

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC PURCHASED GAS ADJUSTMENT )	CASE NO.
FILING OF DELTA NATURAL GAS COMPANY, )	2026-00076
INC. )	

ORDER

On March 26, 2026, Delta Natural Gas Company, Inc. (Delta) filed its proposed quarterly Gas Cost Recovery (GCR) rate report to be effective April 27, 2026, which reflected a consolidated GCR rate. Delta's previous consolidated GCR rate was approved in Case No. 2025-00409.<sup>1</sup>

LEGAL STANDARD

The Commission's standard of review for GCR rates is well settled as stated in KRS 278.274(1):

In determining whether proposed natural gas utility rates are just and reasonable, the commission shall review the utility's gas purchasing practices. The commission may disallow any costs or rates which are deemed to result from imprudent purchasing practices on the part of the utility.

Further, the utility has the burden to prove the rates are just and reasonable and the Commission may reduce the purchased gas component of the utility's rates, or the rates charged by an affiliated company to the extent the amount is deemed to be unjust or unreasonable.<sup>2</sup>

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<sup>1</sup> Case No. 2025-00409, *Electronic Purchased Gas Adjustment Filing of Delta Natural Gas Company, Inc.* (Ky. PSC Jan. 23, 2026).

<sup>2</sup> KRS 278.274(2); KRS 278.274(3)(c), and KRS 278.274(3)(d).

## DISCUSSION

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that Delta's unified GCR report includes revised rates designed to pass on to its customers its expected change in gas costs. Delta's unified GCR report sets out a proposed Expected Gas Cost (EGC) of \$5.1777 per Mcf, which is an increase of \$0.5563 per Mcf from the previous EGC of \$4.6214 per Mcf. Delta's unified GCR rate report sets out a current quarter Actual Cost Adjustment (ACA) of \$1.6291 per Mcf. Delta's total ACA is \$1.5729 per Mcf, which is an increase of \$0.5015 per Mcf from the previous total ACA of \$1.0714 per Mcf. Delta's unified GCR rate report sets out a current quarter Balancing Adjustment (BA) of (\$0.0238) per Mcf. Delta's total BA is (\$0.0659) per Mcf, which is a decrease of \$0.0170 per Mcf from the previous total BA of (\$0.0489) per Mcf.<sup>3</sup> Delta's unified GCR report sets out no Refund Adjustment.

Based upon the calculations of the unified GCR rate discussed above, the Commission finds that Delta's unified GCR rate is \$6.6847 per Mcf, which is an increase of \$1.0408 per Mcf from the previous GCR of \$5.6439 per Mcf. The Commission finds that the inputs, resulting components and calculation of Delta's proposed GCR rate of \$6.6847 per Mcf to be reasonable. The Commission further finds that the rate set forth in the Appendix to this Order is fair, just and reasonable, and should be approved for service rendered by Delta on and after April 27, 2026.

The Commission finds that for the purpose of transparency and to maintain a record of information for future use, Delta shall submit all invoices it receives along with

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<sup>3</sup> A negative rate component reflects a credit to customers while a positive rate component reflects a charge to customers.


its monthly usage reports for each month of the reporting period when it files its future GCR rate reports. Should Delta purchase sustainable natural gas from a renewable source during the reporting period of any future GCR reports, then the supplier, cost, and amount should be documented in its cover letter to the Commission.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Delta and set forth in the Appendix to this Order are approved for service rendered on and after April 27, 2026.
2. Delta shall submit all invoices it receives along with its monthly usage reports for each month of the reporting period when it files its future GCR rate reports.
3. Should Delta purchase sustainable natural gas from a renewable source during the reporting period of any future GCR reports, then the supplier, cost, and amount shall be documented in its cover letter to the Commission.
4. Within 20 days of the date of service of this Order, Delta shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.
5. This case is closed and removed from the Commission's docket.

Entered on this 24th day of April, 2026.

PUBLIC SERVICE COMMISSION




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Angie Hatton  
Chair



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Mary Pat Regan  
Commissioner



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Andrew W. Wood  
Commissioner

ATTEST:



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Linda C. Bridwell, PE  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2026-00076 DATED APR 24 2026

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 the authority of this Commission prior to the effective date of this Order.

#### Gas Cost Recovery Rate

The Gas Cost Recovery rate shall be \$6.6847 per Mcf for service rendered on and after April 27, 2026.

## Service List for 2026-00076

\* John B Brown  
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Delta Natural Gas Company, Inc.  
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Winchester, KY 40391

\* Monica Braun  
STOLL KEENON OGDEN PLLC  
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Lexington, KY 40507-1801

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