

**MINUTES OF A SPECIAL MEETING OF THE DIRECTORS  
OF PNG COMPANIES LLC**

**HELD ON JANUARY 29, 2017 AT THE OFFICES OF PEOPLES NATURAL GAS  
COMPANY LLC, 375 NORTH SHORE DRIVE, PITTSBURGH, PA 15212**

<b>Board of Directors:</b>	Christopher Kinney (via phone) John McGuire (via phone) James Mahoney (via phone)	Dennis Mahoney (via phone) Victor Roque (via phone) Morgan O'Brien
<b>Other Attendees and Observers:</b>	Christopher Lowe (via phone) John Luke Ruth DeLost-Wylie (via phone) Joseph Gregorini (via phone) Preston Poljak (via phone)	Dan Onorato (via phone) Jeffrey Nehr David Harvey (via phone) Ken Pereira (via phone) Chris McKenzie (John Hancock Observer – via phone) Reynold Martin (Allstate Observer – via phone)

Christopher Kinney acted as Chairman of the Meeting and John Luke acted as Secretary.

**OPENING OF THE MEETING**

The Chairman called the meeting to order at approximately 7:30 P.M. noting that the following materials of PNG Companies LLC (the "Company") had been previously distributed to the Board of Directors (the "Board") and the other attendees: Materials entitled (i) PNG Companies LLC Meeting of January 29, 2017 – Proposed Acquisition of Drake, (ii) a copy of the draft Agreement and Plan of Merger, and (iii) certain draft resolutions (collectively, the "Board Materials").

**Resolutions Adopted at a Special Meeting of the Board of Directors  
of PNG Companies LLC held on January 29, 2017**

Mr. O'Brien then informed the Board that the purpose of the meeting was to consider the Company's proposed negotiation and entry into the terms of that certain Merger Agreement (the "Merger Agreement"), by and among the Company, a wholly-owned subsidiary of the Company (the "Merger Sub") and Delta Natural Gas Company, Inc., a Kentucky corporation ("Delta"), and the transactions contemplated thereby, including the merger of Merger Sub with and into Delta, with Delta continuing as the surviving corporation (the "Proposed Transaction").

Following Mr. O'Brien's presentation, the Board asked questions and received answers to their satisfaction regarding the Proposed Transaction, the Merger Agreement and the related Board Materials.

Based on the presentation and review of the Board Materials, the Board concluded that it was advisable and in the best interest of the Company to authorize and approve the negotiation of and entry by the Company into the Merger Agreement and any other agreements, documents or instruments contemplated in connection with the Merger Agreement (collectively, the “Transaction Documents”) and, upon motion duly made and seconded, the following resolutions were unanimously approved and adopted:

WHEREAS, the Board has received a summary of the material terms of that certain Merger Agreement (the “Merger Agreement”), by and among the Company, a wholly-owned subsidiary of the Company (the “Merger Sub”) and Delta Natural Gas Company, Inc., a Kentucky corporation (“Delta”), and the transactions contemplated thereby, including the merger of Merger Sub with and into Delta, with Delta continuing as the surviving corporation;

WHEREAS, in consultation with the Company’s management and advisors, the Board has determined it to be advisable and in the best interest of the Company to authorize and approve the negotiation of and entry by the Company into the Merger Agreement and any other agreements documents or instruments contemplated in connection with the Merger Agreement (collectively, the “Transaction Documents”); and

WHEREAS, the Board has determined it be advisable and in the best interest of the Company that the actions and transactions contemplated by each of the Transaction Documents be consummated substantially upon the same terms and subject to the same conditions set forth in each such Transaction Document, with any such changes as the duly appointed officers of the Company (the “Authorized Officers”) deem necessary and advisable.

#### Merger Agreement

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby ratifies, confirms, adopts and approves, and declares to be advisable and in the best interests of the Company and the member of the Company, the terms and provisions of the Merger Agreement as presented to the Board, the transactions contemplated thereby, the negotiation, execution and delivery thereof by the Company and the performance by the Company of its obligations thereunder (to the extent applicable) and the compliance by the Company with the terms and conditions thereof (to the extent applicable);

FURTHER RESOLVED, that, the Authorized Officers be, and each of them hereby is, authorized and directed, in the name and on behalf of the Company, to negotiate, execute and deliver the Merger Agreement, any amendments thereto and any other Transaction Documents, whose approval thereof shall be conclusively evidenced by such Authorized Officer’s execution thereof;

#### Fees and Expenses

FURTHER RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized, empowered and directed, in the name and on behalf of the Company, to pay all fees

and expenses incurred in connection with the Transaction Documents and other transactions contemplated by each Transaction Document, including, without limitation, all fees and expenses appropriate in order to effectuate the purposes and intent of each Transaction Document and these resolutions;

Further Actions

FURTHER RESOLVED, that the Authorized Officer are hereby authorized to take or cause to be taken in the name and on behalf of the Company any and all such actions in addition to those specifically referred to in the foregoing resolutions, including, without limitation, the execution, delivery or filing of all such other documents, instruments, agreements, schedules, reports, statements or acknowledgments to incur and pay all such fees and expenses and to engage in such acts as they or any of them shall deem to be necessary or advisable in order to carry out the purpose and intent of each of the foregoing resolutions, and the execution by any such Authorized Officer of any such documents, instruments, agreements, schedules, reports, statements or acknowledgments or the payment of any such fees and expenses or the doing by them of any act in connection with the foregoing matters shall be conclusive evidence of their authority therefor and for the approval of the documents, instruments, agreements, schedules, reports, statements and acknowledgments so executed, the expenses so paid, the filings so made and the actions so taken; and


Ratification of Past Acts

FURTHER RESOLVED, that all actions heretofore taken by any Authorized Officer or manager of the Company, or those acting at the direction of any of them, in connection with any matter referred to or contemplated by any resolution contained herein be, and they hereby are, approved, ratified and confirmed in all respects.

**ADJOURNMENT**

The meeting adjourned at approximately 8:16 P.M. as there was no more business to be presented to the Board of Directors.

The foregoing are true and accurate minutes of the Meeting of the Boards of Directors of PNG Companies LLC held on January 29, 2017.

  
John J. Luke  
Secretary

MINUTES OF A SPECIAL MEETING OF THE DIRECTORS  
OF PNG COMPANIES LLC

HELD ON JANUARY 17, 2017 AT THE OFFICES OF PEOPLES NATURAL GAS  
COMPANY LLC, 375 NORTH SHORE DRIVE, PITTSBURGH, PA 15212

Board of Directors:	Christopher Kinney (via phone) John McGuire (via phone) James Mahoney (via phone)	Dennis Mahoney (via phone) Victor Roque (via phone) Morgan O'Brien
Other Attendees:	Christopher Lowe (via phone) John Luke Ruth DeLost-Wylie Joseph Gregorini Preston Poljak	Dan Onorato (via phone) Jeffrey Nehr David Harvey (via phone) Ken Pereira (via phone)

Christopher Kinney acted as Chairman of the Meeting and John Luke acted as Secretary.

#### OPENING OF THE MEETING

The Chairman called the meeting to order at approximately 1:30 P.M. noting that the following materials of PNG Companies LLC (the "Company") had been previously distributed to the Board of Directors (the "Board") and the other attendees: Materials entitled PNG Companies LLC Meeting of January 17, 2017 – Proposed Acquisition of Drake (the "Board Materials").

#### Resolutions Adopted at a Special Meeting of the Board of Directors of PNG Companies LLC held on January 17, 2017

Mr. O'Brien then informed the Board that the purpose of the meeting was to consider, among other matters, the approval and authorization of certain due diligence budget expenses (the "Proposed Expenses") relating to the proposed merger of Delta Natural Gas Company, Inc. ("Delta"), with a subsidiary of the Company, with the Company continuing as the surviving entity (the "Proposed Transaction"), as more particularly set forth in the Board Materials attached hereto as Exhibit 1.

Following Mr. O'Brien's presentation, the Board asked questions and received answers to their satisfaction regarding the Proposed Transaction and the Proposed Expenses.

Based on the presentation and review of the Board Materials, the Board concluded that it was advisable, fair to, and in the best interest of the Company to approve and authorize the Proposed Expenses relating to the Proposed Transaction, as more particularly set forth in Exhibit 1 and, upon motion duly made and seconded, the following resolutions were unanimously approved and adopted:

WHEREAS, the Board has determined that it is advisable, fair to, and in the best interest of the Company to authorize certain due diligence budget expenses (the “Proposed Expenses”) relating to the proposed merger of Delta Natural Gas Company, Inc. (“Delta”), with a subsidiary of the Company, with the Company continuing as the surviving entity (the “Proposed Transaction”), as more particularly set forth in Exhibit 1 attached hereto.

NOW, THEREFORE, BE IT RESOLVED, that the Company be, and hereby is, authorized to incur the Proposed Expenses relating to the Proposed Transaction as more particularly set forth in Exhibit 1; and

FURTHER RESOLVED, that the authorized officers of the Company (the “Authorized Officers”) are, and each acting alone is, hereby authorized to do and perform any and all such acts, including execution of any and all documents and certificates, as such Authorized Officers shall deem necessary or advisable, to carry out the purposes and intent of the foregoing resolutions; and

FURTHER RESOLVED, that any actions taken by such Authorized Officers prior to the date of the foregoing resolutions adopted hereby that are within the authority conferred thereby are hereby ratified, confirmed and approved as the acts and deeds of the Company.

#### Declaration and Payment of Distribution

Mr. O’Brien then informed the Board that the next order of business was the proposed declaration and payment of a cash distribution by the Company in the aggregate amount of \$7,000,000.00 (the “Distribution”), payable to the Company’s sole member, LDC Holdings LLC (the “Member”). During the discussion that ensued, the Board asked questions and received answers to their satisfaction regarding the Distribution.

Based on the discussion, the Board concluded that the Distribution was advisable, fair to, and in the best interests of the Company and, upon motion duly made and seconded, the following resolutions were unanimously approved and adopted:

WHEREAS, the Board has determined that it is advisable, fair to, and in the best interests of the Company to approve a cash distribution in the aggregate amount of \$7,000,000.00 (the “Distribution”), payable to the Company’s sole member, LDC Holdings LLC (the “Member”).

NOW, THEREFORE, BE IT RESOLVED, that the Distribution, payable to the Member, is advisable, fair to, and in the best interests of the Company and is hereby declared; and

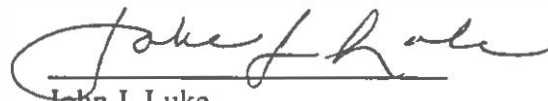
FURTHER RESOLVED, that the authorized officers of the Company (the “Authorized Officers”) are, and each acting alone is, hereby authorized to do and perform any and all such acts, including execution of any and all documents and certificates, as such Authorized Officers shall deem necessary or advisable, to carry out the purposes and intent of the foregoing resolutions; and

FURTHER RESOLVED, that any actions taken by such Authorized Officers prior to the date of the foregoing resolutions adopted hereby that are within the authority conferred thereby are hereby ratified, confirmed and approved as the acts and deeds of the Company.

## ADJOURNMENT

The meeting adjourned at approximately 2:30 P.M. as there was no more business to be presented to the Board of Directors.

The foregoing are true and accurate minutes of the Meeting of the Boards of Directors of PNG Companies LLC held on January 17, 2017.

A handwritten signature in cursive script, appearing to read "John J. Luke", written over a horizontal line.

John J. Luke  
Secretary