

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT OF DELTA)
NATURAL GAS) CASE NO. 2008-00540

O R D E R

On October 19, 2007, in Case No. 2007-00089,¹ the Commission approved rates for Delta Natural Gas Company, Inc. ("Delta") and provided for their further adjustment in accordance with Delta's Gas Cost Adjustment ("GCA") clause.

On December 17, 2008, Delta filed its proposed GCA to be effective January 26, 2009. After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Delta's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Delta's notice sets out an Expected Gas Cost ("EGC") of \$8.3350 per Mcf, which is \$1.5027 per Mcf less than the previous EGC of \$9.8377.
3. Delta's notice sets out no current quarter Refund Adjustment ("RA"), which is no change from the previous total RA.

¹ Case No. 2007-00089, Application of Delta Natural Gas Company, Inc. for an Adjustment of Rates.

4. Delta's notice sets out a current quarter Actual Adjustment ("AA") of \$.9686 per Mcf. Delta's total AA is \$3.3843 per Mcf, which is an increase of \$.0662 per Mcf from the previous total AA of \$3.3181.

5. Delta's notice sets out a Balance Adjustment ("BA") of \$.0282 per Mcf, which represents an increase of \$.0545 per Mcf from the previous BA of (\$.0263).

6. Delta's GCA is \$11.7475 per Mcf, which is \$1.3820 per Mcf less than the previous GCA of \$13.1295.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Delta on and after January 26, 2009.

IT IS THEREFORE ORDERED that:

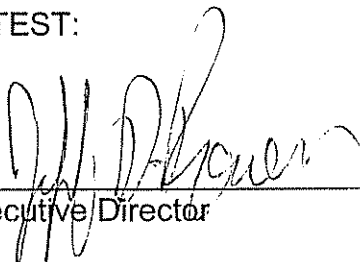
1. The rates in the Appendix to this Order are approved for final meter readings on and after January 26, 2009.

2. Within 20 days of the date of this Order, Delta shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 21st day of January, 2009.

By the Commission

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00540 DATED JANUARY 21, 2009

The following rates and charges are prescribed for the customers in the area served by Delta Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATE SCHEDULES

AVAILABILITY

Available for general use by residential, commercial, and industrial customers.

RATES

	<u>Base Rate</u>	plus	<u>Gas Cost Recovery Rate</u>	equals	<u>Total Rate</u>
Residential					
Monthly Service Charge	\$ 15.50				
All Ccf	\$.4158		\$1.1748		\$ 1.5906
Small Non-Residential					
Monthly Service Charge	\$ 25.00				
All Ccf	\$.4158		1.1748		\$ 1.5906
Large Non-Residential					
Monthly Service Charge	\$ 100.00				
1 – 2,000 Ccf	\$.4158		\$ 1.1748		\$ 1.5906
2001 – 10,000 Ccf	.2509		1.1748		1.4257
10,001 – 50,000 Ccf	.1713		1.1748		1.3461
50,001 – 100,000 Ccf	.1313		1.1748		1.3061
Over 100,000 Ccf	.1113		1.1748		1.2861

Interruptible

Monthly Service Charge		\$ 250.00		
1 - 10,000	Ccf	\$.16000	\$ 1.1748	\$ 1.3348
10,001 - 50,000	Ccf	.12000	1.1748	1.2948
50,001 - 100,000	Ccf	.08000	1.1748	1.2548
Over 100,000	Ccf	.06000	1.1748	1.2348

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