COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DELTA NATURAL GAS COMPANY, INC. FOR AN ADJUSTMENT OF RATES

CASE NO. 2007-00089

<u>order</u>

On April 20, 2007, Delta Natural Gas Company, Inc. ("Delta") submitted an application to the Commission requesting authority to adjust its rates utilizing a historic test period. The application met all filing requirements and was declared filed on April 20, 2007.

Delta proposed that its rates become effective on May 20, 2007. Based on a review of Delta's rate application, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that the investigation cannot be completed by May 20, 2007. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed rates for 5 months.

IT IS THEREFORE ORDERED that:

1. Pursuant to KRS 278.190(2), Delta's proposed rates are suspended up to and including October 19, 2007.

2. The procedural schedule set forth in Appendix A, which is attached hereto and incorporated herein, shall be followed.

3. a. Responses to requests for information shall be appropriately indexed and shall include the name of the witness responsible for responding to the questions related to the information provided, with copies to all parties of record and 9 copies to the Commission.

b. Each response shall be under oath or, for representatives of a public or private corporation, a partnership, an association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. A party shall make timely amendment to any prior response if it obtains information upon the basis of which it knows that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which a party fails to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to furnish.

4. Any party filing testimony shall file an original and 12 copies.

5. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

6. The Commission does not look favorably upon motions for continuance. Accordingly, motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

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7. Nothing contained herein shall prevent the Commission from entering

further Orders in this matter.

Done at Frankfort, Kentucky, this 15th day of May, 2007.

PUBLIC SERVICE COMMISSION

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For the Commission

ATTEST

Executive Director

APPENDIX A

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APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2007-00089 DATED May 15, 2007.

All initial requests for information to Delta shall be filed no later than)7/07
Delta shall file responses to initial requests for information no later than06/2	28/07
All supplemental requests for information to Delta shall be filed no later than07/1	17/07
Delta shall file responses to supplemental requests for information no later than07/3	31/07
Intervenor testimony, if any, in verified prepared form shall be filed no later than08/1	14/07
All requests for information to Intervenors shall be filed no later than	29/07
Intervenors shall file responses to request for information no later than	13/07
Delta shall file rebuttal testimony, in verified form no later than	25/07
Public Hearing is to begin at 9:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of Delta and Intervenors	03/07
Briefs, if any, shall be filed by	