

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF DELTA NATURAL GAS	)	
COMPANY, INC. FOR AN ADJUSTMENT	)	CASE NO.
OF RATES	)	2004-00067

O R D E R

On April 5, 2004, Delta Natural Gas Company, Inc. ("Delta") tendered its application for an adjustment of its gas rates based on a historic test period. The application was administratively determined to satisfy the minimum filing requirements and was considered filed as of April 5, 2004.

Delta selected May 5, 2004 as the effective date of its proposed rates. Based on a review of Delta's rate application, the Commission finds that an investigation is necessary to determine the reasonableness of the proposed rates and that investigation cannot be concluded by May 5, 2004. Therefore, pursuant to KRS 278.190(2), Delta's proposed rates should be suspended for the maximum time allowed and a procedural schedule should be established to conduct the investigation.

The Commission expects the parties to use their best efforts to informally resolve any discovery disputes or requests for extensions of time. Any such informal resolution should be promptly reduced to writing and filed with the Commission and all parties of record. Absent informal resolution, an objection or motion should be filed at least 4 business days prior to the established due date or should explain why it could not have been filed upon 4 business days' notice.

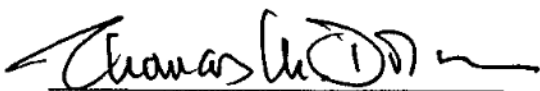
IT IS THEREFORE ORDERED that:

1. Delta's proposed rates are suspended for 5 months from May 5, 2004, up to and including October 4, 2004.
2. The procedural schedule set forth in Appendix A, which is attached hereto and incorporated herein, shall be followed.
3. All requests for information and responses thereto shall be appropriately indexed and 7 copies shall be filed with the Commission, with copies to all parties of record. Any request for information from the Commission Staff shall be responded to as if set forth in a Commission Order. All responses shall include the name of the witness who will be responsible for responding to questions at any hearing in this proceeding related to the information provided.
4. Any party filing testimony shall file an original and 10 copies.
5. Delta shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, Delta shall forward a duplicate of the notice and request to the Commission.
6. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.
7. Any objections or motions relating to discovery or procedural dates shall be filed upon 4 business days' notice or explain why such notice was not possible.
8. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 23<sup>rd</sup> day of April, 2004.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Thomas H. Dixon", written over a horizontal line.

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2004-00067 DATED April 23, 2004

All initial requests for information to Delta shall  
be filed no later than..... 05/10/04

Delta shall file responses to initial requests for  
information no later than..... 05/24/04

All supplemental requests for information to Delta  
shall be filed no later than .....06/04/04

Delta shall file responses to supplemental requests  
for information no later than .....06/18/04

Intervenor testimony, if any, in verified prepared form  
shall be filed no later than .....07/02/04

All requests for information to Intervenors shall be  
filed no later than.....07/16/04

Intervenors shall file responses to requests for  
information no later than..... 07/29/04

Delta shall file, in verified form, its rebuttal testimony  
no later than .....08/09/04

Last day for Delta to publish notice of hearing ..... To be scheduled

Public Hearing is to begin at 9:00 a.m., Eastern  
Daylight Time, in Hearing Room 1 of the Commission's  
offices at 211 Sower Boulevard, Frankfort, Kentucky,  
for the purpose of cross-examination of witnesses of  
Delta and Intervenors ..... To be scheduled

Simultaneous Briefs, if any, shall be filed by ..... To be scheduled