



Morgan K. O'Brien
President & CEO
375 North Shore Drive
Pittsburgh, Pennsylvania 15212

www.peoples-gas.com

July 18, 2017

VIA ELECTRONIC FILING

Mr. John S. Lyons,
Acting Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

In the Matter of: The Joint Application of PNG Companies LLC, Drake Merger Sub Inc. and Delta Natural Gas Company, Inc. for Approval of an Acquisition of Ownership and Control of Delta Natural Gas Company, Inc.

Case No. 2017-00125

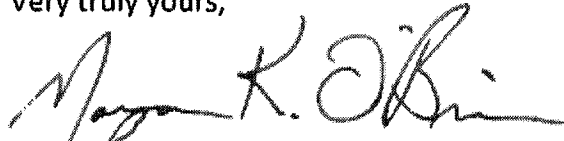
Dear Mr. Lyons,

PNG Companies LLC ("PNG"), by and through its Chief Executive Officer, and on behalf of itself and its wholly-owned subsidiary Drake Merger Sub Inc., hereby accepts and agrees to be bound by all of the commitments as specifically enumerated in the Appendix attached to the Commission's Order dated July 13, 2017 in the above-referenced proceeding (the "Order").

This letter is also sent on behalf of PNG's ultimate parent entities, SteelRiver Infrastructure Fund North America LP and SteelRiver LDC Investments LP (collectively, the "Funds"). As stated at pages 4 – 5 of the direct testimony in this proceeding of John McGuire, the Chief Legal Officer of the Funds, the Funds and their investment management affiliates place portfolio investments in chains of ownership separated by lines of business so that any potential financial issues relating to one line of business will not impact the financial viability of another. Thus, each line of business is operated as a separate and distinct enterprise. Consistent with this approach to ring-fencing, which will protect PNG and Delta if any of the Funds' other lines of business become subject to adverse economic circumstances, neither the Funds nor their investment management affiliates make any guarantees or commitments in respect of operations of individual portfolio companies or business lines. However, in response to the Commission's request at page 9, paragraph 3, of the Order that each of the Joint Applicants file a written acknowledgement accepting and agreeing to be bound by all of the commitments as specifically enumerated in the Appendix, I hereby advise the Commission that I have been advised that the Funds reaffirm the statement at page 5 of Mr. McGuire's testimony that the Funds, through PNG, are willing to make necessary and appropriate investments in the facilities of Delta to enable PNG to perform its commitments, with the understanding that under the "regulatory compact," they will be permitted to receive a fair rate of return of and on their investment in such facilities in a timely manner.

If the foregoing does not satisfy the condition at page 9, paragraph 3, of the Order, please notify the undersigned or PNG's counsel in this proceeding, Frank Mellen.

Very truly yours,

A handwritten signature in black ink, appearing to read "Morgan K. O'Brien". The signature is fluid and cursive, with the first name "Morgan" written in a larger, more prominent script than the last name "O'Brien".

Morgan K. O'Brien
President and Chief Executive Officer
PNG Companies LLC

61649714.1