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PUBLIC SERVICE
COMMISSION

Delta Natural Gas Company, Inc.

3617 Lexington Road
Winchester, Kentucky 40391-9797

Phone: 606-744-6171
Fax: 606-744-3623

December 20, 2004

Ms. Beth O'Donnell
Executive Director
Public Service Commission
P O Box 615
Frankfort, KY 40602

Dear Ms. O'Donnell:

2004-00517

Enclosed is 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 February 1, 2005

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
Director - Rates & Treasury

2004-00517

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PUBLIC SERVICE
COMMISSION

GAS COST
RECOVERY RATE CALCULATION

Date Filed	12/20/04
Date to be Effective	2/01/05

GAS COST RECOVERY CALCULATION

COST RECOVERY RATE EFFECTIVE FEBRUARY 1, 2005		
PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	7.5529
SUPPLIER REFUND (RA)	\$/MCF	-
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.3710
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.0096)
GAS COST RECOVERY RATE (GCR)	\$/MCF	<u>7.9143</u>

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
PRIMARY GAS SUPPLIERS (SCHEDULE II)	\$	12,590,013
UTILITY PRODUCTION	\$	-
INCLUDABLE PROPANE	\$	-
TOTAL QUARTERLY EXPECTED GAS COST	\$	12,590,013
TOTAL ESTIMATED SALES FOR QUARTER	MCF	<u>1,666,904</u>
EXPECTED GAS COST (EGC) RATE	\$/MCF	<u>7.5529</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	(0.0671)
PREVIOUS QUARTER	\$/MCF	0.3192
SECOND PREVIOUS QUARTER	\$/MCF	(0.8271)
THIRD PREVIOUS QUARTER	\$/MCF	<u>0.9460</u>
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>0.3710</u>

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
BALANCE ADJUSTMENT AMOUNT (SCHEDULE V)	\$	(16,043)
ESTIMATED SALES FOR QUARTER	MCF	<u>1,666,904</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>(0.0096)</u>

MCF PURCHASES FOR THREE MONTHS BEGINNING
February 1, 2005
AT SUPPLIERS COSTS EFFECTIVE
February 1, 2005

Supplier	MCF Purchases	DTH Conv Factor	Rates (\$)	Quarterly Cost	Rate Increase (I)/ Reduction (R)
TENNESSEE GAS PIPELINE PIPELINE (SCH II, PAGE 2 OF 2)				583,930	
ATMOS ENERGY MARKETING COLUMBIA GAS TRANSMISSION PIPELINE (SCH II, PAGE 2 OF 2)	554,771	1.036	7.1100	4,086,421	I
ATMOS ENERGY MARKETING COLUMBIA GULF TRANSMISSION	255,017	1.029	7.1100	1,865,753	I
M&B GAS SERVICES	128,977	1.030	6.9800	927,267	N
KENTUCKY PRODUCERS CNR	24,638		9.4500	232,829	I
STORAGE	<u>703,501</u>		6.4548	<u>4,540,958</u>	I
TOTAL	<u>1,666,904</u>			<u>12,590,013</u>	

COMPANY USAGE 25,004

TENNESSEE GAS PIPELINE RATES EFFECTIVE 2/01/05

	DTH	FIXED OR		RATES	ANNUAL	
	VOLUMES	VARIABLE			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.	121,180	V	6.	\$0.0899	\$10,894
FT-G COMMODITY RATE - ZONE 1-2	7.	325,813	V	8.	\$0.0795	\$25,902
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.	\$0.0549	\$787
FUEL & RETENTION - ZONE 0-2	21.	142,624	V	22.	\$0.3367	\$48,015
FUEL & RETENTION - ZONE 1-2	23.	417,793	V	24.	\$0.2799	\$116,934
FUEL & RETENTION - ZONE 3-2	25.	14,326	V	26.	\$0.0833	\$1,194
SUB-TOTAL						\$491,799
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.	\$0.1060	\$4,949
SUB-TOTAL						\$28,574
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.	\$0.1060	\$10,272
SUB-TOTAL						\$63,557
TOTAL TENNESSEE GAS PIPELINE CHARGES						\$583,930

COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 2/01/05

GTS COMMODITY RATE	47.	262,412	V	48.	\$0.7839	\$205,705
FUEL & RETENTION	49.	262,412	V	50.	\$0.3840	\$100,757
TOTAL COLUMBIA GAS TRANSMISSION CHARGES						\$306,462

COLUMBIA GULF CORPORATION RATES EFFECTIVE 2/01/05

FTS-1 RESERVATION RATE	51.	13,134	F	52.	\$3.1450	\$41,306
FTS-1 COMMODITY RATE	53.	262,412	V	54.	\$0.0189	\$4,960
FUEL & RETENTION	55.	262,412	V	56.	\$0.0005	\$127

TOTAL COLUMBIA GULF CORPORATION CHARGES **\$46,393**

TOTAL PIPELINE CHARGES **\$936,786**

SUPPLIER REFUND ADJUSTMENT
 DETAIL FOR THE THREE MONTHS ENDED
 October 31, 2004

Particulars	Unit	Amount
SUPPLIERS REFUNDS RECEIVED (1)	\$	0
INTEREST FACTOR (2)		1.0042
REFUND ADJUSTMENT INCLUDING INTEREST	\$	0
SALES TWELVE MONTHS ENDED October 31, 2004	MCF	3,894,567
CURRENT SUPPLIER REFUND ADJUSTMENT	\$/MCF	0.0000

(1) Suppliers Refunds Received	Date Received	Amount
Total		0.00

(2) Interest Factor			
RESULT OF PRESENT VALUE	1.2661540	-0.5 =	0.766154

**ACTUAL ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
October 31, 2004**

Particulars	Unit	For the Month Ended		
		Aug-04	Sep-04	Oct-04
SUPPLY VOLUME PER BOOKS				
PRIMARY GAS SUPPLIERS	MCF	32,762	138,431	40,705
UTILITY PRODUCTION	MCF	-	-	-
INCLUDABLE PROPANE	MCF	-	-	-
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	<u>32,762</u>	<u>138,431</u>	<u>40,705</u>
SUPPLY COST PER BOOKS				
PRIMARY GAS SUPPLIERS	\$	342,216	864,966	389,831
UTILITY PRODUCTION	\$	-	-	-
INCLUDABLE PROPANE	\$	-	-	-
OTHER COST (SPECIFY)	\$	-	-	-
TOTAL	\$	<u>342,216</u>	<u>864,966</u>	<u>389,831</u>
SALES VOLUME				
JURISDICTIONAL	MCF	63,646	85,303	82,073
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	<u>63,646</u>	<u>85,303</u>	<u>82,073</u>
UNIT BOOK COST OF GAS				
EGC IN EFFECT FOR MONTH	\$	5.3769	10.1399	4.7498
RATE DIFFERENCE	\$	(2.6670)	2.0960	(3.2941)
MONTHLY SALES	MCF	<u>63,646</u>	<u>85,303</u>	<u>82,073</u>
MONTHLY COST DIFFERENCE	\$	<u>(169,744)</u>	<u>178,795</u>	<u>(270,357)</u>
Three Month Period				
COST DIFFERENCE FOR THE THREE MONTHS	\$			(261,306)
TWELVE MONTHS SALES FOR PERIOD ENDED	MCF			<u>3,894,567</u>
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF			<u>(0.0671)</u>

DELTA NATURAL GAS COMPANY, INC.

SCHEDULE V

EXPECTED GAS COST BALANCE ADJUSTMENT
 DETAIL FOR THE THREE MONTHS ENDED
 October 31, 2004

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	\$	166,753
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF 0.0394 \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF 3,894,567 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>153,446</u>
BALANCE ADJUSTMENT FOR THE AA	\$	<u>13,307</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 3,894,567	\$	-
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	\$	(62,248)
LESS: DOLLAR AMOUNT RESULTING FROM THE BA OF (0.1424) \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL MCF SALES OF 231,022 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	\$	<u>(32,898)</u>
BALANCE ADJUSTMENT FOR THE BA	\$	<u>(29,350)</u>
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	<u>(16,043)</u>

COMPUTATION OF CNR PRICE EFFECTIVE 2/01/05 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY, 2005 THRU APRIL, 2005

WEIGHTED AVERAGE PRICE W/ ADD-ON \$9.45 per MCF

COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 2/01/05 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY, 2005 THRU APRIL, 2005 (TGP)

WEIGHTED AVERAGE PRICE W/ ADD-ON \$7.11 per MMBtu dry

COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 2/01/05 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY, 2005 THRU APRIL, 2005 (TCO)

WEIGHTED AVERAGE PRICE W/ ADD-ON \$7.11 per MMBtu dry

COMPUTATION OF M&B PRICE EFFECTIVE 2/01/05 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY, 2005 THRU APRIL, 2005

WEIGHTED AVERAGE PRICE W/ ADD-ON \$6.98 per MMBtu dry

TGP SUPPLIED AREAS PURCHASE PROFILE:

12/14/2004

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2005	264,321	273,837	\$7.298	(\$0.060)	\$1,982,028.99
March	204,165	211,515	\$7.255	(\$0.060)	\$1,521,849.99
April	<u>86,285</u>	<u>89,391</u>	\$6.605	(\$0.060)	<u>\$585,065.80</u>
	554,771	574,743			\$4,088,944.78
FIXED PRICE		0			\$0.00
FIXED PRICE		0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:				<u><u>\$7.11</u></u>	

COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2005	120,262	123,750	\$7.298	(\$0.07)	\$894,462.09
March	96,534	99,333	\$7.255	(\$0.07)	\$713,711.10
April	<u>38,221</u>	<u>39,329</u>	\$6.605	(\$0.07)	<u>\$257,017.69</u>
	255,017	262,412			\$1,865,190.88
FIXED PRICE		0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:				<u><u>\$7.11</u></u>	

COLUMBIA NATURAL RESOURCES SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	NYMEX \$ PER DTH	ADD-ON PER DTH	BTU ADJUSTMENT	TOTAL
February 2005	10,575	\$7.298	\$0.75	1.2	\$102,129.12
March	8,471	\$7.255	\$0.75	1.2	\$81,372.43
April	<u>5,592</u>	\$6.605	\$0.75	1.2	<u>\$49,354.99</u>
	24,638				\$232,856.54
WEIGHTED AVERAGE PRICE PER MCF:					<u><u>\$9.45</u></u>

COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2005	0	0	\$7.298	\$0.37	\$0.00
March	0	0	\$7.255	\$0.37	\$0.00
April	<u>128,977</u>	<u>133,491</u>	\$6.605	\$0.37	<u>\$931,101.09</u>
	128,977	133,491			\$931,101.09
FIXED PRICE		0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:				<u><u>\$6.98</u></u>	

FOR All Service Areas
P.S.C. NO. 10
Second Revised SHEET NO. 2
CANCELLING P.S.C. NO. 10
First 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. 16.

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	\$ 9.80		\$ 9.80	
All Mcf	\$ 4.1592	\$ 7.9143	\$ 12.0735/Mcf	(I)

** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 12 and 13 of this tariff.

DATE OF ISSUE December 20, 2004 DATE EFFECTIVE February 1, 2005 (Final Meter Reads)
ISSUED BY Glenn R. Jennings TITLE President
Name of Officer
Issued by authority of an Order of the Public Service Commission of KY in
CASE NO. _____ DATED _____

	FOR	All Service Areas
<u>DELTA NATURAL GAS COMPANY, INC.</u>	P.S.C. NO.	10
Name of Issuing Corporation	Second Revised	SHEET NO. 3
	CANCELLING P.S.C. NO.	10
	First Revised	SHEET NO. 3

CLASSIFICATION OF SERVICE
RATE SCHEDULES

SMALL NON-RESIDENTIAL GENERAL SERVICE *

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 16.

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	\$ 20.00		\$ 20.00
All Mcf	\$ 3.7950	\$ 7.9143	\$ 11.7093/Mcf (I)

TERMS AND CONDITIONS

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

* Meter no larger than AL425

** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 10 and 11 of this tariff.

DATE OF ISSUE December 20, 2004 DATE EFFECTIVE February 1, 2005 (Final Meter Reads)

ISSUED BY Glenn R. Jennings TITLE President
Name of Officer

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. 10
Second Revised SHEET NO. 4
CANCELLING P.S.C. NO. 10
First Revised SHEET NO. 4

CLASSIFICATION OF SERVICE

RATE SCHEDULES

LARGE NON-RESIDENTIAL GENERAL SERVICE *

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 16.

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> +	<u>Gas Cost Recovery Rate (GCR) **</u>	=	<u>Total Rate</u>	
Customer Charge	\$ 72.00			\$ 72.00	
.1 - 200 Mcf	\$ 3.7950	\$ 7.9143		\$ 11.7093/Mcf	(I)
200.1 - 1000 Mcf	\$ 2.1461	\$ 7.9143		\$ 10.0604/Mcf	(I)
1000.1 - 5000 Mcf	\$ 1.3500	\$ 7.9143		\$ 9.2643/Mcf	(I)
5000.1 - 10000 Mcf	\$ 0.9500	\$ 7.9143		\$ 8.8643/Mcf	(I)
Over 10,000 Mcf	\$ 0.7500	\$ 7.9143		\$ 8.6643/Mcf	(I)

TERMS AND CONDITIONS

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

* Meter larger than AL425

** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 10 and 11 of this tariff.

DATE OF ISSUE December 20, 2004 DATE EFFECTIVE February 1, 2005 (Final Meter Reads)

ISSUED BY Glenn R. Jennings TITLE President

Name of Officer

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. 10
Second Revised SHEET NO. 5
CANCELLING P.S.C. NO. 10
First Revised SHEET NO. 5

CLASSIFICATION OF SERVICE
RATE SCHEDULES

INTERRUPTIBLE SERVICE

APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 16.

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	\$250.00		\$250.00	
.1 - 1000 Mcf	\$ 1.6000	\$ 7.9143	\$ 9.5143/Mcf	(I)
1000.1 - 5000 Mcf	\$ 1.2000	\$ 7.9143	\$ 9.1143/Mcf	(I)
5000.1 - 10000 Mcf	\$ 0.8000	\$ 7.9143	\$ 8.7143/Mcf	(I)
Over 10,000 Mcf	\$ 0.6000	\$ 7.9143	\$ 8.5143/Mcf	(I)

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. 2. 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 underdeliveries of transportation gas to Delta's system, and/or requests to revert to the General Service or Interruptible Service rate schedule,

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