

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

ELECTRONIC JOINT APPLICATION OF)	
PNG COMPANIES LLC, DRAKE MERGER)	
SUB INC., AND DELTA NATURAL GAS)	
COMPANY, INC. FOR APPROVAL OF AN)	CASE NO. 2017-00125
ACQUISITION OF OWNERSHIP AND)	
CONTROL OF DELTA NATURAL GAS)	
COMPANY, INC.)	

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NOTICE OF FILING ESTIMATED JOURNAL ENTRIES

Delta Natural Gas Company, Inc. (“Delta”), on behalf of PNG Companies LLC (“PNG”), pursuant to ordering paragraph 3 of the July 13, 2017, order herein, hereby gives notice of the filing of the estimated journal entries PNG proposes to record the acquisition of the common stock of Delta, a copy of which is attached hereto. These estimates are based on Delta’s August 31, 2017, month end balances and projected results through the closing date of September 20, 2017. Final numbers will not be available until after the completion of the audit of PNG for the year ended December 31, 2017.

Dated: October 9, 2017

Respectfully submitted,

Monica H. Braun

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Counsel for Delta Natural Gas Company,
Inc.

CERTIFICATE OF COMPLIANCE

This is to certify that Delta Natural Gas Company, Inc.'s October 9, 2017, electronic filing is a true and accurate copy of the same documents being filed in paper medium; that the electronic filing has been transmitted to the Commission on October 9, 2017; that there are currently no parties in this proceeding that the Commission has excused from participation by electronic means; and that the original and six copies of this filing in paper medium will be filed by hand-delivery with the Commission within two business days from the date of the electronic filing.

Monica H. Braun

Counsel for Delta Natural Gas Company,
Inc.

PNG COMPANIES LLC
DELTA NATURAL GAS COMPANY, INC.

CASE NO. 2017-00125

Estimated Acquisition Entries

Delta Natural Gas Company, Inc.

	<u>DR</u>	<u>CR</u>
Retained Earnings	\$ 17,600,000	
Premium on Common Shares		\$ 17,600,000

To eliminate Retained Earnings accumulated under previous stock ownership.

PNG Companies LLC

	<u>DR</u>	<u>CR</u>
Investment in Subsidiary	\$ 74,900,000	
Goodwill	\$ 142,700,000	
Cash and/or Debt		\$ 217,600,000

To record PNG Companies LLC's acquired investment in Delta Natural Gas Company, Inc. and its Subsidiaries.