COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS ADJUSTMENT FILING OF DELTA)	CASE NO. 2002-00484
NATURAL GAS COMPANY, INC.)	

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 December 26, 2002, Delta filed its proposed GCA to be effective February 1, 2003.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

- 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 \$5.1483 per Mcf, which is 73.54 cents per Mcf more than the previous EGC of \$4.4129.
- 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 24.52 cents per Mcf. The total AA of \$1.0955 per Mcf is 14.69 cents per Mcf more than the previous total AA.

5. Delta s notice sets out a balance adjustment (BA) of 57.77 cents per Mcf.

Delta prematurely included an adjustment to a previous quarter BA that is to be in effect

until August 1, 2003 and had a transposition error in its calculation. Delta's corrected

BA is 17.04 cents per Mcf, which is 8.88 cents per Mcf less than the previous BA.

6. Delta's GCA is \$6.3933 per Mcf, which is 79.35 cents per Mcf more than

the previous GCA of \$5.5998.

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 February 1, 2003.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for final meter

readings on and after February 1, 2003.

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 29th day of January, 2003.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00484 DATED January 29, 2003.

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>IMTES</u>		Base Rate	plus	Gas Cost Recovery <u>Rate</u>		Total Rate	<u>}</u>
Residential							
Monthly Servic All Mcf	e Charge	\$ 8.00 \$3.6224	:	\$6.3933		\$10.0157	
Small Non-Residentia	al						
Monthly Servic	e Charge	\$ 17.00					
First 200 M	/lcf	3.6224		6.3933		\$10.0157	
Next 800 M	/lcf	2.4000		6.3933		8.7933	
Over 1,000 M	/lcf	2.0495		6.3933		8.4428	
Large Non-Residential							
Monthly Servic		\$ 50.00					
•	/lcf	\$ 3.6224	Ç	\$6.3933		\$10.0157	
Next 800 M	/lcf	2.0063		6.3933		8.3996	
Next 4,000 M	/lcf	1.3190		6.3933		7.7123	
·	/lcf	.9190		6.3933		7.3123	
Over 10,000 M	/lcf	.7190		6.3933		7.1123	

Interruptible

Monthly Service Charge	\$ 250.00		
First 1,000 Mcf	\$ 1.6000	\$6.3933	\$ 7.9933
Next 4,000 Mcf	1.2000	6.3933	7.5933
Next 5,000 Mcf	.8000	6.3933	7.1933
Over 10,000 Mcf	.6000	6.3933	6.9933