COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

)	IO. 2006-00124
) CASE N	10. 2000-00124
) CASE N

ORDER

On November 10, 2004, in Case No. 2004-00067,¹ 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 March 22, 2006, Delta filed its proposed GCA to be effective April 24, 2006.

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 \$9.3807 per Mcf, which is \$2.5371 per Mcf less than the previous EGC of \$11.9178.
- 3. Delta's notice sets out a current quarter refund adjustment ("RA") of (.03) cent per Mcf. Delta's notice sets out a total RA of (.03) cent per Mcf, which represents a decrease of .02 cent per Mcf from the previous total RA.

¹ Case No. 2004-00067, Application of Delta Natural Gas Company, Inc. for an Adjustment of Rates.

4. Delta's notice sets out a current quarter actual adjustment ("AA") of \$2.0185 per Mcf. Delta's total AA is \$2.8826 per Mcf, which is an increase of 27.56

cents per Mcf from the previous total AA.

5. Delta's notice sets out a balance adjustment ("BA") of (38.68) cents per

Mcf, which represents a decrease of 66.61 cents per Mcf from the previous BA.

6. Delta's GCA is \$11.8762 per Mcf, which is \$2.9278 per Mcf less than the

previous GCA of \$14.8040.

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 April 24, 2006.

IT IS THEREFORE ORDERED that:

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

readings on and after April 24, 2006.

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 19th day of April, 2006.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2006-00124 DATED April 19, 2006

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

	Base Rate plus	Gas Cost Recovery <u>Rate</u> equals	Total Rate
Residential			
Monthly Service Charge All Mcf	\$ 9.80 \$4.1592	\$11.8762	\$ 16.0354
Small Non-Residential			
Monthly Service Charge All Mcf	\$ 20.00 3.7950	11.8762	\$ 15.6712
Large Non-Residential			
Monthly Service Charge	\$ 72.00		
First 200 Mcf	\$ 3.7950	\$11.8762	\$15.6712
Next 800 Mcf	2.1461	11.8762	14.0223
Next 4,000 Mcf Next 5,000 Mcf	1.3500 .9500	11.8762 11.8762	13.2262 12.8262
Over 10,000 Mcf	.7500	11.8762	12.6262

Interruptible

Monthly Service Charge	\$ 250.00		
First 1,000 Mcf	\$ 1.6000	\$ 11.8762	\$ 13.4762
Next 4,000 Mcf	\$ 1.2000	11.8762	13.0762
Next 5,000 Mcf	.8000	11.8762	12.6762
Over 10,000 Mcf	.6000	11.8762	12.4762