

Delta Natural Gas Company, Inc.



3617 Lexington Road Winchester, Kentucky 40391-9797

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

December 16, 2008

Ms. Stephanie Stumbo Executive Director Public Service Commission P O Box 615 Frankfort, KY 40602

Dear Ms. Stumbo:

DEC 1 7 2008

2008-540

Enclosed are 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 with the first billing cycle of February 2009 which includes meters read on and after January 26, 2009.

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

Manager - Corporate & Employee Services

RECEIVED
DEC 1 7 2008

PUBLIC SERVICE COMMUNICATION

GAS COST

2008-540

RECOVERY RATE CALCULATION

Date Filed

12/17/08

Date to be Effective

1/26/09

GAS COST RECOVERY CALCULATION

COST RECOVERY RATE EFFECTIVE JANUARY 26, 2009					
COST RECOVERT RATE EFFECTIVE SAIVO	111 20, 2009				
PARTICULARS	UNIT	AMOUNT			
EXPECTED GAS COST (EGC)	\$/MCF	8.3350			
SUPPLIER REFUND (RA)	\$/MCF	0.0000			
ACTUAL ADJUSTMENT (AA)	\$/MCF	3.3843			
BALANCE ADJUSTMENT (BA)	\$/MCF	0.0282			
GAS COST RECOVERY RATE (GCR)	\$/MCF	11.7475			
EXPECTED GAS COST SUMMARY CALCU	JLATION				
PARTICULARS	UNIT	AMOUNT			
PRIMARY GAS SUPPLIERS (SCHEDULE II)	ф	10 451 000			
UTILITY PRODUCTION	\$	12,471,288			
INCLUDABLE PROPANE	\$ \$	-			
INCHODADDE I NOI AINE		10.471.000			
TOTAL ESTIMATED SALES FOR QUARTER	\$ MCE	12,471,288			
·	MCF	1,496,253			
EXPECTED GAS COST (EGC) RATE	\$/MCF	8.3350			
SUPPLIER REFUND ADJUSTMENT SUMMARY	CALCULATION	1			
PARTICULARS	UNIT	AMOUNT			
CURRENT QUARTER (SCHEDULE III)	\$/MCF	_			
PREVIOUS QUARTER	\$/MCF	-			
SECOND PREVIOUS QUARTER	\$/MCF	_			
THIRD PREVIOUS QUARTER	\$/MCF	-			
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF				
ACTUAL ADJUSTMENT SUMMARY CALC	HATION				
PARTICULARS	UNIT	AMOUNT			
CURRENT QUARTER (SCHEDULE IV)	\$/MCF	0.9686			
PREVIOUS QUARTER	\$/MCF	1.3499			
SECOND PREVIOUS QUARTER	\$/MCF	(0.6555)			
THIRD PREVIOUS QUARTER	\$/MCF	1.7213			
ACTUAL ADJUSTMENT (AA)	\$/MCF	3.3843			
BALANCE ADJUSTMENT SUMMARY CALC	ULATION				
PARTICULARS	UNIT	AMOUNT			
BALANCE ADJUSTMENT AMOUNT (SCHEDULE V)	\$	40 001			
ESTIMATED SALES FOR QUARTER	$\stackrel{\Phi}{ ext{MCF}}$	$\begin{array}{r} 42,201 \\ 1,496,253 \end{array}$			
BALANCE ADJUSTMENT (BA)	\$/MCF	0.0282			
	ф/1/1СГ	0.0262			

DELTA NATURAL GAS COMPANY, INC.

SCHEDULE II PAGE 1 OF 2

MCF PURCHASES FOR THREE MONTHS BEGINNING February 1, 2009 AT SUPPLIERS COSTS EFFECTIVE February 1, 2009

Supplier	MCF Purchases	DTH Conv Factor	Rates (\$)	Quarterly Cost	Rate Increase (I)/ Reduction (R)
TENNESSEE GAS PIPELINE					
PIPELINE (SCH II, PAGE 2 OF 2)				527,879	
ATMOS ENERGY MARKETING	509,560	1.036	5.4900	2,898,194	R
COLUMBIA GAS TRANSMISSION				•	
PIPELINE (SCH II, PAGE 2 OF 2)				315,765	
ATMOS ENERGY MARKETING	249,139	1.029	5.4700	1,402,311	R
COLUMBIA GULF TRANSMISSION					
M&B GAS SERVICES	110,842	1.035	6.1100	700,948	R
KENTUCKY PRODUCERS				,	
CHESAPEAKE	19,265		7.5600	145,643	R
STORAGE	607,447		10.6685	6,480,548	R
TOTAL	1,496,253			12,471,288	

COMPANY USAGE 22,444

TENNESSEE GAS PIPELINE RATES EFFECTIVE 2/01/09

		DTH	FIXED OR			ANNUAL
		VOLUMES	VARIABLE		RATES	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.	108,482	V	6.	\$0.0899	\$9,753
FT-G COMMODITY RATE - ZONE 1-2	7.	291,672	V	8.	\$0.0795	\$23,188
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	٧	16.	\$0.0899	\$1,928
FT-A COMMODITY RATE - ZONE 1-2	17.	91,980	V	18.	\$0.0794	\$7,303
FT-A COMMODITY RATE - ZONE 3-2	19.	14,326	V	20.	\$0.0549	\$787
FUEL & RETENTION - ZONE 0-2	21.	129,925	V	22.	\$0.2596	\$33,726
FUEL & RETENTION - ZONE 1-2	23.	383,652	٧	24.	\$0.2158	\$82,795
FUEL & RETENTION - ZONE 3-2	25.	14,326	V	26.	\$0.0643	\$921
SUB-TOTAL						\$439,233
FS-PA DELIVERABILITY RATE	27	4.570	-			
FS-PA INJECTION RATE	27. 29.	4,572	F	28.	\$2.02	\$9,235
FS-PA WITHDRAWAL RATE	29. 31.	46,689	V	30.	\$0.0053	\$247
FS-PA SPACE RATE	31. 33.	46,689 560,271	V	32.	\$0.0053	\$247
FS-PA RETENTION	35. 35.	46,689	F V	34.	\$0.0248	\$13,895
TOTALLATION	55.	40,069	V	36.	\$0.0817 _	\$3,816
SUB-TOTAL						\$27,441
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.	\$0.0817	\$7,921
SUB-TOTAL						\$61,205
TOTAL TENNESSEE GAS PIPELINE CHAR	RGES					\$527,879
					=	\$327,079
COLUMBIA GAS TRANSMISSION	RATES	EFFECTIVI	E 2/01/09			
GTS COMMODITY RATE	47.	256,364	V	48.	\$0.7802	\$200,015
FUEL & RETENTION	49.	256,364	٧	50.	\$0.2710	\$69,463
TOTAL COLUMBIA GAS TRANSMISSION (CHARGES	5			_	\$269,478
COLUMBIA GULF CORPORATION	RATES	S EFFECTIV	'E 2/01/09			
FTS-1 RESERVATION RATE	E4	40 404	r	50		
FTS-1 COMMODITY RATE	51. 53.	13,134 256,364	F	52.	\$3.1450	\$41,306
FUEL & RETENTION	53. 55.	256,364 256,364	V	54.	\$0.0189	\$4,845
3 //	J3.	256,364	V	56.	\$0.0005	\$135
TOTAL COLUMBIA GULF CORPORATION	CHARGE	s			==	\$46,287
TOTAL PIPELINE CHARGES					==	\$843,644

SUPPLIER REFUND ADJUSTMENT DETAIL FOR THE THREE MONTHS ENDED October 31, 2008

Unit	Amount
\$	0
	1.0124
\$	0
MCF	3,091,602
\$/MCF	0.0000
	\$ \$ MCF

(1) Suppliers Refunds Received	Date Received	Amount
		-
Total	- -	0.00

(2) Interest Factor		·		
RESULT OF PRESENT VALUE	2.7892310	-0.5 =	2.289231	
				1

ACTUAL ADJUSTMENT DETAIL FOR THE THREE MONTHS ENDED October 31, 2008

	For the Month Ended					
Particulars Particulars	Unit_	Aug-08	Sep-08	Oct-08		
SUPPLY VOLUME PER BOOKS						
PRIMARY GAS SUPPLIERS UTILITY PRODUCTION	MCF MCF	211,113	129,495	240,135		
INCLUDABLE PROPANE	MCF MCF	-	-	-		
OTHER VOLUMES (SPECIFY)	MCF	<u>-</u>	-	-		
TOTAL	MCF	211,113	129,495	240,135		
SUPPLY COST PER BOOKS PRIMARY GAS SUPPLIERS UTILITY PRODUCTION	\$	2,250,374	1,283,421	2,080,417		
INCLUDABLE PROPANE OTHER COST (SPECIFY)	\$ \$ \$	-	-	-		
TOTAL	\$	2,250,374	1,283,421	2,080,417		
SALES VOLUME						
JURISDICTIONAL	MCF	65,432	52,225	56,824		
OTHER VOLUMES (SPECIFY)	MCF					
TOTAL	MCF	65,432	52,225	56,824		
UNIT BOOK COST OF GAS	\$	34.3926	24.5748	90.0110		
EGC IN EFFECT FOR MONTH	φ \$	15.0146	15.0146	36.6116 15.0146		
RATE DIFFERENCE	\$	19.3780	9.5602	21.5970		
MONTHLY SALES	MCF	65,432	52,225	56,824		
MONTHLY COST DIFFERENCE	\$	1,267,941	499,281	1,227,228		
Particulars	Unit			Three Month Period		
COST DIFFERENCE FOR THE THREE MONTHS	\$			2,994,450		
TWELVE MONTHS SALES FOR PERIOD ENDED	MCF			3,091,602		
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF			0.9686		

EXPECTED GAS COST BALANCE ADJUSTMENT DETAIL FOR THE THREE MONTHS ENDED October 31, 2008

Particulars 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	\$	1,251,738
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF 0.3810	•	2,202,100
\$/MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR		
QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR		
TIMES THE JURISDICTIONAL SALES OF 3,091,602		
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	\$	1,177,900
BALANCE ADJUSTMENT FOR THE AA	\$	73,838
	-	
DOLLAR AMOUNT OF SUPPLIER REFUND ADJUSTMENT AS USED		
TO COMPUTE RA OF THE GCR IN EFFECT FOUR QUART-		
ERS 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 3,091,602	\$	_
BALANCE ADJUSTMENT FOR THE RA	\$	-
	·	
DOLLAR AMOUNT OF BALANCE ADJUSTMENT AS USED TO COM-		
PUTE BA OF THE GCR IN EFFECT ONE QUARTER PRIOR		
TO THE CURRENTLY EFFECTIVE GCR	\$	(58,437)
LESS: DOLLAR AMOUNT RESULTING FROM THE BA OF (0.1536)		•
\$/MCF AS USED TO COMPUTE THE GCR IN EFFECT ONE		
QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES		
THE JURISDICTIONAL MCF SALES OF 174,481 FOR		
THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CUR-		
RENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR		
RATE IN EFFECT IMMEDIATELY PRIOR TO THE CURRENT		
RATE	\$	(26,800)
BALANCE ADJUSTMENT FOR THE BA	\$	(31,637)
THOTHAL THAT ANYON AND THORMASTATION AND CONTINUE	_	
TOTAL BALANCE ADJUSTMENT AMOUNT	\$_	42,201

COMPUTATION OF CHESAPEAKE PRICE EFFECTIVE 2/01/09 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY THROUGH APRIL 2009

WEIGHTED AVERAGE PRICE W/ ADD-ON ____\$7.56_ per MCF

COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 2/01/09 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY THROUGH APRIL 2009 (TGP)

WEIGHTED AVERAGE PRICE W/ ADD-ON ____\$5.49 per MMBtu dry

COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 2/01/09 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY THROUGH APRIL 2009 (TCO)

WEIGHTED AVERAGE PRICE W/ ADD-ON ____\$5.47 per MMBtu dry

COMPUTATION OF M&B PRICE EFFECTIVE 2/01/09 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY THROUGH APRIL 2009

WEIGHTED AVERAGE PRICE W/ ADD-ON ____\$6.11_ per MMBtu dry

12/15/2008

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2009	242,880	251,624	\$5.519	(\$0.060)	\$1,373,613.67
March	187,594	194,347	\$5.552	(\$0.060)	\$1,067,355.83
April	<u>79,086</u>	<u>81,933</u>	\$5.612	(\$0.060)	\$454,892.55
	509,560	527,904			\$2,895,862.05
FIXED PRICE		0			\$0.00
FIXED PRICE		0			\$0.00
WEIGHTED AVERA	GE PRICE PER D	TH:	_	+ \$5.49	

COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2009	118,428	121,862	\$5.519	(\$0.07)	\$664,028.28
March	95,021	97,777	\$5.552	(\$0.07)	\$536,011.37
April	<u>35,690</u>	<u>36,725</u>	\$5.612	(\$0.07)	\$203,530.01
	249,139	256,364			\$1,403,569.66
FIXED PRICE		0			\$0.00
WEIGHTED AVERA	AGE: PRICE PER D	TH:		\$5.47	

CHESAPEAKE SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	NYMEX \$ PER DTH	ADD-ON PER DTH	BTU ADJUSTMENT	TOTAL
February 2009	8,332	\$5.519	\$0.75	1.2	\$62,679.97
March	6,851	\$5.552	\$0.75	1.2	\$51,810.00
April	4,082	\$5.612	\$0.75	1.2	\$31,163.62
	19,265				\$145,653,59

WEIGHTED AVERAGE PRICE PER MCF:

\$7.56

COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2009	0	0	\$5.519	\$0.50	\$0.00
March	0	0	\$5.552	\$0.50	\$0.00
April	<u>110,842</u>	<u>114,721</u>	\$5.612	\$0.50	\$701,177.62
	110,842	114,721			\$701,177.62
FIXED PRICE		0			\$0.00
WEIGHTED AVERA	AGE PRICE PER D	TH:		\$6.11	******

FOR	All Se	rvice Are	as	
P.S.C. NO.		11		
Sixth Rev	ised	SHEET	NO.	2
CANCELLING	P.S.C.	NO.	11	
Fifth Rev	ised	SHEET	NO.	2

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 * All Ccf	\$ 15.50 \$ 0.4158	\$ 1.1748	\$ 15.50 \$ 1.5906/Ccf ((D)

- * 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.

DATE OF ISSUE December 16, 2008 DATE EFFECTIVE January 26, 2009(Final Meter Reads)
ISSUED BY Glenn R. Jennings TITLE Chairman of the Board
Name of Officer President and CEO
Issued by authority of an Order of the Public Service Commission of KY in
CASE NO. DATED

FOR	All Servi	ce Are	as	
P.S.C. NO.		11		
Sixth Rev	rised	SHEET	NO.	3
CANCELLING	P.S.C. NO	•	11	
_ Fifth Rev	rised	SHEET	NO.	3

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

	Base Rate +	<pre>Gas Cost Recovery Rate (GCR) ** =</pre>	Total Rate
Customer Charge	\$ 25.00	\$ 1.1748	\$ 25.00
All Ccf	\$ 0.4158		\$ 1.5906/Ccf (D)

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.

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DATE OF ISSUE December 16, 2008 DATE EFFECTIVE January 26, 200	9(Final Motor Poads)
ISSUED BY Glenn R. Jennings TITLE Chairman	- £ +1 D 1
ISSUED BY Glenn R. Jennings TITLE Chairman	of the Board
Name of Offi	
Name of Officer President	and CEO
1100140110	
Issued by authority of an Order of the Public Corrige Commis	adam af MV da
Issued by authority of an Order of the Public Service Commis	Sion of Ki in
CASE NO. DATED	

FOR All	Service Areas	
P.S.C. NO.	11	
Sixth Revised	SHEET NO. 4	
CANCELLING P.S.C	C. NO. 11	
Fifth Revised	SHEET NO. 4	

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

	Base Rate +	Gas Cost Recovery Rate (GCR) ** =	Total Rate	
Customer Charge	\$100.00		\$100.00	
1 - 2000 Ccf	\$ 0.4158	\$ 1.1748	\$ 1.5906/Ccf	(D)
2001 - 10,000 Ccf	\$ 0.2509	\$ 1.1748	\$ 1.4257/Ccf	(D)
10,001 - 50,000 Ccf	\$ 0.1713	\$ 1.1748	\$ 1.3461/Ccf	(D)
50,001 - 100,000 Ccf	\$ 0.1313	\$ 1.1748	\$ 1.3061/Ccf	(D)
Over 100,000 Ccf	\$ 0.1113	\$ 1.1748	\$ 1.2861/Ccf	(D)

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.

DATE OF ISSUE December 16, 2008 DATE EFFECTIVE January 26, 2009(Final Meter Reads)	-
ISSUED BY Glenn R. Jennings TITLE Chairman of the Board	_
Name of Officer President and CEO	_
Issued by authority of an Order of the Public Service Commission of KY in CASE NO	

FOR	All Ser	vice Are	as	
P.S.C. NO.		11		
Sixth Rev	ised	SHEET	NO.	5
CANCELLING	P.S.C. N	0.	11	
Fifth Rev	ised	SHEET	NO.	5

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

		Gas Cost Recovery Rate	
	Base Rate +	$(\underline{GCR}) \star \star =$	Total Rate
Customer Charge	\$250.00		\$250.00
1 - 10,000 Ccf	\$ 0.1600	\$ 1.1748	\$ 1.3348/Ccf (D)
10,001 - 50,000 Ccf	\$ 0.1200	\$ 1.1748	\$ 1.2948/Ccf (D)
50,001 - 100,000 Ccf	\$ 0.0800	\$ 1.1748	\$ 1.2548/Ccf (D)
Over 100,000 Ccf	\$ 0.0600	\$ 1.1748	\$ 1.2348/Ccf (D)

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. 5. 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 under deliveries of transportation gas to Delta's system, and/or requests to

DATE OF ISSUE December 16, 2008 DATE EFFECTIVE	January 26, 2009(Final Meter Reads)
	TITLE Chairman of the Board
Name of Officer	President and CEO
Issued by authority of an Order of the Public CASE NO.	Service Commission of KY in DATED