

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF DELTA)	CASE NO. 2004-00377
NATURAL GAS COMPANY, INC.)	

ORDER

On December 27, 1999, in Case No. 1999-00176,¹ 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 September 24, 2004, Delta filed its proposed GCA to be effective November 1, 2004.

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 \$6.9479 per Mcf, which is \$1.0960 per Mcf less than the previous EGC of \$8.0439.
3. Delta’s notice sets out no current quarter refund adjustment (“RA”). Delta’s notice sets out no total RA, which represents no change from the previous total RA.

¹ Case No. 1999-00176, An Adjustment of the Rates of Delta Natural Gas Company, Inc., Order dated December 27, 1999.

4. Delta's notice sets out a current quarter actual adjustment ("AA") of 31.92 cents per Mcf. Delta's total AA is 77.24 cents per Mcf, which is an increase of 27.98 cents per Mcf from the previous total AA.

5. Delta's notice sets out a balance adjustment ("BA") of (2.46) cents per Mcf, which represents an increase of 11.78 cents per Mcf from the previous BA.

6. Delta's GCA is \$7.6957 per Mcf, which is 69.84 cents per Mcf less than the previous GCA of \$8.3941.

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 November 1, 2004.

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, 2004.

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 28th day of October, 2004.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2004-00377 DATED October 28, 2004

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		\$7.6957		\$ 11.3181
Small Non-Residential					
Monthly Service Charge	\$ 17.00				
First 200 Mcf	3.6224		\$7.6957		\$ 11.3181
Next 800 Mcf	2.4000		7.6957		10.0957
Over 1,000 Mcf	2.0495		7.6957		9.7452
Large Non-Residential					
Monthly Service Charge	\$ 50.00				
First 200 Mcf	\$ 3.6224		\$7.6957		\$11.3181
Next 800 Mcf	2.0063		7.6957		9.7020
Next 4,000 Mcf	1.3190		7.6957		9.0147
Next 5,000 Mcf	.9190		7.6957		8.6147
Over 10,000 Mcf	.7190		7.6957		8.4147

Interruptible

Monthly Service Charge	\$ 250.00		
First 1,000 Mcf	\$ 1.6000	\$7.6957	\$ 9.2957
Next 4,000 Mcf	\$ 1.2000	7.6957	8.8957
Next 5,000 Mcf	.8000	7.6957	8.4957
Over 10,000 Mcf	.6000	7.6957	8.2957