	Travel Expense	21.90
05/24/04	Telephone Expense	3.04
05/24/04	Telephone Expense	1.52
05/27/04	Duplicating Charges	0.50
05/27/04	Telephone Expense	0.38
	SUBTOTAL	<u>143.44</u>
GRAND TOTAL:		<u><u>\$5,062.84</u></u>

*PLEASE INDICATE INVOICE NUMBER 190585 ON PAYMENT

ATTORNEY/PARALEGAL SUMMARY

TIMEKEEPER	RANK	HOURS	RATE	AMOUNT
R. M Watt	Partner	18.50	275.00	\$5,087.50
R. Cowden	Of Counsel	0.50	235.00	\$117.50
M. M Stephens	Paralegal	2.90	90.00	\$261.00

*PLEASE INDICATE INVOICE NUMBER 190585 ON PAYMENT

STOLL, KEENON & PARK, LLP
300 West Vine Street
Suite 2100
Lexington, Kentucky 40507-1801
(859) 231-3000
Tax Id # 61-0421389
 July 6, 2004

Delta Natural Gas Company, Inc.
 Attn: Glenn R. Jennings, President
 3617 Lexington Road
 Winchester, KY 40391

INVOICE NO.: 191747
 SKP File No.: 5522/116666

Please Remit Payment by: 07/26/04

MATTER NAME: 2004 Rate Case

TOTAL FEES FOR PROFESSIONAL SERVICES PER ATTACHED	6,627.50
<i>PROFESSIONAL COURTESY DISCOUNT</i>	<i>(662.75)</i>
TOTAL CHARGES FOR EXPENSES AND OTHER SERVICES PER ATTACHED	<u>39.23</u>
INVOICE TOTAL	<u>\$ 6,003.98</u>
TOTAL BALANCE DUE	<u><u>\$6,003.98</u></u>

AP for 6/04
 Payable 7/04
 Ch not issued @ 7/3/04
 mjc

Ⓟ

BILL DATE: July 6, 2004

Delta Natural Gas Company, Inc.
 Attn: Glenn R. Jennings, President
 3617 Lexington Road
 Winchester, KY 40391

DATE	IND	DESCRIPTION OF SERVICE	HOURS	RATE	AMOUNT
06/02/04	RMW	Review files and direct attention to brief issues	1.00	275.00	\$ 275.00
06/03/04	RMW	Review material re rate case issues and proof; e-mail to Brown	2.00	275.00	550.00
06/04/04	RMW	Review testimony and discovery	2.00	275.00	550.00
06/08/04	RMW	Tel Garcia, Blackford, Hall re omitted attachment; review file; examine attachment; draft notice of filing and letter to O'Donnell	1.80	275.00	495.00
06/09/04	RMW	Review responses to data requests	1.50	275.00	412.50
06/10/04	RMW	Examine Staff Third Data Request and AG supp data requests; tel Howard, Mitchell, King; draft responses to data requests; review responses to earlier data requests; research PSC orders	4.00	275.00	1,100.00
06/14/04	RMW	Tel Hall, Carpenter, Mitchell; revise data request response drafts; review files	1.50	275.00	412.50
06/15/04	RMW	Revise discovery responses; tel Hall, Brown	1.00	275.00	275.00
06/16/04	RMW	Work on discovery matters	3.50	275.00	962.50
06/17/04	RMW	Work on discovery issues	1.00	275.00	275.00

06/18/04	RMW	Work on discovery responses	2.00	275.00	550.00
06/21/04	RMW	Tel Hall	0.20	275.00	55.00
06/22/04	RMW	Tel Hall; arrange for filing responses to data requests; letter to O'Donnell; examine data request responses	1.00	275.00	275.00
06/23/04	RMW	Tel Blackford and Brown and Delta officc re discovery issue	0.80	275.00	220.00
06/24/04	RMW	Tel Brown	0.30	275.00	82.50
06/30/04	RMW	Examine PSC filings; tel Jennings	0.50	275.00	137.50
		SUBTOTAL	24.10		\$6,627.50

DISBURSEMENTS AND SERVICE CHARGES

DATE	DESCRIPTION	AMOUNT
06/08/04	Duplicating Charges	4.10
06/08/04	Telephone Expense	3.04
06/08/04	Telephone Expense	0.38
06/10/04	Telephone Expense	0.38
06/10/04	Telephone Expense	0.38
06/18/04	Travel Expense	14.60
06/18/04	Duplicating Charges	4.70
06/22/04	Duplicating Charges	0.70
06/25/04	Travel Expense	10.95
	SUBTOTAL	39.23
GRAND TOTAL:		\$6,003.98

ATTORNEY/PARALEGAL SUMMARY

TIMEKEEPER	RANK	HOURS	RATE	AMOUNT
R. M Watt	Partner	24.10	275.00	\$6,627.50



DUPLICATE INVOICE

Ch# 222442 6/21 slot

THANKS FOR YOUR ORDER
If you have any questions or problems, just call us
TOLL FREE 1-800-246-6111

Aging Date 5/18/04

YOUR ACCT NO	DATE	INVOICE NO.	YOUR ORDER NO.	DATE ENTERED	DATE SHIPPED	DELIVERY BY	ORDR	WT
5032173	5/17/04	823392345	N/A	5/17/04	5/18/04	ODP / UPS	3	84

SOLD TO: Delta Natural Gas Co Inc
3617 Lexington Rd
Winchester KY 40391 9797

SHIPPED TO: Delta Natural Gas Co Inc
3617 Lexington Rd
Winchester KY 40391 9797

Emily Bennett

DESCRIPTION	CATALOG NUMBER	QTY. SHED	UNIT	LIST PRICE	YOUR COST	AMOUNT
INDEX MAKER 8 TAB	G08-LSK-8	32	PK	34.43	25.230	809.28
SIDE TAB INDEX SET 1-25	G08-11370	40	ST	9.00	5.760	230.40
SIDE TAB INDEX SET 26-50	G08-11372	36	ST	9.00	5.760	207.36
SIDE TAB INDEX SET 51-75	G08-11396	25	ST	9.00	5.760	144.00
ACCOPRESS REPORT CVR BK	G08-80-2507	50	EA	2.90	2.090	104.50

Note case - supplies

TERMS: Net 30 days

* Indicates this item is backordered and will ship within 5 days.

TOTAL VALUE AT LIST PRICE	YOU SAVED THIS AMOUNT
2155.76	660.22

MOSE. TOTAL	TAX	DELIVERY	HANDLING	PAID IN ADVANCE
1495.54	89.82	FREE	1.48	

AMOUNT DUE
1586.84

To return amount, please register in original box and insert our packing slip or copy of this invoice. Please note problems to us very soon upon or replacement. Shipping you prefer. Please do not ship return. Please do not return furniture or machines until you call us first for instructions. Shortage or damage must be reported within 5 days after delivery.

▲ DETACH AT PERFORATION ▲

CUSTOMER NAME
Delta Natural Gas Co Inc

YOUR VIKING ACCT. NO. 5032173
INVOICE NUMBER 823392345
INVOICE DATE 5/17/04
INVOICE AMOUNT 1586.84

AMOUNT ENCLOSED

Please send your Check To:

VIKING OFFICE PRODUCTS
PO Box 30488
Los Angeles, CA 90030-0488

Please return this stub with your payment to insure prompt credit to your account.

Please DO NOT Staple or Fold, Thank You.



Ch# 222719
Original Invoice

THANKS FOR YOUR ORDER.

If you have any questions or problems, just call us

TOLL FREE 1-800-248-6111

CUSTOMER SERVICE CENTER
HAMILTON OH 45011

Invoice Number 823466551-000

Order Summary

Shipping Address

00001
Delta Natural Gas Co Inc
3617 Lexington Rd
Winchester KY 40391-9797

Billing Address

00001
Delta Natural Gas Co Inc
3617 Lexington Rd
Winchester KY 40391-9797

Customer Information

Customer#: 5032173
Contact: Emily Bennett
Phone#: 859-744-6171

Comments

Carton Count 1

7/5
6/04

Additional Information

PO # EMILY
Route/Stop/Door: 0004/000/033
Order Date: 10-Jun-2004
Delivery Date: 11-Jun-2004

Item Details

Line	Quantity			Item Number	Description	Units	List Price	Unit Price	Total
	Ordered	Shipped	Back Ordered						
1	50	50	0	G08-11370	SIDE TAB INDEX SET 1-25	ST	9.000	5.76	288.000
2	25	25	0	G08-11372	SIDE TAB INDEX SET 26-50	ST	9.000	5.76	144.000
3	50	50	0	G08-BG-2507	ACCOPRESS REPORT CVR BK	EA	2.900	2.09	104.500
<i>rate case supplies</i>									

TERMS: Net 30 days

TOTAL VALUE AT LIST PRICE	YOU SAVED THIS AMOUNT	MDSE. TOTAL	TAX	DELIVERY	HANDLING	PAID IN ADVANCE	AMOUNT DUE
820.00	283.50	536.50	32.28	FREE	1.48	0.00	9c 570.26

To return supplies, please repack in original box and insert our packing list, or copy of this invoice. Please note problem so we may issue credit or replacement, whichever you prefer. Please do not ship collect. Please do not return furniture or machines until you call us first for instructions. Shortage or damage must be reported within 5 days after delivery.

DETACH AT PERFORATION

CUSTOMER NAME	YOUR VIKING ACCT. NO.	INVOICE NUMBER	INVOICE DATE	INVOICE AMOUNT	AMOUNT ENCLOSED
Delta Natural Gas Co Inc	05032173	823466551000	06/11/04	570.26	
CIN 050321736 8234665510001 00000057026 1 0					

Please Send Your Check to: Viking Office Products
PO Box 30488
Los Angeles, CA, 90030-0488

Please return this stub with your payment to ensure prompt credit to your account.

Please DO NOT staple or fold, Thank you.

DELTA NATURAL GAS CO., INC. AND SUBSIDIARIES
Manual Journal Entries Edit

Batch: JE103

Reference: JE103 RECLASS RATE CASE EXPENSE-SUPPLIES Reversing Entries- NO
Date: 5/31/2004

Seq	D i s t r i b u t i o n	A m o u n t
1	G/L # - 1.921.0500 SMALL SUPPLY ITEMS Note - COPY PAPER EXPENSE FOR RATE CASE	784.16CR
2	G/L # - 1.186.1100 UNAMORTIZED RATE CASE 2003 Note - COPY PAPER EXPENSE FOR RATE CASE	784.16

Comment - ESTIMATED USE OF COPY PAPER IS 26 CARTONS AVERAGE COST \$28.45 PER CARTON + \$1.71 SALES TAX = \$30.16/CARTON
SEE BACKUP DOCUMENTATION FOR COPIES OF INVOICES.
25 COPIES OF DATA WERE MADE OF THE ORIGINAL FILING THROUGH
NEXT TO LAST RESPONSE OF DATA REQUESTS = 25 CARTONS. ALL
DATA FOR FILING LAST RESPONSE WAS APPROXIMATELY 5,000 COPIES
INCLUDING PAPER USED IN PREPARATION OF DATA = 1 CARTON =
TOTAL 26 CARTONS OF PAPER. MJC

Grand Total .00 **

-- Batch is in Balance --

Memo

MC *Copy*

To: File

From: Marian Carpenter

Date: June 22, 2004

Re: Rate Case Expense 2004-00067 – Estimated cost of paper used

Copy paper is purchased from 2 suppliers. The cost of paper purchased from Rees Office is \$24.99 per carton and the cost from Chapman Printing is \$31.90 per carton with an average of \$28.45/carton.

Estimated use of copy paper is 26 cartons.

\$28.45	Average cost per carton
<u>+ 1.71</u>	Sales tax 6%
\$30.16	Total Cost per carton
<u>26</u>	Cartons
<u>\$784.16</u>	Total Estimated Cost to book to Rate Case Expense AC 1.186.11

How estimate of copies calculated – 25 copies of all data were made of the original filing through next to the last response to data requests = 25 cartons. All data for the last response required approximately 5,000 copies, including paper used in preparation of data = 1 carton, making a total of 26 cartons.

06/16/04

265311-0

DATE

NUMBER

REES OFFICE PRODUCTS
-MAILREESOP@MISNET
16 S. MAPLE STREET
WINCHESTER KY 40391
CUSTOMER # 6171 DEPT
BILLING ADDRESS
DELTA NATURAL GAS

859-744-4785

SALESMAN 2 TIME 08:21:17
WRITER 106 PAGE 1
FEDERAL #61-1014432
PO #

CHARGE
INVOICE
ROUTE # WRAP

SHIPPING ADDRESS
DELTA NATURAL GAS

3617 LEXINGTON ROAD
WINCHESTER KY 40391

3617 LEXINGTON ROAD
WINCHESTER KY 40391

EM NUMBER	CO. DESCRIPTION	ORDER	BACK	SHIP	REG.	DISC D	NET	EXTENDED
		QTY	QTY	QTY	PRICE	% T	PRICE	PRICE
200	UNV PAPER, XERO/DUP, WE, LTR, 2 THIS IS A REBILL PER RB	10		10	99.950 CT	75.0 N	24.990	249.90

See original # 264598-0
Regular price billed instead
of contract price. Also
see credit # 265310-0.

CHECK OUT OUR WEB SITE: WWW.REESOP.COM
TOTAL INVOICE DISCOUNT IS \$ 749.60 FOR 75.0%

SUB-TOTAL 249.90

TAX 15.00

TOTAL 264.90

This Vendors Cost per Carton
mgc

C CHAMPION INDUSTRIES, INC.

SHIP TO:

DELTA NATURAL GAS
3617 LEXINGTON RD.
(D0640)
WINCHESTER KY 40391

REMIT TO:

Chapman Printing Co., Inc.
890 Russell Cave Road
P.O. Box 12370
Lexington KY 40583

859-252-2661

SOLD TO:

DELTA NATURAL GAS
3617 LEXINGTON ROAD
WINCHESTER KY 40391-9797

INVOICE NO.	INVOICE DATE	CUSTOMER NO.
A4189EA-00	2/27/04	L 640

Page 1

SALESMAN		PURCHASE ORDER NO.		SALES TYPE			TERMS		
87				CHARGE			NET 30 DAYS		
LINE #	STOCK NO.	QTY. ORDERED	QTY. B.O.	DESCRIPTION	QTY. SHIPPED	U/M	PRICE	TAX	AMOUNT
1	41665	60		CORD LX2011WE COPY PAPER, 8.5X11, WE	60	RM	3.190	* T	191.40
				<p><i>Carton = 10 reams</i></p> <p><i>* 3.19 x 10 = 31.90 / Carton</i></p> <p><i>This Vendor cost / carton</i></p>					
				<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: auto;"> <p>RECEIVED</p> <p>MAR 03 2004</p> </div>					
		NONTAXABLE		TAXABLE		SALES TAX		TOTAL INVOICE	
				191.40		11.48		PLEASE PAY THIS AMOUNT 5 202.88	

C THE CHAPMAN PRINTING CO.
A DIVISION OF CHAMPION INDUSTRIES, INC.

Stationer S
A DIVISION OF CHAMPION INDUSTRIES, INC.

BOURQUE PRINTING, INC.
A DIVISION OF CHAMPION INDUSTRIES, INC.

Garrison Brewer
A DIVISION OF STATIONERS, INC.

CHAMPION INDUSTRIES JACKSON
A DIVISION OF CHAMPION INDUSTRIES, INC.

SSS Carolina Cut Sheets
A DIVISION OF CHAMPION INDUSTRIES, INC.

CHAMPION CLARKSBURG
A DIVISION OF STATIONERS, INC.

US TAG
A DIVISION OF CHAMPION INDUSTRIES, INC.

DG Donihe Graphics
A DIVISION OF CHAMPION INDUSTRIES, INC.

UPTON PRINTING
A DIVISION OF BOURQUE PRINTING, INC.

Smiths Butterfield
A DIVISION OF CHAMPION INDUSTRIES, INC.

DIEZ OFFICE SUPPLY
A DIVISION OF STATIONERS, INC.

ORIGINAL INVOICE