

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF DELTA)
NATURAL GAS COMPANY, INC.) CASE NO. 2002-00360

ORDER

On December 27, 1999, in Case No. 1999-00176, 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 September 30, 2002, Delta filed its proposed GCA to be effective November 1, 2002.

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 expected gas cost (EGC) is \$4.4129 per Mcf, which is 11.30 cents per Mcf less than the previous EGC of \$4.5259.
3. Delta s notice sets out no current quarter refund adjustment (RA). Delta s notice sets out a total (RA) of (2.09) cents per Mcf, which represents no change from the previous total RA.
4. Delta s notice sets out a current quarter actual adjustment (AA) of 19.38 cents per Mcf. The total AA of 94.86 cents per Mcf is 68.02 cents per Mcf more than the previous total AA.

5. Delta s notice sets out a balance adjustment (BA) of 25.92 cents per Mcf, which is 15.76 cents per Mcf less than the previous BA.

6. Delta s GCA is \$5.5998 per Mcf, which is 40.96 cents per Mcf more than the previous GCA of \$5.1902.

7. The rates in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved for final meter readings by Delta on and after November 1, 2002.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for final meter readings on and after November 1, 2002.

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 16^h day of October, 2002.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00360 DATED October 16, 2002

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	\$ 8.00				
All Mcf	\$3.6224		\$5.5998		\$ 9.2222
Small Non-Residential					
Monthly Service Charge	\$ 17.00				
First 200 Mcf	3.6224		5.5998		\$ 9.2222
Next 800 Mcf	2.4000		5.5998		7.9998
Over 1,000 Mcf	2.0495		5.5998		7.6493
Large Non-Residential					
Monthly Service Charge	\$ 50.00				
First 200 Mcf	\$ 3.6224		\$5.5998		\$ 9.2222
Next 800 Mcf	2.0063		5.5998		7.6061
Next 4,000 Mcf	1.3190		5.5998		6.9188
Next 5,000 Mcf	.9190		5.5998		6.5188
Over 10,000 Mcf	.7190		5.5998		6.3188

Interruptible

Monthly Service Charge	\$	250.00		
First 1,000 Mcf	\$	1.6000	\$5.5998	\$ 7.1998
Next 4,000 Mcf		1.2000	5.5998	6.7998
Next 5,000 Mcf		.8000	5.5998	6.3998
Over 10,000 Mcf		.6000	5.5998	6.1998