

Delta Natural Gas Company, Inc.

3617 Lexington Road Winchester, Kentucky 40391-9797



www.deltagas.com

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

December 17, 2009

RECEIVED

DEC 2 1 2009 PUBLIC SERVICE COMMISSION

Mr. Jeff Derouen Executive Director Public Service Commission P O Box 615 Frankfort, KY 40602

2009-00534

Dear Mr. Derouen:

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 2010 which includes meters read on and after January 25, 2010.

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



GAS COST

RECOVERY RATE CALCULATION

Date Filed

12/17/09

Date to be Effective 01/25/10

GAS COST RECOVERY CALCULATION

COST RECOVERY RATE EFFECTIVE	JANUARY 25, 2010	
PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC) SUPPLIER REFUND (RA) ACTUAL ADJUSTMENT (AA) BALANCE ADJUSTMENT (BA) GAS COST RECOVERY RATE (GCR)	\$/MCF \$/MCF \$/MCF \$/MCF \$/MCF	5.7152 - - - - - - - - - - - - - - - - - - -

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
PRIMARY GAS SUPPLIERS (SCHEDULE II)	\$	8,074,244
UTILITY PRODUCTION	Ф \$	-
INCLUDABLE PROPANE	\$	•••
	\$	8,074,244
TOTAL ESTIMATED SALES FOR QUARTER	MCF	1,412,772
EXPECTED GAS COST (EGC) RATE	\$/MCF	5.7152

SUPPLIER REFUND ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE III) PREVIOUS QUARTER SECOND PREVIOUS QUARTER THIRD PREVIOUS QUARTER	\$/MCF \$/MCF \$/MCF \$/MCF	- - -
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	 Lander 1997

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CUDDENT OULDED (SCUEDINE IV)	\$/MCF	0.0407
CURRENT QUARTER (SCHEDULE IV) PREVIOUS QUARTER	\$/MCF \$/MCF	(0.1317)
SECOND PREVIOUS QUARTER	\$/MCF	(1.5190)
THIRD PREVIOUS QUARTER	\$/MCF	2.0192
ACTUAL ADJUSTMENT (AA)	\$/MCF	0.4092

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
BALANCE ADJUSTMENT AMOUNT (SCHEDULE V)	\$	(127, 159)
ESTIMATED SALES FOR QUARTER	MCF	1,412,772
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.0900)

MCF PURCHASES FOR THREE MONTHS BEGINNING February 1, 2010 AT SUPPLIERS COSTS EFFECTIVE February 1, 2010

Supplier	MCF Purchases	DTH Conv Factor	Rates (\$)	Quarterly Cost	Rate Increase (I)/ Reduction (R)
<u> </u>					
TENNESSEE GAS PIPELINE					
PIPELINE (SCH II, PAGE 2 OF 2)				517,638	
ATMOS ENERGY MARKETING	480,939	1.036	5.4400	2,710,495	Ι
COLUMBIA GAS TRANSMISSION					
PIPELINE (SCH II, PAGE 2 OF 2)				319,726	
ATMOS ENERGY MARKETING	249,534	1.029	5.4300	1,394,264	Ι
COLUMBIA GULF TRANSMISSION					
M&B GAS SERVICES	102,795	1.035	6.0300	641,549	Ι
KENTUCKY PRODUCERS					
CHESAPEAKE	18,511		7.5000	138,833	Ι
STORAGE	560,993		4.1921	2,351,739	Ι
TOTAL	1,412,772			8,074,244	

COMPANY USAGE 21,192

12/15/2009

TENNESSEE GAS PIPELINE RATES EFFECTIVE 2/01/10

		DTH	FIXED OR			ANNUAL
	4	VOLUMES	VARIABLE	2	RATES	COST \$75,837
FT-G RESERVATION RATE - ZONE 1-2	1. 3.	8,371 22,511	F	2. 4.	\$9.060 \$7.620	
FT-G RESERVATION RATE - ZONE 1-2 FT-G COMMODITY RATE - ZONE 0-2	5.	100,443	г V	4. 6.	\$7.820 \$0.0897	\$171,532 \$9,010
FT-G COMMODITY RATE - ZONE 0-2	5. 7.	270,060	V	8	\$0.0793	\$9,010
FT-A RESERVATION RATE - ZONE 1-2	9.	270,000	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_0897	\$1,924
FT-A COMMODITY RATE - ZONE 1-2	17.	91,980	v	18.	\$0.0793	\$7,294
FT-A COMMODITY RATE - ZONE 3-2	19	14,326	v	20.	\$0.0547	\$784
FUEL & RETENTION - ZONE 0-2	21.	121,887	v	22.	\$0.2575	\$31,391
FUEL & RETENTION - ZONE 1-2	23	362,040	v	24	\$0.2141	\$77,519
FUEL & RETENTION - ZONE 3-2	25	14,326	v	26	\$0.0638	\$913
	EU	11,020	·	20.		
SUB-TOTAL						\$429,084
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.	\$0.0811	\$3,786
SUB-TOTAL						\$27,411
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.	\$0.0811	\$7,859
SUB-TOTAL						\$61,143
TOTAL TENNESSEE GAS PIPELINE CHAR	GES					\$517,638
COLUMBIA GAS TRANSMISSION	RATE	S EFFECTI	/E 2/01/10			
GTS COMMODITY RATE	47.	256,770	v	48.	\$0.7849	\$201,539
FUEL & RETENTION	49	256,770	V	50.	\$0.2801	\$71,933
TOTAL COLUMBIA GAS TRANSMISSION C	HARGE	ES				\$273,472
COLUMBIA GULF CORPORATION	RATE	ES EFFECTI	VE 2/01/10)		
FTS-1 RESERVATION RATE	51	13,134	F	52	\$3.1450	\$41,306
FTS-1 COMMODITY RATE	53	256,770	V	54.	\$0.0187	\$4,802
FUEL & RETENTION	55.	256,770	V	56	\$0.0006	\$145
TOTAL COLUMBIA GULF CORPORATION	CHARG	ES				\$46,253
TOTAL PIPELINE CHARGES						\$837,363

SUPPLIER REFUND ADJUSTMENT DETAIL FOR THE THREE MONTHS ENDED October 31, 2009

Unit	Amount
\$	0 1.0003
\$ MCF \$/MCF	0 3,182,744 0.0000
	\$ \$ MCF

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

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SCHEDULE IV

ACTUAL ADJUSTMENT DETAIL FOR THE THREE MONTHS ENDED October 31, 2009

	_	For	nded	
Particulars	Unit	Aug-09	Sep-09	Oct-09
SUPPLY VOLUME PER BOOKS				
PRIMARY GAS SUPPLIERS	MCF	102,861	55,698	90,143
UTILITY PRODUCTION	MCF			
INCLUDABLE PROPANE	MCF	_	-	-
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	102,861	55,698	90,143
			<u></u>	
SUPPLY COST PER BOOKS				
PRIMARY GAS SUPPLIERS	\$	493,197	270,718	508,486
UTILITY PRODUCTION			-	- -
INCLUDABLE PROPANE	\$ \$ \$	-	-	T
OTHER COST (SPECIFY)	\$		-	
TOTAL	\$	493,197	270,718	508,486
SALES VOLUME				
JURISDICTIONAL	MCF	63,710	50,769	66,738
OTHER VOLUMES (SPECIFY)	MCF			
TOTAL	MCF	63,710	50,769	66,738
UNIT BOOK COST OF GAS	\$	7.7413	5.3323	7.6191
EGC IN EFFECT FOR MONTH	ф \$	6.3072	6.3072	6.3072
RATE DIFFERENCE	\$	1.4341	(0.9749)	1.3119
MONTHLY SALES	${\operatorname{MCF}}^{\varphi}$	63,710	(0.9749) 50,769	66,738
MONTHLY COST DIFFERENCE	\$	91,367	(49,495)	87,554
MONTHET COST DIFFERENCE	φ		(43,430)	01,004
Particulars	Unit			Three Month Period
r articulars				renou
	*			
COST DIFFERENCE FOR THE THREE MONTHS	\$			129,426
TWELVE MONTHS SALES FOR PERIOD ENDED	MCF		-	3,182,744
CURRENT QUARTERLY ACTUAL ADJUSTMENT	\$/MCF			0.0407

SCHEDULE V

EXPECTED GAS COST BALANCE ADJUSTMENT DETAIL FOR THE THREE MONTHS ENDED October 31, 2009

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	\$	4,177,383
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF 1.3499	,	_, _ ,
\$/MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR		
QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR		
TIMES THE JURISDICTIONAL SALES OF 3,182,744		
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	\$	4,296,386
BALANCE ADJUSTMENT FOR THE AA	\$	(119,003)
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 3,182,744	\$	-
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	\$	(15,767)
LESS: DOLLAR AMOUNT RESULTING FROM THE BA OF (0.0420)		
\$/MCF AS USED TO COMPUTE THE GCR IN EFFECT ONE		
QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES		
THE JURISDICTIONAL MCF SALES OF 181,217 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	ф	(7.011)
RATE	\$	(7,611)
BALANCE ADJUSTMENT FOR THE BA	\$	(8,156)
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	(127,159)

TGP SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2010	228,364	236,585	\$5,484	(\$0.060)	\$1,283,236.76
March	177,383	183,769	\$5.515	(\$0.060)	\$1,002,459.02
April	<u>75,193</u>	<u>77,899</u>	\$5.530	(\$0.060)	<u>\$426,109.88</u>
	480,939	498,253			\$2,711,805.66
FIXED PRICE		0			\$0.00
FIXED PRICE		0			\$0.00
WEIGHTED AVERAC	GE PRICE PER D	TH:		\$5.44	

COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2010	118,844	122,291	\$5.484	(\$0.07)	\$662,080.92
March	95,312	98,076	\$5.515	(\$0.07)	\$534,021.84
April	<u>35,378</u>	<u>36,404</u>	\$5.530	(\$0.07)	<u>\$198,765.63</u>
	249,534	256,770			\$1,394,868.39
FIXED PRICE		0			\$0.00
WEIGHTED AVERA	GE PRICE PER D	TH:		\$5.43	

CHESAPEAKE SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	NYMEX \$ PER DTH	ADD-ON PER DTH	BTU ADJUSTMENT	TOTAL
February 2010	8,760	\$5.484	\$0.75	1.2	\$65,531.81
March	6,172	\$5.515	\$0.75	1.2	\$46,401.10
April	<u>3,579</u>	\$5.530	\$0.75	1.2	\$26,971.34
	18,511				\$138,904.25

WEIGHTED AVERAGE PRICE PER MCF:

\$7.50

COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2010	0	0	\$5.484	\$0.50	\$0.00
March	0	0	\$5.515	\$0.50	\$0.00
April	<u>102,795</u>	<u>106,393</u>	\$5.530	\$0.50	\$641,550.92
	102,795	106,393			\$641,550.92
FIXED PRICE		0			\$0.00
WEIGHTED AVERA	GE PRICE PER D	TH:		\$6.03	

COMPUTATION OF CHESAPEAKE PRICE EFFECTIVE 2/01/10 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY THROUGH APRIL 2010

WEIGHTED AVERAGE PRICE W/ ADD-ON ______ per MCF

COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 2/01/10 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY THROUGH APRIL 2010 (TGP)

WEIGHTED AVERAGE PRICE W/ ADD-ON _____\$5.44 per MMBtu dry

COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 2/01/10 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY THROUGH APRIL 2010 (TCO)

WEIGHTED AVERAGE PRICE W/ ADD-ON _____\$5.43 per MMBtu dry

COMPUTATION OF M&B PRICE EFFECTIVE 2/01/10 BASED ON WEIGHTED AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY THROUGH APRIL 2010

WEIGHTED AVERAGE PRICE W/ ADD-ON _____\$6.03 per MMBtu dry

12/15/2009

DELTA NATURAL GAS COMPANY, INC. Name of Issuing Corporation

FOR	All S	Service Areas	
P.S.C.	NO.	11	
Tenth	Revised	SHEET NO.	2
CANCELI	LING P.S.C	. NO. 11	
Ninth	Revised	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 (<u>GCR) **</u> =	Total Rate	
Customer Charge * All Ccf ***	\$ 15.50 \$ 0.4158	\$ 0.6214	\$ 15.50	(D)
ALL CCL """	\$ 0.4150	Ş U.OZI4	\$ 1.0372/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.
- * * * The "Conservation/Efficiency Program Cost Recovery Component (CEPRC)" of .0015 is an adjustment per Ccf determined in accordance with the Conservation/Efficiency Program Cost Recovery as set forth on Sheets 39 - 42 of this tariff.

DATE OF ISSUE December 17, 2009 DATE EFFECTIVE January 25, 2010(Final Meter Reads) JenningsTITLE Chairman of the BoardName of OfficerPresident and CEO ISSUED BY Glenn R. Jennings Issued by authority of an Order of the Public Service Commission of KY in CASE NO._____ DATED_

Name of Issuing Corporation

FOR	All Se	ervice	Areas		
P.S.C. NO.		11			
Tenth Rev	vised	SHEI	ET NO.		3
CANCELLING	P.S.C.	NO.	11		
Ninth Rev	vised	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 +	Gas Cost Recovery Rate (<u>GCR) **</u> =	Total Rate	
Customer Charge All Ccf	\$ 25.00 \$ 0.4158	\$ 0.6214	\$ 25.00 \$ 1.0372/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.

DATE OF ISSUE December 17, 2009 DATE EFFECTIVE January 25, 2010(Final Meter Reads)
ISSUED BY Glenn R. Jennings
Name of Officer
Name of Officer
Issued by authority of an Order of the Public Service Commission of KY in
CASE NO.
DATED

Name of Issuing Corporation

FOR	All S	ervice Areas	5	
P.S.C.	NO.	11		
Tenth	Revised	SHEET NO.	4	
CANCELI	LING P.S.C.	. NO. 11	1	
Ninth	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

	F	Gas Cost Recovery Rate (<u>GCR) **</u> =	Total Rate	
Customer Charge 1 - 2000 Ccf 2001 - 10,000 Ccf 10,001 - 50,000 Ccf 50,001 - 100,000 Ccf Over 100,000 Ccf	\$ 0.2509 \$ 0.1713 \$ 0.1313	\$ 0.6214 \$ 0.6214 \$ 0.6214 \$ 0.6214 \$ 0.6214 \$ 0.6214	\$ 0.8723/Ccf (\$ 0.7927/Ccf (\$ 0.7527/Ccf ((D) (D) (D) (D) (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 17, 2009 DATE EFFECTIVE January 25, 2010(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 Se	ervice A	reas		
P.S.C. NO.		11			
Tenth Revi	sed	SHEET	NO.	5	
CANCELLING	P.S.C.	NO.	11		
Ninth Revi	sed	SHEE	ΓNO.	5	

Name of Issuing Corporation

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 +	(<u>GCR) **</u> =	Total Rate
Customer Charge	\$250.00		\$250.00
1 - 10,000 Ccf	\$ 0.1600	\$ 0.6214	\$ 0.7814/Ccf (D)
10,001 - 50,000 Ccf	\$ 0.1200	\$ 0.6214	\$ 0.7414/Ccf (D)
50,001 - 100,000 Ccf	\$ 0.0800	\$ 0.6214	\$ 0.7014/Ccf (D)
Over 100,000 Ccf	\$ 0.0600	\$ 0.6214	\$ 0.6814/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 17, 2009 DATE EFFECTIVE January 25, 2010(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