# Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 1 - 807 KAR 5:001 Section 14
Sponsoring Witness: John B. Brown

### Description of Filing Requirement:

Section 14(1)

- Full name, mailing address, and e-mail address of applicant.
- A reference to the particular provision of law requiring Commission approval.

### Section 14(2)

• If applicant is a corporation, the applicant shall identify in the application the state in which it is incorporated and the date of its incorporation, attest that it is currently in good standing in the state in which it is incorporated, and, if it is not a Kentucky corporation, state whether it is authorized to transact business in Kentucky.

#### Section 14(3)

• If applicant is a limited liability company, the applicant shall identify in the application the state in which it is organized and the date on which it was organized, attest that it is in good standing in the state in which it was organized, and if it is not a Kentucky limited liability company, state whether it is authorized to transact business in Kentucky.

#### Section 14(4)

• If applicant is a limited partnership, a certified copy of its limited partnership agreement and all amendments, or a written statement that its partnership agreement and all amendments have been filed with the Commission in a prior proceeding and a reference to the case number of that proceeding.

### **Response:**

Section 14(1)

See Application Paragraph Nos. 1, 6, 10, and 20.

Section 14(2)

See Application Paragraph No. 2 and the attached Certificate.

# Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

### Section 14(3)

Delta is not a limited liability company and, therefore, compliance with this filing requirement is not necessary.

### Section 14(4)

Delta is not a limited partnership and, therefore, compliance with this filing requirement is not necessary.

# Commonwealth of Kentucky Michael G. Adams, Secretary of State

Michael G. Adams Secretary of State P. O. Box 718 Frankfort, KY 40602-0718 (502) 564-3490 http://www.sos.ky.gov

### **Certificate of Existence**

Authentication number: 246730

Visit <a href="https://web.sos.ky.gov/ftshow/certvalidate.aspx">https://web.sos.ky.gov/ftshow/certvalidate.aspx</a> to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

### DELTA NATURAL GAS COMPANY, INC.

is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 271B, whose date of incorporation is October 7, 1949 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 14<sup>th</sup> day of May, 2021, in the 229<sup>th</sup> year of the Commonwealth.



Michael G. Adams

Secretary of State
Commonwealth of Kentucky
246730/0143383

# Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement

Tab 2 - 807 KAR 5:001 Section 16(1)(b)(1)

Sponsoring Witness: John B. Brown

### **Description of Filing Requirement:**

A statement of the reason the adjustment is required.

### Response:

See Application.

As discussed in more detail in Mr. Brown's testimony, Delta's rates must be adjusted to a level which will provide it an opportunity to recover sufficient revenues to operate its business successfully, maintain its financial integrity, attract capital, and compensate investors for the risks assumed with respect to its operations. The testimony of Delta's other witnesses further supports why the adjustment is required.

Delta's current base rates, which have not been adjusted since Case No. 2010-00116, do not provide sufficient revenue to pay the expenses of its operations while also providing opportunity to earn a fair and reasonable return on its capital. Delta has invested capital to provide reliable service, which has increased its depreciation, rate base, and utility plant in service. Because these investments have not been recognized in rates, Delta's earnings have eroded.

# Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement

Tab 3 - 807 KAR 5:001 Section 16(1)(b)(2)

Sponsoring Witness: John B. Brown

### **Description of Filing Requirement:**

A certified copy of a certificate of assumed name as required by KRS 365.015 or a statement that such a certificate is not necessary.

### Response:

The legal name of Delta is Delta Natural Gas Company, Inc. It has never done business in any state under an assumed name and has never filed a Certificate of Assumed Name as may be required by KRS 365.015. Therefore, the filing of a copy of any such certificate as required by this Filing Requirement is not necessary.

# Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 4 - 807 KAR 5:001 Section 16(1)(b)(3)
Sponsoring Witness: John B. Brown / William Steven Seelye

### **Description of Filing Requirement:**

New or revised tariff sheets, if applicable, in form complying with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed.

### Response:

See attached.

PSC No. 13

Cancelling PSC No. 12

**DELTA NATURAL GAS COMPANY, INC.** 

3617 Lexington Road

Winchester, Kentucky

Rates, Rules and Regulations for Furnishing

**NATURAL GAS SERVICE** 

in

**Entire Service Area of the Company** 

Filed with the

PUBLIC SERVICE COMMISSION OF KENTUCKY

Issued Effective May 28, 2021 July 1, 2021

Issued by

JOHN B. BROWN, PRESIDENT

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DATE OF ISSUE: May 28, 2021

DATE EFFECTIVE: July 1, 2021

ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 2 Superseding P.S.C. No. 12

## CLASSIFICATION OF SERVICE – RATE SCHEDULES RESIDENTIAL

#### **APPLICABILITY**

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### **AVAILABILITY**

Available for use by residential customers.

#### **CHARACTER OF SERVICE**

Firm - within the reasonable limits of the Company's capability to provide such service.

set forth on Sheet No. 38 of this tariff. The fee is not included in the Customer Charge.

#### **RATES**

Recovery Rate (GCR) \*\* = Total Rate Base Rate (1) Customer Charge \* 29.03000 29.03000 (1) All Mcf \*\*\* \$ 5.70720 \$ 5.55320 \$ 11.26040 / per 1.0 Mcf

- Residential rates are subject to a \$0.30 fee collected under Delta's Energy Assistance Program Tariff Rider as (T)
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

Gas Cost

\*\*\* Residential rates are subject to the "Conservation/Efficiency Program Cost Recovery Component (CEPRC)" of .09180/Mcf. The CEPRC is an adjustment determined in accordance with the Conservation/Efficiency Program Cost Recovery as set forth on Sheets 39 – 42 of this tariff.

Residential rates are subject to a Pipe Replacement Program charge of \$0.00, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

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DATE OF ISSUE: May 28, 2021

DATE EFFECTIVE: July 1, 2021

ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 3 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE – RATE SCHEDULES SMALL NON-RESIDENTIAL\*

#### **APPLICABILITY**

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### **AVAILABILITY**

Available for use by small non-residential customers.

#### **CHARACTER OF SERVICE**

Firm - within the reasonable limits of the Company's capability to provide such service.

#### **RATES**

#### **TERMS AND CONDITIONS**

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Small Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Small Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Small Non-Residential or Interruptible Service rate schedule.

- Meter no larger than AL425
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.
  - Small Non-Residential rates are subject to a Pipe Replacement Program charge of \$0.00 as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

(D)

DATE OF ISSUE: May 28, 2021

DATE EFFECTIVE: July 1, 2021

ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 4 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE – RATE SCHEDULES LARGE NON-RESIDENTIAL\*

#### **APPLICABILITY**

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### **AVAILABILITY**

Available for use by large non-residential customers.

#### **CHARACTER OF SERVICE**

Firm - within the reasonable limits of the Company's capability to provide such service.

#### **RATES**

#### Gas Cost Recovery Rate

					,					
	Ва	se Rate	_+	(GCR)	**	_=	Total Rate		_	
Customer Charge	\$	195.04000					\$	195.04000		
1 - 200 Mcf	\$	5.69350		\$	5.55320		\$	11.24670	/ per 1.0 Mcf	
201 - 1,000 Mcf	\$	3.51960		\$	5.55320		\$	9.07280	/ per 1.0 Mcf	
1,001 - 5,000 Mcf	\$	2.47000		\$	5.55320		\$	8.02320	/ per 1.0 Mcf	
5,001 - 10,000 Mcf	\$	1.94270		\$	5.55320		\$	7.49590	/ per 1.0 Mcf	
Over 10,000 Mcf	\$	1.67900		\$	5.55320		\$	7.23220	/ per 1.0 Mcf	

#### **TERMS AND CONDITIONS**

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Large Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Large Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Large Non-Residential or Interruptible Service rate schedule.

- Meter larger than AL425
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

Large Non-Residential rates are subject to a Pipe Replacement Program charge of \$00.00, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

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DATE OF ISSUE: May 28, 2021

DATE EFFECTIVE: July 1, 2021

ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 5 Superseding P.S.C. No. 12

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## CLASSIFICATION OF SERVICE – RATE SCHEDULES INTERRUPTIBLE SERVICE

#### **APPLICABILITY**

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### **AVAILABILITY**

Available for use by interruptible customers.

#### **CHARACTER OF SERVICE**

Firm Service, as available. This rate schedule is designed to make available quantities of natural gas that Company may from time to time have available for sale without impairment of service to customers served under other higher priority rate schedules, and which can be supplied from Company's existing distribution system, subject to the provisions of this rate schedule. Company shall have the right to discontinue the supply of natural gas wholly or in part for such period or periods as, in the sole judgment of Company, may be necessary or advisable to enable it to supply the full gas requirements of its customers served under higher priority rate schedules. Nothing herein shall prevent Company from expanding its obligations under such other rate schedules. Company may decline to accept any additional contracts for service hereunder.

#### **RATES**

### Gas Cost Recovery Rate

	Bas	e Rate	_+	(GCF	۲) **	=	Tot	al Rate			
Customer Charge	\$	267.85000					\$	267.85000		(1)	
1 - 1,000 Mcf	\$	1.71430		\$	5.55320		\$	7.26750	/ per 1.0 Mcf	(1)	
1,001 - 5,000 Mcf	\$	1.28570		\$	5.55320		\$	6.83890	/ per 1.0 Mcf	(1)	
5,001 - 10,000 Mcf	\$	0.85710		\$	5.55320		\$	6.41030	/ per 1.0 Mcf	(1)	
Over 10,000 Mcf	\$	0.64280		\$	5.55320		\$	6.19600	/ per 1.0 Mcf	(1)	

Special Conditions - All customers having a connected load in excess of 2,500,000 Btu input per hour may be required to enter into an Interruptible Sales Agreement. Determinations of those customers so required shall be based on peak day use as well as annual volume and shall be at the sole discretion of the Company. In order to provide a fair opportunity to compete with other motor fuels, the customer charge and Pipe Replacement Program charge may be waived by Delta at its sole discretion for compressed natural gas fueling station customers.

Any customer required to enter into an Interruptible Agreement shall be permitted to purchase or transport gas under the Interruptible Rate Schedule as set forth on Sheet No. 5. Gas requirements, minimum charges and other specific information shall be set forth in the Agreement.

Interruptible rates are also subject to a Pipe Replacement Program charge of \$000.00, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

\*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

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DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

P.S.C. No. 13, Original Sheet No. 6 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE – RATE SCHEDULES INTERRUPTIBLE SERVICE

#### **TERMS AND CONDITIONS**

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 6.1 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE – RATE SCHEDULES FARM TAP SERVICE

#### **APPLICABILITY**

Applicable to all areas served by Delta, including areas formerly served by Peoples Gas KY LLC with a connection along
Kentucky West Virginia Gas Company's well connection and gathering system in Eastern Kentucky included in Peoples
Gas KY LLC's former service area.

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#### **AVAILABILITY**

Available to farm tap customers as defined by KRS 278.485. This includes customers previously served by Peoples Gas KY LLC or any new farm tap customers served from a connection along Kentucky West Virginia Gas Company's well connection and gathering system in Peoples Gas KY LLC's former service area, including farm tap customers previously served by Delta's supplier. Pursuant to KRS 278.485, the point of service must be located within one-half (1/2) airmile of Delta or Delta's supplier's producing gas well or gathering pipeline. Customers shall complete Form 910, "Application for Service on Gathering System," and are responsible for all equipment other than the meter, service tap, saddle and first service shut off valve.

#### **CHARACTER OF SERVICE**

Gas delivered pursuant to this tariff is from pipelines owned and operated by Delta or Delta's supplier and all gas sold hereunder is made available by said supplier and subject to the terms and conditions of KRS 278.485 and 807 KAR 5:026. Delta's Tariff applies to customers taking service pursuant to this Rate Schedule unless (1) set forth otherwise or (2) the Tariff conflicts with KRS 278.485 or 807 KAR 5:026.

Other than the meter, service tap, saddle and first service shut off valve, which shall be owned and maintained by Delta, all other approved equipment and material required for service under this tariff shall be furnished, installed, and maintained by the customer at the customer's expense and shall remain the customer's property. At the customer's option, Delta will furnish and install this other equipment, but this other equipment shall be paid for, owned and maintained by the customer. Such other equipment shall include, but is not limited to, the line from the service tap to the point of use, gas regulation equipment, and desiccant tanks or other moisture control equipment as approved and required by Delta. Delta shall have the right to abandon gas service to any customer served from any line which is no longer operated by its supplier for any reason whatsoever. Nothing in this Tariff shall be construed to restrict Delta's right to abandon any gas well or any gathering pipeline, or any part thereof, and to remove any such abandoned pipeline or lines. All gas sold and delivered under this Tariff shall be delivered at the varying pressures of Delta's supplier's pipeline, and it shall be the responsibility of the customer to supply, maintain, and operate the necessary regulator and related equipment for the customer's use. Service could be interrupted due to the unprocessed nature of the gas, and upon the discontinuance of the gathering of gas through the gathering line or low flowing pressures resulting from the depletion of the wells feeding that gathering line or other reasons affecting pressure and/or volumes of gas, service is subject to interruption or discontinuance.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00185 dated

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P.S.C. No. 13, Original Sheet No. 6.2 Superseding P.S.C. No. 12

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# CLASSIFICATION OF SERVICE – RATE SCHEDULES FARM TAP SERVICE

RATES						
			Gas Cost Recovery Rate			
Customer Charge *	Base Rate \$ 29.0300	+	GCR**	= <u>T</u> \$	<u>otal Rate</u> 29.0300	(1)
All Mcf	\$ 2.3570		\$ 5.5532	\$	7.9102	(1)
* Residential rates are su on Sheet No. 38 of this tar	-			_	y Assistance Program Tariff Rider as set forth	(T) (T)
** The "Gas Cost Recover the "Peoples KY Purchase					per Mcf determined in accordance with and 14 of this tariff.	
SPECIAL CHARGES APPLIC	CABLE TO FARM T	AP CUSTO	<u>OMERS</u>			(T)
New installations: \$150.0	00 fee					(T)
Reconnections: \$25.00 tu	ırn-on fee plus pa	yment of	all past due amou	ınts		(T)
_			-		nance of service will be permitted upon the owner, and a \$25.00 turn-on fee may apply.	(T) (T)
The special charges set fo	orth herein are in a	addition t	o the special charg	ges se	et forth elsewhere in the Tariff that likewise	(T)

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

apply to customers taking Farm Tap Service.

P.S.C. No. 13, Original Sheet No. 7 Superseding P.S.C. No. 12

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## CLASSIFICATION OF SERVICE – RATE SCHEDULES TRANSPORTATION OF GAS FOR OTHERS ON SYSTEM UTILIZATION

#### **APPLICABILITY**

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### **AVAILABILITY**

Available to government or university-owned housing facilities that may be served as residential, and small non-residential, large non-residential, interruptible and compressed natural gas fueling station customers who have purchased natural gas elsewhere, obtained all requisite authority to transport such gas to Delta's facilities and request Delta to utilize its facilities to transport such customer-owned gas to place of utilization. Any such transportation service shall be subject to the terms and conditions set forth herein and to the reserved right of Delta to decline to initiate such service whenever, in Delta's sole judgment, the performance of the service would be contrary to good operating practice or would have a detrimental impact on other customers of Delta. Such detrimental impact may include under deliveries of transportation gas to Delta's system or switching by the transportation customer to Delta's Small Non-Residential, Large Non-Residential or Interruptible Service rate schedules.

#### **RATE**

A transportation charge comprised of the following components will be applied to each Mcf, or in the case of measurement based on heating value, each dekatherm (Dth) of gas transported hereunder:

- (1) Delta's Base Rate for gas sold as set forth in Delta's Small Non-Residential, Large Non-Residential and Interruptible Rate Schedules; plus
- (2) Where the pipeline suppliers transportation, compression or other similar charges are billed to Delta, the cost per Mcf or Dth, as applicable, of such charges; plus
- (3) A take-or-pay recovery component of \$(0.0000)
- (4) For compressed natural gas fueling station customers, in order to provide a fair opportunity to compete with other motor fuels, Delta may negotiate at Delta's sole discretion and such customers a fixed base rate that is no more than the maximum Base Rate set forth in Delta's Interruptible Service Rate Schedule, but is no less than the minimum Base Rate set forth in Delta's Interruptible Service Rate Schedule.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 8 Superseding P.S.C. No. 12

## CLASSIFICATION OF SERVICE – RATE SCHEDULES TRANSPORTATION OF GAS FOR OTHERS ON SYSTEM UTILIZATION

#### **GAS SOLD TO CUSTOMER**

Monthly gas deliveries to customer in excess of scheduled transportation volumes will be billed by Delta and paid by customer in accordance with Delta's Standby Service Rate Schedule.

### **TERMS AND CONDITIONS**

Service hereunder shall be performed under a written contract between customer and Delta setting forth specific arrangements as to term of the contract, volumes to be transported, points of delivery, methods of metering, timing of receipts and deliveries of gas by Delta, timing constraints relative to under deliveries and/or switching to Delta's Small Non-Residential, Large Non-Residential or Interruptible Service rate schedules, the availability of discounts in special situations and any other matters relating to individual customer circumstances.

At least ten (10) days prior to the beginning of each month, customer shall provide Delta with a schedule setting forth daily volumes of gas to be delivered into Delta's facilities for customer's account. Customer shall give Delta at least twenty-four (24) hours prior notice of any subsequent changes to scheduled deliveries. Delivery of gas transported hereunder will be effected as nearly as practicable on the same day as the receipt thereof. Delta will not be obligated to utilize underground storage capacity in performance of the service provided herein.

All gas volumes delivered hereunder shall shrink by 2% to cover line loss and measurement differences when no compression is being used in the transportation. When compression is required in the transportation, all gas volumes delivered hereunder shall shrink an additional amount equivalent to fuel usage.

It shall be the customer's responsibility to make all necessary arrangements, including regulatory approvals, required to deliver gas transported under this tariff.

Delta reserves the right to refuse to accept gas that does not meet Delta's quality specifications.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 9 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE – RATE SCHEDULES TRANSPORTATION OF GAS FOR OTHERS ON SYSTEM UTILIZATION

Volumes of gas transported hereunder will be determined in accordance with Delta's measurement base.

Customer owned gas transported hereunder for an interruptible customer will be subject to interruption in accordance with normal interruption procedures applicable to such rate schedule. Such customers must agree in writing to cause deliveries of customer-owned gas into Delta's facilities to cease upon notification by Delta of the necessity to interrupt or curtail the use of gas.

Delta shall have the right at any time to curtail or interrupt the transportation or delivery of gas to interruptible customers hereunder when, in Delta's sole judgment, such curtailment or interruption is necessary to enable Delta to maintain deliveries to customers of higher priority or to respond to any emergency. During such periods, Delta shall have the right to purchase any transportation gas delivered into Delta's system for the account of the customer at the actual cost the customer paid for such gas.

Delta may execute special transportation contracts with anyone after said contract has been filed with and accepted by the Public Service Commission.

This transportation is available to any customer with a daily nominated volume (the level of daily volume in Mcf as requested by the customer to be transported and delivered by the Company) which averages a minimum of 25 Mcf of gas per day for the billing period on an individual service at the same premise who has purchased their own supply of natural gas and require transportation by the Company to the point of utilization subject to suitable service being available from existing facilities. In order to provide a fair opportunity to compete with other motor fuels, this minimum volume requirement may be waived by Delta at is sole discretion for compressed natural gas fueling station customers.

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 10 Superseding P.S.C. No. 12

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#### **CLASSIFICATION OF SERVICE - RATE SCHEDULES**

#### TRANSPORTATION OF GAS FOR OTHERS OFF SYSTEM UTILIZATION

#### **APPLICABILITY**

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### **AVAILABILITY**

Available to any person whose facilities connect or can be made to connect with Delta's facilities or who can cause their natural gas to be delivered to Delta's facilities and who desires gas to be transported by Delta to a place of utilization not connected to Delta's facilities. Further, the person or persons desiring such transportation shall have executed a contract with Delta as set forth under the terms and conditions of this tariff.

#### **RATE**

The charge for service under this tariff shall be \$0.3259 per 1,000 cu. ft. of gas transported, or, in the case of measurement based upon heating value, shall be \$0.3259 per dekatherm. Any additions or modifications of the facilities required to perform this service shall be at the sole expense of the customer.

#### **TERMS AND CONDITIONS**

Specific details relating to volumes, delivery points and other matters shall be covered by a separate contract.

Delta shall reserve the right to purchase all or part of the gas to be transported at the same price the transporter would have received at the delivery point less Delta's applicable transportation charges, shrinkage and compressor fuel costs.

Delivery of gas transported hereunder will be effected as nearly as practicable on the same day as the receipt thereof. Delta will not be obligated to utilize underground storage capacity in performance of the service provided herein.

All gas volumes delivered hereunder shall shrink by 2% to cover line loss and measurement differences when no compression is being used in the transportation. When compression is required in the transportation, all gas volumes delivered hereunder shall shrink an additional amount equivalent to fuel usage.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 11 Superseding P.S.C. No. 12

#### **CLASSIFICATION OF SERVICE - RATE SCHEDULES**

#### TRANSPORTATION OF GAS FOR OTHERS OFF SYSTEM UTILIZATION

It shall be the customer's responsibility to make all necessary arrangements, including regulatory approvals, required to deliver gas transported under this tariff.

Delta reserves the right to refuse to accept gas that does not meet Delta's quality specifications.

Volumes of gas transported hereunder will be determined in accordance with Delta's measurement base.

Delta shall have the right at any time to curtail or interrupt the transportation or delivery of gas hereunder when, in Delta's sole judgment, such curtailment or interruption is necessary to enable Delta to maintain deliveries to retail customers of higher priority or to respond to any emergency.

Delta may execute special transportation contracts with anyone after said contract has been filed with and accepted by the Public Service Commission.

This transportation is available to any customer with a daily nominated volume (the level of daily volume in Mcf as requested by the customer to be transported and delivered by the Company) which averages a minimum of 25 Mcf of gas per day for the billing period.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 12 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES

#### STANDBY SERVICE RATE SCHEDULE

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### **AVAILABILITY**

Available for use by commercial and industrial customers who:

- (1) purchase all or part of their natural gas requirements from sources other than Delta and who request Delta to be available to supply natural gas at that place of utilization; or
- (2) request Delta to provide a standby energy source at their place of utilization.

### **CHARACTER OF SERVICE**

Firm - within the reasonable limits of Delta's capability to provide such service unless otherwise specified in a contract between Delta and the customer.

#### **RATES**

Customer shall pay Delta a standby charge to be set forth in a contract between Delta and the customer that has been filed with and accepted by the Public Service Commission. In addition, monthly natural gas usage will be billed by Delta and paid by the customer in accordance with the charges set forth in Delta's General Service or Interruptible Rate Schedule under which it sells gas to the customer.

#### **SPECIAL TERMS AND CONDITIONS**

Service under this rate schedule shall be performed under a written contract between Delta and the customer setting forth specific arrangements as to standby charge, maximum daily volumes of natural gas required by the customer from Delta, points of delivery, methods of metering and other matters relating to individual customer circumstances.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 13 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES

#### **GAS COST ADJUSTMENT CLAUSE**

#### **DETERMINATION OF GCR**

The Company shall file a Quarterly Report with the Commission which shall contain an updated Gas Cost Recovery Rate (GCR) and shall be filed at least thirty (30) days prior to the beginning of each calendar quarter. The GCR shall become effective for billing with the final meter readings of the first billing cycle of each calendar quarter.

The gas cost recovery rates are comprised of:

- (1) The expected gas cost component (EGC), on a dollar per Mcf basis, which represents the average expected cost of gas supplies and may include fixed price, forward price and indexed price purchases. The purchases are less amounts injected into underground storage. The EGC includes withdrawals from underground storage at the average unit cost of working gas. The EGC includes the uncollectible gas costs portion of bad debt. In an effort to mitigate price volatility, the Company may contract with gas suppliers at fixed prices, at locked-in prices for gas to be delivered at future dates (forward price) and at index-based prices. These efforts can include the monthly or periodic layering of forward purchase volumes to help moderate the volatility of gas prices. The Company may consider published futures prices as well as price trends and price expectations at the time such decisions are made. Depending upon the circumstances, this volume can be up to the annual projected system requirements including storage needs.
- (2) The supplier refund adjustment (RA), on a dollar per Mcf basis, which reflects refunds received from suppliers during the reporting period, plus interest at the average 90 day commercial paper rate for the calendar quarter. In the event of any large or unusual refunds, the Company may apply to the Public Service Commission for the right to depart from the refund procedure herein set forth.
- (3) The actual adjustment (AA), on a dollar per Mcf basis, compensates for difference between the previous quarter's expected gas cost and the actual cost of gas during that quarter.
- (4) The balance adjustment (BA), on a dollar per Mcf basis, which compensates for any under or over collections which have occurred as a result of prior adjustments.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 14 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES

#### **GAS COST ADJUSTMENT CLAUSE**

#### **BILLING**

The gas cost recovery rate to be applied to bills of customers shall equal the sum of the following components: GCR = EGC + RA + AA + BA

#### **DEFINITIONS**

For purposes of this tariff:

- (a) "Average Expected Cost" means the cost of gas supplies, adjusted for injections/withdrawals into storage and the uncollectible gas costs portion of bad debt. Cost of gas supplies include associated transportation and storage charges, and propane which results from the application of suppliers' rates currently in effect, or reasonably expected to be in effect during the calendar quarter, on purchased volumes during the twelve month period ending with the reporting period to which the GCR will apply, divided by the corresponding sales volume. Where the calculations require the use of volumes used during a given period, and those volumes did not exist for a particular source for the entire period, or the Company expects the volumes to change substantially, the Company may make appropriate adjustments in its calculations. Any adjustments of this type shall be described in the quarterly Gas Cost Recovery Report.
- (b) "GCR" means the quarterly updated gas cost recovery rate applicable to the monthly consumption of customers (sum of the expected gas cost component plus the supplier refund adjustment plus the actual adjustment plus the balancing adjustment; i.e., GCR = EGC + RA + AA + BA).
- (c) "Calendar Quarters" means each of the four three-month periods of (1) August, September and October; (2) November, December and January; (3) February, March and April; and (4) May, June and July.
- (d) "Reporting Period" means the three (3) month accounting period that ended approximately sixty (60) days prior to the filing date of the updated gas recovery rates; i.e., the calendar quarter preceding that during which the most recent Quarterly Report was filed.

#### INTERIM GAS COST ADJUSTMENT FILINGS

The Company may make application for Interim Gas Cost Adjustments subject to the approval of the Commission.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 15 Superseding P.S.C. No. 12

#### **CLASSIFICATION OF SERVICE – RATE SCHEDULES**

#### **SPECIAL CHARGES**

The following charges shall be applied under the following conditions:

Collection Charge - A charge of \$20.00 will be levied when a Company representative makes a trip to the premises of a customer for the purpose of terminating service. The charge may be assessed if service is actually terminated or if the customer pays the delinquent bill to avoid termination. The charge may also be assessed if the Company's representative agrees to delay termination based on the customer's agreement to pay the delinquent bill by a specific date. A collection trip may be made only after written notice has been sent to the customer stating that if the bill is not paid by a certain date the service will be disconnected.

Reconnection Charge - A reconnection charge of \$60.00\* to be levied by the Company and paid by the customer before or at the time the service is reconnected shall be assessed as approved by the Public Service Commission when:

- (1) The customer's service has been disconnected for non-payment of bills or for violation of the Commission's or Company's Rules and Regulations, and the customer has qualified for and requested service to be reconnected. Customers qualifying for service reconnection under 807 KAR 5:006, Section 16 Winter Hardship shall be exempt from reconnect charges.
- (2) The customer's service has been disconnected at the customer's request and at any time subsequently within twelve (12) months is reconnected at the same premise.

Bad Check Charge - The Company may charge and collect a fee of \$15.00 to cover the cost of handling an unsecured check; where a customer tenders in payment of an account a check which upon deposit by the Company is returned as unpaid by the customer's financial institution.

Request Test Charge - Pursuant to 807 KAR 5:006, Section 19, the Company shall make a test of any meter upon written request of any customer provided such request is not made more frequently than once each twelve (12) months. The customer shall be given the opportunity of being present at such request tests. If such tests show that the meter was not more than two percent (2%) fast, the Company may make a reasonable charge for the test. The test charge is based upon meter size and is as follows:

1,000 cubic feet per hour and under	\$ 4.00
Over 1,000 to 10,000	\$ 8.00
Over 10,000	\$12.00

\*The reconnection charge for any customer pursuant to KRS 278.485 shall be \$25.00 as set forth in Sheet No. 6.1-6.2.

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DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 16 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES

#### **SPECIAL CHARGES**

Gas Light Charge - Monthly consumption of unmetered gas used for an outdoor gas light, as approved by the Company, will be calculated to be 1,500 cubic feet per month per mantle for upright mantles and for each pair of inverted mantles. On special models of gas lights where gas consumption is greater than those referred to above, the Company shall estimate, based on the manufacturer's suggested usage, the monthly consumption to the closest 100 cubic feet and bill customer that equal amount each month. Such consumption shall be billed under the appropriate rate schedule applicable to the customer.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 17 Superseding P.S.C. No. 12

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# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 1. APPLICABILITY

Applicable within all service areas served by Delta. namely: Bath County; Estill County
Montgomery County; Menifee County; Madison County; Powell County; Garrard County; Jackso
County; Lee County; Bourbon County; Jessamine County; Rowan County; Bell County; Kno
County; Whitley County; Laurel County; Clay County; Leslie County; Fayette County; Flemin
County; Clark County; Robertson County; Mason County; Lawrence County; Martin County; Perr
County; Magoffin County; Pike County; Floyd County; Johnson County; Knott County; and Letche
County.

#### 2. COMMISSION'S RULES AND REGULATIONS

All gas service rendered by the Company shall be in accordance with the Administrative Regulations by which gas utilities are governed by the Public Service Commission of Kentucky and all amendments thereto and modifications thereof which may be made by the Commission.

#### 3. <u>COMPANY'S RULES AND REGULATIONS</u>

In addition to the Rules and Regulations prescribed by the Public Service Commission, all gas service rendered shall also be in accordance with the Rules and Regulations adopted by the Company.

#### 4. FILING OF RATES, RULES AND REGULATIONS

A copy of all schedules of rates, rules and regulations under which gas service is rendered is on file for the public's benefit with the Public Service Commission of Kentucky. A copy of such rates, rules and regulations, together with the law, rules and regulations of the Public Service Commission of Kentucky is available for public inspection in the principal office of the Company.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 18 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 5. NO EXCEPTIONS TO RULES AND REGULATIONS

No agent, representative or employee of the Company shall make any promise, agreement or representation not incorporated in or provided for by the Rules and Regulations of the Public Service Commission of Kentucky or of this Company and neither has any agent, representative or employee of the Company any right or power to amend, modify, alter or waive any of the said Rules and Regulations except as hereinafter provided.

#### 6. RULES AND REGULATIONS MAY BE AMENDED

The Company reserves the right to amend or modify its Rules and Regulations or to adopt such additional Rules and Regulations as the Company deems necessary in the proper conduct of its business, subject to the filing with and acceptance of same by the Public Service Commission of Kentucky.

#### 7. SUPERSEDE PREVIOUS RULES AND REGULATIONS

These Rules and Regulations replace and supersede all previous Rules and Regulations under which the Company has previously supplied gas service.

#### 8. CUSTOMER CLASSIFICATIONS

Residential: Service to customers which consists of direct natural gas usage in a

residential dwelling for space heating, air conditioning, cooking,

water heating and other residential uses.

Small

Non-Residential Service to customers engaged primarily in the sale of goods or

services including institutions and local and federal government agencies for uses other than those involving manufacturing or electric power generation with a meter no larger than an AL425.

Large

Non-Residential: Service to commercial and industrial customers including

institutions and local and federal government agencies with a meter

larger than an AL425.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 19 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 9. <u>APPLICATION FOR SERVICE</u>

A written application or contract, properly executed, may be required before the Company is obligated to render gas service. The Company shall have the right to reject for valid reasons any such application or contract. All applications for service shall be made in the legal name of the party desiring the service.

Applications for service are not transferable and new occupants of premises will be required to make application for service before commencing the use of gas. Customers who have been receiving gas service shall notify the Company when discontinuance of service is desired and shall pay for all gas until such notice has been given in person, in writing or by telephone and final meter reading is made by the Company.

When a customer moves within the service area of the Company, the customer shall be billed out at the original location and billed in at the new location. Therefore, the customer may receive two bills for the month in which the move occurs.

In case the customer is not the owner of the premises, it shall be the customer's responsibility to obtain from the property owner or owners the necessary consent to install and maintain in, on or over said premises all such piping and other equipment as are required or necessary to install service line for supplying gas service to the customer whether the piping and equipment be the property of the customer or the Company.

#### 10. REFUSAL OR DEFERRAL OF SERVICE

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The Company reserves the right to refuse or to defer full service to an applicant where the existing mains are inadequate to serve the applicant's requirements without adversely affecting the service to customers already connected and being served.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 20 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

### 11. RENEWAL OF CONTRACT

If, upon the expiration of any service agreement or service contract for a specified term, the customer continues to use the service, the service agreement or service contract (unless otherwise provided therein) will be automatically renewed and extended for successive periods of one year each, subject to termination at the end of any year upon written notice by either party in advance of the expiration date in accordance with the terms set forth in the service agreement or service contract.

#### 12. <u>CUSTOMER'S LIABILITY</u>

The customer shall assume all responsibility for the gas service in or on the customer's premises at and from the point of delivery of gas and for all the piping, appliances and equipment used in connection therewith which are not the property of the Company, and will protect and save the Company harmless from all claims for injury or damage to persons or property occurring on the customer's premises or at and from the point of delivery of gas occasioned by such gas or gas service and equipment, except where said injury or damage will be shown to have been caused solely by the gross negligence of the Company.

### 13. <u>FORCE MAJEURE</u> (N)

Neither Company nor Customer shall be liable in damages to the other for any act, omission or circumstance occasioned by or in consequence of any acts of God, strikes, lockouts affecting the company or its suppliers of gas, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated or otherwise, not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. Failure to prevent or settle any strike or strikes shall not be considered to be a matter within the control of the party claiming suspension. Such causes or contingencies affecting the performance hereunder by either Company or Customer, however, shall not relieve it of liability in the event of its concurring negligence or in the event of its failure to use due diligence to remedy the situation and to remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting such performance relieve either party from its obligations to make payments of amounts then due hereunder in respect of gas theretofore delivered.

#### 14. ACCESS TO PROPERTY

The Company shall at all reasonable hours have access to meters, service connections and other property owned by it and located on customer's premises for purposes of installation, maintenance, meter reading, operation or removal of its property at the time service is to be terminated. Any employee of the Company whose duties require the employee to enter the customer's premises shall wear a distinguishing uniform or other insignia, identifying the employee as an employee of the company, or carry a badge or other identification which will identify the employee as an employee of the Company, the same to be shown by the employee upon request.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00185 dated \_\_\_\_\_\_

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P.S.C. No. 13, Original Sheet No. 21 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 15. CONTINUOUS OR UNIFORM SERVICE

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The Company will endeavor to supply gas continuously and without interruption, except for the rate schedules that state otherwise. However, the Company shall not be responsible for damages or otherwise for failure to supply gas for any interruptions of the supply when such failure is without willful fault or neglect on its part.

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The Company cannot and does not guarantee either a sufficient supply or an adequate or uniform pressure of the gas supplied and shall not be liable for any damage or loss resulting from inadequate or interrupted supply or from any pressure variations when such conditions are not due to willful fault or neglect on its part.

#### 16. <u>EXCLUSIVE SERVICE</u>

(T)

Except in cases where the customer has a special contract with the Company for reserve or auxiliary service, no other fuel service shall be used by the customer on the same installation in conjunction with the Company's service connection, either by means of valves or any other connection.

The customer shall not sell the gas purchased from the Company to any other customer, company or person, and the customer shall not deliver gas purchased from the Company to any connection wherein said gas is to be used on premises not owned or controlled by the customer.

### 17. <u>DEPOSITS</u>

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The Company may require a minimum cash deposit or other guaranty to secure payment of bills except from customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 16, Winter Hardship Reconnection. Service may be refused or discontinued for failure to pay the requested deposit. Interest, as prescribed by KRS 278.460, will be paid on all sums held on deposit. The interest will be applied as a credit to the customer's bill or will be paid to the customer on an annual basis. If the deposit is refunded or credited to the customer's bill prior to the deposit anniversary date, interest will be paid or credited to the customer's bill on a pro-rated basis.

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DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 22 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

The deposit may be waived upon a customer's showing of satisfactory credit or payment history. Required deposits will be credited to the customer's bill between twelve and fifteen months after the month of deposit if the customer has established a satisfactory payment record for that period. If a deposit has been waived or returned and the customer fails to maintain a satisfactory payment record, a deposit may then be required. Upon termination of service, the deposit and any interest earned and owing will be credited to the final bill with any remainder refunded to the customer.

In determining whether a deposit will be required or waived, the following criteria may be considered:

- (1) Previous payment history with the Company. If the customer has no previous history with the Company, statements from other regulated public utilities may be presented by the customer as evidence of good credit.
- (2) Length of time the customer has resided or been located in the area.
- (3) Whether the customer owns the property where service is to be rendered.
- (4) Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 23 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

If a deposit is held longer than eighteen months, the deposit will be recalculated at the customer's request based on the customer's actual usage for the past twelve months. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Company may collect any underpayment and refunds, if any, will be credited to the customer's next utility bill. No refund will be made if the customer's bill is delinquent at the time of recalculation.

Once each year, a billing insert will be included with the bill advising the customer of the right to request a deposit recalculation.

Residential and small non-residential customers with meters up through AL425 will pay equal deposits in the amount of \$95.00. This amount shall not exceed 2/12ths of the average annual bill.

Large non-residential customer's deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent twelve month period if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers and premises in the system. The deposit amount shall not exceed 2/12ths of the customer's actual or estimated annual bill.

#### 18. MONTHLY CUSTOMER CHARGE

A monthly customer charge shall be rendered against every meter installed unless service is discontinued in one customer's name and is not to be re-served at the location.

Special permission may be obtained from the local distribution supervisor for waiving of the monthly customer charge only when initial service is being rendered and no gas except test gas has been passed by the meter.

A full monthly customer charge will be rendered whenever service has been used for more than fifteen (15) days of a billing month, even if the consumption of the customer is zero (0).

If service is used less than fifteen (15) days in a given billing month and any consumption is recorded, the normal billing procedure shall apply.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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P.S.C. No. 13, Original Sheet No. 24 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 19. MONTHLY BILLS

(T)

Bills for gas service will be rendered monthly unless otherwise specified. The term "month" for billing purposes shall mean the period between any two consecutive readings of the meter by the Company, such reading to be taken as near as practicable approximately every thirty (30) days.

Bills are due upon rendition and payable within a period not exceeding ten (10) days after the date of mailing.

Service shall be subject to being discontinued for non-payment of bills after the customer has been given at least ten (10) days written notice separate from the original bill and not before twenty seven (27) days from the mailing date of the original bill.

The Company may not terminate service to a customer if a medical certificate is presented or if a Certificate of Need from the Cabinet for Human Resources is presented in accordance with 807 KAR 5:006, Section 15 (2)(c) and (3).

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Failure to receive a bill does not exempt a customer from these provisions.

When the Company is unable to read the meter after a reasonable effort, or where the meter fails to operate, the customer will be billed on an estimated basis and the billing adjusted as necessary.

The Company's billing form includes dates served; number of days in period; previous and present meter reading; Mcf usage; net amount due for service rendered; taxes, if applicable; adjustments, if any; special charges; total amount due; account number; billing date; due date; and service address.

#### 20. <u>BUDGET PAYMENT PLAN</u>

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The Company has a budget payment plan available for its residential and small non-residential customers whereby a customer may elect to pay a monthly amount for the budget year in lieu of monthly billings for actual usage. The monthly budget

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

payment will be determined by the Company based, under normal circumstances, on a minimum of one-twelfth of the estimated annual usage, subject to review and adjustment during the budget year. The normal budget year is the 12 months from August through July, with any amounts to be settled being rolled into the subsequent budget year.

The customer's account may be adjusted through a series of levelized adjustments on a monthly basis if usage or changes in rates indicate that the account will not be current upon payment of the last budget amount.

To be accepted as a budget customer, the account balance must be paid in total before the customer is put on a budget payment plan. It is understood that this budget payment plan will continue until the customer notifies the Company in writing or by telephone to discontinue the plan or if the customer fails to pay bills as rendered under the budget payment plan. The Company reserves the right to revoke the plan and restore the customer to regular billing and require immediate payment of any deficiency.

Failure to receive a bill in no way exempts the customer from the provisions of these terms and conditions.

#### 21. LOCAL FRANCHISE FEE OR TAX

There shall be added to the customer's bill, as a separate item, an amount equal to the proportionate part of any license, occupation, franchise or other similar fee or tax now or hereafter agreed to or imposed upon the Company by local taxing authorities, whether imposed by ordinance, franchise or otherwise, and which fee or tax is based upon a percentage of the gross receipts, net receipts, or revenues of the Company. Such amount shall be added exclusively to bills of customers receiving service within the territorial limits of the authority imposing the fee or tax. Where more than one such fee or tax is imposed, each of the charges or taxes applicable to each customer shall be added to the customer's bill as separately identified items.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 22. COMPANY-OWNED SERVICE LINE EXTENSIONS AND CONNECTIONS

(T)

The Company will install, own, operate and maintain the service line at the premises of residential and commercial customers, if such premises are not connected to a Company main by a service line. With respect to residential and commercial customers that occupy premises already connected to a Company main by a service line, the Company shall be responsible for operating and maintaining the customer service line and when the Company determines that replacement of such customer service line is necessary the Company shall be responsible for installing the service line and shall thereafter own the service line.

Any customer accepting gas service under this section shall be deemed to have granted the Company an easement across his property for such service. No service line shall be installed across private property other than the premises of the building to be supplied with gas; except after special investigation and approval by the Company.

An extension of 100 feet or less shall be made to an existing distribution main without charge for a prospective customer who shall apply for and contract to use service for one (1) year or more and provides guarantee for the service.

If an extension of the utility's main to serve an applicant or group of applicants amounts to more than 100 feet per customer, the Company may require the total cost of the excessive footage over 100 feet per customer to be deposited with the utility by the applicant, based on average estimated cost per foot of the total extension. Each customer receiving service under this extension shall be reimbursed under the following plan: each year for a refund period of not less than ten (10) years, the utility shall refund to the customer who paid for the excessive footage, the cost of 100 feet of extension in place for each additional customer connected during the year whose service line is directly connected to the extension installed, and not to extensions or laterals therefrom. Total amount refunded shall not exceed the amount paid to the utility. After the end of the refund period, no refund shall be required. An applicant desiring an extension to a proposed real estate subdivision may be required to pay all costs of the extension. Each year for a refund period of not less than ten (10) years, the utility shall refund to the applicant who paid for the extension a sum equivalent to the cost of 100 feet of extension installed for each additional customer connected during the year. Total amount refunded shall not exceed the amount paid to the utility. After the end of the refund period from the completion of the extension, a refund shall not be required.

Nothing contained herein shall be construed as to prohibit the Company from making at its expense greater extensions to its distribution mains or the granting of more favorable terms than herein prescribed, should its judgment so dictate, provided like extensions are made for other customers or subscribers under similar conditions.

In the event that the Company is required to undertake any excavation on a customer's property in connection with the installation, repair, maintenance or replacement of a service line, the Company shall make reasonable efforts to restore the property to its original condition pursuant to generally accepted utility standards for such construction operations.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 27 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 23. COMPANY'S EQUIPMENT AND INSTALLATION

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The Company shall furnish, install and maintain at its expense the necessary service connection. The location of this service connection will be made at the discretion and judgment of the Company.

The Company will furnish, install and maintain at its expense the necessary meter, meter stand (including meter riser), regulator and connections which will be located at or near the main service connection, property line or near the building, at the discretion or judgment of the Company. Suitable site or location for the meter, meter stand, (including meter riser), regulator and connections shall be provided by the customer and the title to this equipment shall remain in the Company with the right to install, operate, maintain and remove same and no charge shall be made by the customer for use of the premises as occupied or used.

### 24. PROTECTION OF COMPANY'S PROPERTY

(T)

All meters, piping and other appliances and equipment furnished by and at the expense of the Company, which may at any time be in or on the customer's premises shall, unless otherwise expressly provided herein, be and remain the property of the Company and the customer shall protect such property from loss or damage and no one who is not an agent of the Company shall be permitted to remove such property or to tamper with or damage same.

#### 25. CUSTOMER'S EQUIPMENT AND INSTALLATION

(T)

The customers shall furnish, install and maintain at their expense the necessary housepiping, connections and appliances and same shall be installed in accordance with the requirements and specifications of "INSTALLATION OF GAS PIPING AND GAS EQUIPMENT" as compiled and approved by the American National Standards Institute, the National Board of Fire Underwriters, The American Gas Association and other similar bodies, which is now contained in the National Fuel Gas Code (ANSI Z 223.1-1980) and any revisions thereof which are herewith incorporated by reference as a part of the Company's Rules and Regulations where applicable and when not in conflict with the requirements of the constituted authorities.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 28 Superseding P.S.C. No. 12

## **CLASSIFICATION OF SERVICE RULES AND REGULATIONS**

All appliances must be approved by a standard testing laboratory or agency and installed in accordance with the manufacturer and/or NFPA 54 guidelines.

Suitable pressure regulators shall be installed by, or at the expense of, the customer on all heating appliances and special equipment which have an hourly input of 50,000 BTU or higher; pressure regulators shall also be installed on all appliances with lower inputs where provided or recommended by the manufacturer or where necessary, at the discretion of the Company, to provide better and safer gas utilization and service.

All of the customer's piping, connections and appliances shall be suitable for the purposes thereof and shall be maintained by the customer at his expense at all times in a good, safe and serviceable condition.

The Company shall inspect the condition of the meter and service connections before making service connections to a new customer pursuant to 807 KAR 5:006, Section 13(3). The Company shall not assume any responsibility and shall not be held liable in any way for the making of any periodic inspection of the customer's piping, connections or appliances or for the customer's failure to properly and safely install, operate and maintain same.

#### 26. NOTICE OF ESCAPING GAS OR UNSAFE CONDITIONS

(T)

Immediate notice must be given by the customer to the office or employees of the Company if any escaping gas or unsafe conditions are detected or any defects or improper installations are discovered in the piping and equipment of either the Company or the customer which are on the customer's premises.

No flames or lights are to be taken near any escape of gas and the gas must be shut off at the meter cock or valve until hazard is eliminated and the gas service is not to be turned on again except by a Company employee.

The Company will not be responsible or assume any liability for any injury, loss or damage which may arise from the carelessness or negligence of the customer or his agents or representatives.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 29 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

## 27. TURNING OFF GAS SERVICE AND RESTORING SAME

(T)

The gas service may be turned off at the meter when justified by the customer or his agent or any constituted authorities but no person, unless in the employ of the Company or having permission from the Company, shall turn the gas on or restore service.

## 28. CHARACTER OF SERVICE

(T)

In accordance with 807 KAR 5:022, Section 6, the Company will normally supply natural gas having a heating value of approximately one thousand seventy (1,070) BTU per cubic foot and a specific gravity of approximately sixty-two hundredths (0.62). However, when necessary to supplement the supply of natural gas, the Company reserves the right, at its discretion, to supply an interchangeable mixture of vaporized liquefied petroleum gas and air or a combination of same with natural gas.

## 29. MEASUREMENT BASE

(T)

(D)

The Company utilizes an appropriate measurement base in all service areas. The rates of the Company are based upon gas delivered to the customer on a basis of four (4) ounces per square inch above an assumed atmospheric pressure of fourteen and four-tenths (14.4) pounds per square inch or fourteen and sixty-five hundredths (14.65) pounds per square inch absolute pressure at an assumed temperature of sixty (60) degrees Fahrenheit; provided, however, the Company reserves the right to correct as necessary the actual temperatures to sixty (60) degrees Fahrenheit basis in the cases of large volume industrial customers.

All gas measured at pressures higher than standard pressure for low pressure distribution systems shall be corrected to a pressure base of fourteen and sixty-five hundredths (14.65) pounds per square inch absolute.

## 30. GAS MEASUREMENT

The gas consumed shall be measured by a meter or meters to be installed by the Company upon the customer's premises at a point most accessible or convenient for the Company and all bills

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

shall be calculated upon the registration of said meter or meters except as hereinafter provided. If more than one meter is installed for the same or different classes of service at different locations on the customer's premises, each meter shall be considered separately in calculating the amount of any bills, except in those cases where the Company elects to install dual metering facilities in order to assure accurate measurement of all gas consumed. Meter readings may be combined and one bill rendered under these conditions. Meters include all measuring instruments and equipment.

All residences, commercial buildings or other occupied buildings shall have separate meters even if under the same roof, except in cases of multi-occupants under the same roof with a common entrance or within an enclosure or mobile home park where it is unreasonable or uneconomical to measure each unit separately.

When customers are served from high pressure lines, the meters, regulators and safety devises shall be located as near to the Company's main as is practicable.

## 31. METERING

Unless otherwise specified, a residential, commercial or industrial consumer shall be interpreted to mean a customer served through an individual meter.

A multiple unit dwelling shall be interpreted to mean two or more consumers or dwelling units, such as apartments, trailers or mobile homes within a trailer park.

A master meter shall be interpreted to mean one meter servicing a trailer or mobile home park or a multiple unit dwelling; the Company reserves the right to charge a minimum monthly rate per mobile home or trailer or individual consumer within a multiple unit dwelling served through a master meter.

Any time a master meter is used for rendering services, the Company shall require the execution of a service agreement in writing, which agreement, among other things, shall specify the number of customers served through such master meter.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00185 dated

(T)

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# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

32.	POINT OF DELIVERY OF GAS	(T)
	The point of delivery of gas supplied by the Company shall be at the point where the gas passes from outlet of the meter to customer's yard line or house piping.	
33.	MCF "Mcf" is defined as 1,000 cubic feet at the measurement base.	(T)
34.	CCF "Ccf" is defined as 100 cubic feet at the measurement base.	(T)
35.	DTH "Dth" is defined as 1,000,000 BTUs.	(T)
36.	<u>DELTA</u> "Delta" or "the Company" shall mean Delta Natural Gas Company, Inc.	(T)
37.	CUSTOMER'S DISCONTINUANCE OF SERVICE Reference 807 KAR 5:006, Section 13.	(T) (T)
38.	COMPANY'S DISCONTINUANCE OF SERVICE FOR CAUSE Reference 807 KAR 5:006, Section 15.	(T) (T)
39.	SPECIAL RULES FOR CUSTOMERS SERVED FROM TRANSMISSION MAINS	(T)
	Applicability – These special rules for customers served from transmission mains shall be applicable to the Company's service area set forth in the Company's rules and regulations as filed with and approved by the Public Service Commission.	(D) (D)
	Transmission Mains - In addition to the standard Rules and Regulations as applicable to 807 KAR 5:022, Section 2, which incorporates 49 C.F.R. Part 191, the following special Rules and Regulations shall apply to all customers served directly from the high pressure transmission mains.	(T)
	All meters, regulators, equipment and connections necessary to serve the customer from high pressure transmission line shall be installed on the customer's premises at or as near the	

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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transmission line as is practicable.

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# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

Suitable site or location for the equipment owned by the Company or the owner of the line shall be provided and furnished by the customer without any expense to the Company. The Company shall have the right of ingress, egress and regress to and from this location at any time without any expense or charges from the customer.

The customers' yard line extending from the outlet of the meter shall be installed and maintained by the customers at their expense.

The customer shall notify the Company promptly of any leaks in the transmission line or equipment, also, of any hazards or damages to same.

(D)

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

## 40. SPECIAL PROVISIONS - LARGE VOLUME CUSTOMERS

(T)

Industrial, commercial or other customers using large volumes of gas on a varying basis shall install and maintain at their expense adequate piping and suitable regulating and control equipment to provide reasonable and practical limitation of intermittence or fluctuation in the pressure, volume or flow of gas and shall so regulate and control their operations and the use of gas hereunder so as not to interfere with gas service being furnished to them or to any other customers or with the proper and accurate metering of gas at their existing location or any other location.

## 41. MONITORING OF CUSTOMER USAGE

(T)

The Company monitors each customer's usage on a monthly basis in order to detect unusual deviations in individual customer consumption. Prior to each monthly billing, the Company compares the customer's current consumption with prior usage. Should an unusual deviation in the customer's consumption be found, the Company makes a reasonable attempt to determine the reason for the unusual deviation including re-reading the meter and testing the meter if required.

If the cause for usage deviation cannot be determined from analysis of the customer's meter reading and billing records the Company will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume or known leaks in the customer's service line.

The Company will notify the customer of the investigation, its findings and any refunds or backbilling in accordance with 807 KAR 5:006, Section 11 (4) and (5).

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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## DELTA NATURAL GAS COMPANY, INC.

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# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

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DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 35 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES

# WEATHER NORMALIZATION ADJUSTMENT CLAUSE APPLICABLE TO RESIDENTIAL AND SMALL NON-RESIDENTIAL GENERAL SERVICE RATE SCHEDULES

## WEATHER NORMALIZATION ADJUSTMENT (WNA)

The sales to residential and small non-residential customers shall be increased or decreased monthly by an amount hereinafter described as the Weather Normalization Adjustment (WNA).

### **DETERMINATION OF WNA**

A Weather Normalization Adjustment Factor (WNAF) shall be utilized during the December through April billing months to calculate the non-gas portion of the bills of all residential and small non-residential heating customers. During the remainder of the year, May through November, the monthly bills shall be computed solely on actual consumption.

### WEATHER NORMALIZATION ADJUSTMENT WILL BE CALCULATED USING THE FOLLOWING FORMULA:

## WNA = WNAF \* Actual Mcf \* Base Rate Charge

An average daily base load will be determined separately for residential and small non-residential customers. The average daily base load will remain the same for the WNA December – April billing months. WNA will be billed for 5 billing periods.

An Average Monthly Base Load (AMBL) for residential or small non-residential customers will be calculated by using total Mcf for two month non-heat usage (August/September) divided by total number of residential or small non-residential customers billed for the two month period.

## AMBL = MCF / NUMBER OF CUSTOMER

To calculate the Average Daily Base Load (ADBL), divide the Average Monthly Base Load by the average number of days in the two-month non-heat billing cycle.

ADBL = AMBL / AVERAGE # DAYS

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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# CLASSIFICATION OF SERVICE RATE SCHEDULES

# WEATHER NORMALIZATION ADJUSTMENT CLAUSE APPLICABLE TO RESIDENTIAL AND SMALL NON-RESIDENTIAL GENERAL SERVICE RATE SCHEDULES

Base Load (BL) is determined by multiplying the Average Daily Base Load per residential or small non-residential customer by the number of days in the billing cycle times the number of residential or small non-residential customers in the billing cycle.

## BL = ADBL \* # DAYS IN BILLING CYCLE \* # CUSTOMERS IN BILLING CYCLE (T)

The heat load is then determined by subtracting the residential or small non-residential customer's base load from the total Mcf billed in the billing cycle.

### **HL = MCF BILLED IN CYCLE - BL**

A Heating Degree Factor (HDF) is then determined by dividing the Normal Degree-Days (NDD) for the billing cycle by the Actual Degree-Days (ADD) in the billing cycle.

## HDF = NDD / ADD

The Weather Normalization Adjustment Consumption (WNAC) is computed by multiplying the Heating Degree Factor times the Heat Load and adding the Base Load to that number.

### WNAC = HDF \* HL + BL

The Weather Normalization Adjustment Factor is then calculated by dividing the WNA Consumption by the total Mcf billed in the cycle.

### WNAF = WNAC / MCF

The WNAF will be recomputed monthly based on company averages. If the WNAF is less than 1.0, the customer's billed amount will be less than the actual amount would have been. If the WNAF is greater than 1.0 the customer's billed amount will be more than the actual amount would have been. The customer's bill is calculated by multiplying the actual Mcf usage by the WNAF times the base rate charge as set forth on Sheet No. 2 of this tariff.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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# CLASSIFICATION OF SERVICE RATE SCHEDULES

### RIDER FOR GAS TECHNOLOGY INSTITUTE RESEARCH AND DEVELOPMENT

### **APPLICABILITY**

Applicable within all areas served by Delta. See Tariff Sheet No. 17. This tariff applies to all gas sold by Delta under Delta's residential (Tariff Sheet No. 2), small non-residential (Tariff Sheet No. 3), large non-residential (Tariff Sheet No. 4) and interruptible (Tariff Sheet No. 5-6) rate schedules. It also applies to transportation by Delta under Delta's on system transportation (Tariff Sheet No. 7-9) rate schedule.

### GTI R&D Unit Charge

The intent of the Gas Technology Institute Research and Development (GTI R&D) Unit Charge is to maintain the Company's level of contribution at the calendar year 2003 funding amount of approximately \$12,347. The Unit Charge will be billed effective February 1, 2005 at the rate of \$0.002 per Mcf.

## **WAIVER PROVISION**

The GTI R&D Unit Charge may be reduced for one or more classifications of service or rate schedules at any time by the Company by filing notice with the Commission. Any such waiver shall not increase the GTI R&D Unit Charge to the remaining classifications of service or rate schedules without Commission approval.

## REMITTANCE OF FUNDS

All funds collected under this rider will be remitted to Gas Technology Institute on an annual basis. The amounts so remitted shall be reported to the Commission annually.

## **TERMINATION OF THIS RIDER**

Participation in the GTI R&D funding program is voluntary on the part of the Company. The Company may terminate this rider at any time by filing a notice of rescission with the Commission.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 38 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

# ENERGY ASSISTANCE PROGRAM RIDER APPLICABLE TO RESIDENTIAL RATE SCHEDULE

### **ENERGY ASSISTANCE PROGRAM**

An Energy Assistance Program ("EAP") surcharge of \$0.30 per month will be applied to all residential bills rendered under the Residential Rate Schedule and Farm Tap Rate Schedule. Proceeds from the EAP surcharge will help fund a bill credit to enrolled low-income customers. It is available to eligible residential customers in the Company's service territory subject to enrollment through local community action agencies and subject to available funding.

(D)

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 39 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES

# CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY APPLICABLE TO RESIDENTIAL RATE SCHEDULE

## **APPLICABILITY**

Applicable within all areas served by Delta. See Tariff Sheet No. 17. This tariff applies to all gas sold by Delta under Delta's residential tariff (Tariff Sheet No. 2).

### CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY COMPONENT (CEPRC)

Delta's Conservation/Efficiency Program (the Program) is a demand-side management program established to promote conservation and the efficient use of natural gas by Delta's residential customers.

The prices to residential customers shall be increased monthly by an amount hereinafter described as the Conservation/Efficiency Program Cost Recovery Component (CEPRC), which allows Delta to recover costs associated with the Program.

## **DETERMINATION OF CEPRC**

The Company shall file an annual report with the Commission which shall contain updated CEPRC rates at least thirty (30) days prior to the effective date of the new rates. The annual amount computed under the Conservation/Efficiency Program Cost Recovery Component shall be collected based on the CEPRC amount divided by the expected usage for the upcoming program year. For purposes of determining the CEPRC, the program year is defined as the twelve months ended October 31, with rates effective as of the following February 1. The amounts billed under the CEPRC will be computed solely on actual consumption.

The CEPCR is calculated using the following formula:

CEPRC = CEPCR + CEPLS + CEPI + CEPBA

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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# CLASSIFICATION OF SERVICE RATE SCHEDULES

# CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY APPLICABLE TO RESIDENTIAL RATE SCHEDULE

Whereby:

### CEPCR = CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY

The CEPCR shall include all actual costs which have been approved by the Commission for each twelve month period for conservation/efficiency programs of the Company "approved programs". Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating CEP programs. In addition, all costs incurred including, but not limited to, costs for consultants, employees and administrative expenses, will be recovered through the CEPCR.

### **CEPLS = CEP REVENUE FROM LOST SALES**

Revenues from lost sales due to CEP programs implemented on and after the effective date of this tariff will be recovered as follows:

The estimated reduction in customer usage (in Mcf) as a result of the approved programs for the previous twelve months shall be multiplied by the non-variable revenue requirement per Mcf for purposes of determining the lost revenue to be recovered hereunder. Non-variable revenue requirement is base rate charged to the applicable rate class under this tariff.

The aggregate lost revenues attributable to the program participant shall be divided by the estimated residential sales (in Mcf) for the upcoming twelve-month period to determine the applicable CEPLS surcharge.

Recovery of revenues from lost sales calculated for a twelve-month period shall be included in the CEPLS until the implementation of new base rates pursuant to a general rate case.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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# CLASSIFICATION OF SERVICE RATE SCHEDULES

# CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY APPLICABLE TO RESIDENTIAL RATE SCHEDULE

Revenues collected hereunder are based on engineering estimates of energy savings, actual program participation and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the lost revenues determined after any revisions of the engineering estimates and actual program participation are accounted for shall be reconciled in future billings under the CEP Balance Adjustment (CEPBA) component.

#### **CEPI = CEP INCENTIVE**

For all Conservation/Efficiency Programs, the CEP incentive amount shall be computed by multiplying the net resource savings estimated from the approved programs times fifteen (15) percent. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of Delta's avoided commodity costs over the expected life of the program.

The CEP incentive amount shall be divided by the expected Mcf sales for the upcoming twelve month period to determine the CEPI. CEP incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive.

### **CEPBA = CEP BALANCE ADJUSTMENT**

The CEPBA shall be calculated on a twelve month basis and is used to reconcile the difference between the amount of revenues actually billed through the CEPCR, CEPLS, CEPI and previous application of the CEPBA and the revenues which should have been billed.

The program has an October year-end with rates effective February 1.

The CEPBA is the sum of the following components:

• The amount estimated to be recovered during the current program year from February 1 through October 31 less actual recovery.

DATE OF ISSUE: May 28, 2021

DATE EFFECTIVE: July 1, 2021

ISSUED BY: /s/ John B. Brown

John B. Brown, President

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# CLASSIFICATION OF SERVICE RATE SCHEDULES

# CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY APPLICABLE TO RESIDENTIAL RATE SCHEDULE

- The amount estimated to be recovered during the prior program year from November 1 through January 31 less actual recovery.
- The balance adjustment amounts determined on the basis of the above paragraphs (1) and (2) shall include interest to be calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12-month period.

The balance adjustment amounts, plus interest, shall be divided by the expected Mcf sales for the upcoming twelve-month period to determine the CEPBA for each rate class.

## **Modifications to CEPRC**

The filing of modifications to the CEPRC which require changes in the CEPCR component shall be made at least two months prior to the beginning of the effective period for billing. Modifications to other components of the CEPRC shall be made at least thirty days prior to the effective period for billing. Each filing shall include the following information as applicable:

- (1) A detailed description of each CEP program, the total cost of each program over the previous twelve month period and budgeted costs for the next program year, an analysis of expected resource savings, information concerning the specific CEP or efficiency measures to be installed, and any applicable studies which have been performed, as available.
- (2) A statement setting forth the detailed calculation of the CEPCR, CEPLS, CEPI, CEPBA and CEPRC.

Each change in the CEPRC shall be placed into effect with bills rendered on and after the effective date of such change.

DATE OF ISSUE: May 28, 2021

DATE EFFECTIVE: July 1, 2021

ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 43 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES

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### PIPE REPLACEMENT PROGRAM ("PRP") RIDER

### APPLICABILITY

Applicable to all customers receiving service under the Company's Rate Schedules, Residential, Small Non-Residential, Large Non-Residential and Interruptible Services.

### CALCULATION OF PIPE REPLACEMENT RIDER REVENUE REQUIREMENT

The PRP Rider Revenue Requirement includes the following:

- a. PRP-related plant in service not included in base gas rates minus the associated PRP-related accumulated depreciation and accumulated deferred income taxes;
- b. Retirement and removal of plant related to PRP construction;
- c. The weighted average cost of capital on the net rate base is the overall rate of return on capital authorized in the Company's latest base gas rate case, grossed up for federal and state income taxes and PSC assessment;
- d. Depreciation expense on the PRP-related plant in service less retirement and removals;
- e. Reduction for savings in operating and maintenance expense;
- f. Increased property tax expense on the PRP-related plant in service.

### PIPE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Delta's Residential, Small Non-Residential, Large Non-Residential and Interruptible Service Rate Schedules shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to complete the pipe main replacement program.

The PRP Rider will be updated annually in order to reflect the expected impact on the Company's revenue requirements of forecasted net plant additions and subsequently adjusted to true up the actual costs with the projected costs. A filing to update the projected costs for the upcoming calendar year will be submitted annually by October 15 to become effective with meter readings on and after the first billing cycle of January. Delta will submit a balancing adjustment annually by March 31 to true-up the actual costs, as offset by operations and maintenance expense reductions, during the most recent twelve months ended December with the projected program costs for the same period. The balancing adjustment true-up to the rider will become effective with meter readings on and after the first billing cycle of June.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 44 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES

### **EFFICIENT NATURAL GAS APPLIANCE REBATE PROGRAM**

Rebates shall be offered to Delta Natural Gas residential customers who are constructing a new home, are changing from another energy source to natural gas, or who are adding or upgrading natural gas appliances to efficient models. For those constructing a new home, the rebate will be paid to one of the following parties: a builder constructing speculative home, a builder constructing model, tract or custom home, a customer contracting a builder, a customer acting as a general contractor, or a customer ordering a new manufactured or mobile home.

All equipment must meet program requirements and be installed according to applicable manufacturer's recommendations and code requirements. A customer must present the dated invoice to Delta within 120 days of installation in order to be eligible for a rebate. Delta personnel will perform a verification of the installation prior to granting the rebate. All equipment must meet the program guideline minimum requirements stated below with no exceptions.

## **Rebate Amounts and Program Guideline Minimum Requirements:**

Natural Gas Heating Equipment	Efficiency Level	BTU Input	Rebate Amount
Forced Air Furnace or Boiler	90% or greater	30,000 or greater	\$400.00
Dual Fuel Auxiliary Furnace	90% or greater	30,000 or greater	\$300.00
Space Heater	99%	10,000 or greater	\$100.00
Gas Logs	99%	18,000 or greater	\$100.00
Gas Fireplace	90% or greater	18,000 or greater	\$100.00
Natural Gas			
Water Heaters	Efficiency Level	Unit Requirement	Rebate Amount
Storage Tank Model	0.57 UEF	30 gallon or greater	\$200.00
Power Vent or Direct Vent Model	0.65 UEF	40 gallon or greater	\$250.00
On Demand Model	0.81 UEF	Tank-less	\$300.00

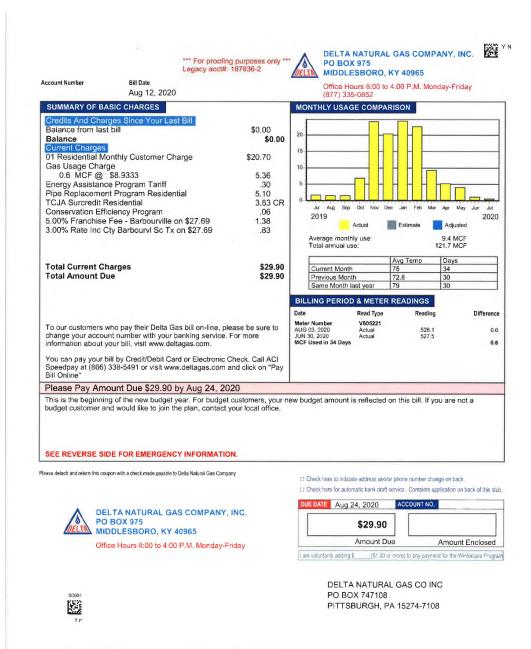
There shall be no recovering from customers through the Conservation/Efficiency Program of any Efficient Natural Gas Appliance Rebate Program costs, including lost revenues and incentives.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

P.S.C. No. 13, Original Sheet No. 45 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES



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DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

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## CLASSIFICATION OF SERVICE RATE SCHEDULES

#### CHARGES

 Reconnect
 \$60.00

 Collection
 \$20.00

 NSF
 \$15.00

#### WE ARE PROUD TO OFFER AN AUTOMATED BILL PAYMENT SERVICE.

Pay your bill by electronic check, debit or credit card 24 hours a day, 7 days a week.

Pay online at www.deltagas.com or by phone (866) 338-5491.

Payment may be made with the following credit cards: VISA, MasterCard, Discover, or American Express.

A processing fee will be charged when using this service.

Rate Schedules-Information about rate schedules is available upon request or at www.deltagas.com/rates.html

Past due amount, if any, is immediately payable. Carrying a past due amount and/or failing to pay Total Account Balance in full by the due date may result in discontinuance of service and the assessment of collection charges.

#### FOR YOUR SAFETY

### Natural gas has a distinct odor added for your protection. When you smell it:

Leave the house...immediately! Don't light matches or flip an eletrical switch. Call us from a telephone other than your house phone.

#### EMERGENCY NUMBER (After Hours/Weekend/Holidays)

To report an emergency during office hours, please call (877) 335-0852.

To report an emergency after normal office hours, weekends or holidays, please call: (800) 432-0771.

### Call before you dig

If you are planning a home construction or landscaping project, call Kentucky 811 at least 72 hours before you start to dig. A representative will mark the approximate location of the underground utility lines on your property.

### **PAYMENT TERMS**

#### **Current Month's Bill**

The current month's bill due date is shown on the front of this statement. Payment is due in Delta's office on or before the due date.

#### Previous Amounts Due

The due date indicated on this statement is for the <u>current</u> month's bill only and does not apply to Previous Amounts Due. Previous Amounts Due are past due and may be subject to disconnection. No extensions of time for Previous Amounts Due is being authorized by this statement.

NOT RESPONSIBLE FOR MAIL DELIVERY. Failure to receive your bill does not exempt you from payment or discontinuance of service.



Direct email inquiries to: customerservice@deltagas.com www.deltagas.com

Change of Address			
New Address			
City	State	ZIP	_
Phone			_
Signature			_

Automatic Bank	Draft Service
Please deduct my payn	nent from my
□ Checking	☐ Savings
(Please attach a voided	f check).
account in payment for	a Natural Gas Company, Inc. to debit my bank gas service for the Delta customer shown on the
A CONTRACTOR OF THE PROPERTY O	fication, the automatic payment service will be I payment process will resume with the next billing.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown

John B. Brown, President

<sup>\*\*</sup>Usage is occasionally estimated due to weather conditions or unforeseen circumstances. Any adjustments from an estimated bill will be reflected with the next actual meter reading.

## Delta Natural Gas Company, Inc. Case No. 2021-00185

# Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 5 - 807 KAR 5:001 Section 16(1)(b)(4)
Sponsoring Witness: John B. Brown / William Steven Seelye

## Description of Filing Requirement:

New or revised tariff sheets, if applicable, identified in compliance with 807 KAR 5:001, shown either by providing: (a) The present and proposed tariffs in comparative form on the same sheet side by side or on facing sheets side by side; or (b) A copy of the present tariff indicating proposed additions by italicized inserts or underscoring and striking over proposed deletions.

## Response:

See attached present and proposed tariffs in comparative form on the same sheet side-by-side. Please note that on each sheet of the side-by-side comparison the present tariff is on the left and the proposed tariff is on the right.

PSC No. 12

Cancelling PSC No. 11

DELTA NATURAL GAS COMPANY, INC.

3617 Lexington Road

Winchester, Kentucky

Rates, Rules and Regulations for Furnishing

NATURAL GAS SERVICE

in

Entire Service Area of the Company

Filed with the

PUBLIC SERVICE COMMISSION OF KENTUCKY

Issued November 8, 2010

Case No. 2010-00377

Effective See footnotes below

Issued by

GLENN R. JENNINGS, CHAIRMAN OF THE BOARD

PRESIDENT AND CEO

Base Rate effective 10/22/10 per Order dated 10/21 10 in Case FGUTV16 DBE66TQ8 GCR Rate effective 10/25/10 (Final Meter Reads) per Order datedatetate

KENTUCKY PUBLIC SERVICE COMMISSION JEFF R. DEROUEN

10/22/2010

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

PSC No. 13

Cancelling PSC No. 12

**DELTA NATURAL GAS COMPANY, INC.** 

3617 Lexington Road

Winchester, Kentucky

Rates, Rules and Regulations for Furnishing

NATURAL GAS SERVICE

in

**Entire Service Area of the Company** 

Filed with the

PUBLIC SERVICE COMMISSION OF KENTUCKY

Effective Issued May 28, 2021 July 1, 2021

Issued by

JOHN B. BROWN, **PRESIDENT** 

## DELTA\_APP\_TAB05\_052821 Page 3 of 52

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR	All Se	ervice	e Ar	eas		
P.S.C. NO.		1	2			
Original	. S	HEET	NO.	1		
CANCELLING	P.S.C.	NO.	_	11		
First Re	vised		SI	HEET	NO.	1

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Small Non-Residential	3					
Large Non-Residential	4					
Interruptible Service	5 - 6					
Transportation of Gas for Others: On-System Utilization	7 9					
Off-System Utilization	10 - 11					
Standby Service Rate Schedule						
Gas Cost Adjustment Clause						
Special Charges	15 - 16					
Rules and Regulations	17 - 34					
Weather Normalization Adjustment Clause	35 - 36					
Rider for Gas Technology Institute Research & Developmen	<b>t</b> 37					
Energy Assistance Program Rider	38					
Conservation/Efficiency Program Cost Recovery	39 - 42					
Pipe Replacement Program	43					

	KENTUCKY PUBLIC SERVICE COMMISSION
	<b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR
	TARIFF BRANCH
	\(   \lambda \) \( \mu \)
DATE OF ISSUE November 8, 2010 DATE EFFECTIV	E Ociffunt Kirlly 10
ISSUED BY Glenn R. Jennings Len (Comment) TI	TLE Chairmarter Board
Name of Officer Pr	esident and CEO
Issued by authority of an Order of the Public S	
CASE NO. 2010-00116 DAT	ED October 21, 2010

### DELTA NATURAL GAS COMPANY, INC.

#### P.S.C. No. 13, Original Sheet No. 1 Superseding P.S.C. No. 12

### TABLE OF CONTENTS

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Residential	2	
Small Non-Residential	3	
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Transportation of Gas for Others:		
On-System Utilization	7 – 9	
Off-System Utilization	10 – 11	
Standby Service Rate Schedule	12	
Gas Cost Adjustment Clause	13 – 14	
Special Charges	15 – 16	
Rules and Regulations	17 – 34	
Weather Normalization Adjustment Clause	35 – 36	
Rider for Gas Technology Institute Research & Development	37	
Energy Assistance Program Rider	38	
Conservation/Efficiency Program Cost Recovery	39 – 42	
Pipe Replacement Program	43	
Efficient Natural Gas Appliance Rebate Program	44	(T)
Sample Bill	45 – 46	(T)

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

## DELTA\_APP\_TAB05\_052821 Page 4 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, Sixty-ninth Revised Sheet No. 2 Superseding P.S.C. No. 12, Sixty-eighth Revised Sheet No. 2

#### CLASSIFICATION OF SERVICE – RATE SCHEDULES RESIDENTIAL

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### AVAILABILITY

Available for use by residential customers.

#### CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

#### RATES

			Gas C	Cost						
				Recov	very Rate					
	Base Rate		+	(GCR)	GCR) **		Total Rate		_	
Customer Charge *	\$	21.00000					\$	21.00000		
All Mcf ***	\$	4.31850		\$	5.55320		\$	9.87170	/ per 1.0 Mcf	(1)

- \* The customer charge includes \$0.30 collected under Delta's Energy Assistance Program Tariff Rider as set forth on Sheet No. 38 of this tariff.
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.
- \*\*\* Residential rates are subject to the "Conservation/Efficiency Program Cost Recovery Component (CEPRC)" of .09180/Mcf. The CEPRC is an adjustment determined in accordance with the Conservation/Efficiency Program Cost Recovery as set forth on Sheets 39 42 of this tariff.

Residential rates are subject to a Pipe Replacement Program charge of \$5.10, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

Residential rates are also subject to a Tax Cuts and Jobs Act Surcredit. Pursuant to the December 21, 2018 Order in Case No. 2018-00040, the surcredit is (\$3.83), subject to future change.

DATE OF ISSUE: April 29, 2021
DATE EFFECTIVE: April 26, 2021
ISSUED BY: John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00140 dated April 21, 2021

KENTUCKY
PUBLIC SERVICE COMMISSION
Linda C. Bridwell

ride C. Andwell

**4/26/2021**PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 2 Superseding P.S.C. No. 12

## CLASSIFICATION OF SERVICE – RATE SCHEDULES RESIDENTIAL

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### **AVAILABILITY**

Available for use by residential customers.

#### CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

#### RATES

- Residential rates are subject to a \$0.30 fee collected under Delta's Energy Assistance Program Tariff Rider as set forth on Sheet No. 38 of this tariff. The fee is not included in the Customer Charge. (T)
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.
- \*\*\* Residential rates are subject to the "Conservation/Efficiency Program Cost Recovery Component (CEPRC)" of .09180/Mcf. The CEPRC is an adjustment determined in accordance with the Conservation/Efficiency Program Cost Recovery as set forth on Sheets 39 42 of this tariff.

Residential rates are subject to a Pipe Replacement Program charge of \$0.00, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

(D)

(R)

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated \_\_\_\_\_

## DELTA\_APP\_TAB05\_052821 Page 5 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, Fifty-eighth Revised Sheet No. 3 Superseding P.S.C. No. 12, Fifty-seventh Revised Sheet No. 3

#### CLASSIFICATION OF SERVICE – RATE SCHEDULES SMALL NON-RESIDENTIAL\*

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### AVAILABILITY

Available for use by small non-residential customers.

#### CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

#### RATES

	Ba	se Rate	+	Recovery Rate (GCR) **		=	Total Rate			
Customer Charge*	\$	31.20000					\$	31.20000		
All Mcf***	\$	4.31850		\$	5.55320		\$	9.87170	/ per 1.0 Mcf	(1)

#### TERMS AND CONDITIONS

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Small Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Small Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Small Non-Residential or Interruptible Service rate schedule.

- Meter no larger than AL425
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

Small Non-Residential rates are subject to a Pipe Replacement Program charge of \$9.77 as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

Small Non-Residential rates are also subject to a Tax Cuts and Jobs Act Surcredit. Pursuant to the December 21, 2018 Order in Case No. 2018-00040, the surcredit is (\$7.29), subject to future change.

DATE OF ISSUE: April 29, 2021
DATE EFFECTIVE: April 26, 2021
ISSUED BY: John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00140 dated April 21, 2021

KENTUCKY
PUBLIC SERVICE COMMISSION

Linda C. Bridwell
Executive Director

Andre G. Andrewell
Executive Director

4/26/2021

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13, Original Sheet No. 3 Superseding P.S.C. No. 12

## CLASSIFICATION OF SERVICE – RATE SCHEDULES SMALL NON-RESIDENTIAL\*

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### **AVAILABILITY**

Available for use by small non-residential customers.

#### CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

#### RATES

				Cost overy Rate					
	Basel	Rate -	+ (GCR) **		=	Tot	al Rate		
Customer Charge*	\$ 4	4.40000				\$	44.40000	_	(1)
All Mcf***	\$	5.69310	\$	5.55320		\$	11.24630	/ per 1.0 Mcf	(1)

#### TERMS AND CONDITIONS

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Small Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Small Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Small Non-Residential or Interruptible Service rate schedule.

- Meter no larger than AL425
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

Small Non-Residential rates are subject to a Pipe Replacement Program charge of \$0.00 as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

(D)

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated \_\_\_\_\_

## DELTA\_APP\_TAB05\_052821 Page 6 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, Fifty-eighth Revised Sheet No. 4
Superseding P.S.C. No. 12, Fifty-seventh Revised Sheet No. 4

#### CLASSIFICATION OF SERVICE – RATE SCHEDULES LARGE NON-RESIDENTIAL\*

#### **APPLICABILITY**

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### AVAILABILITY

Available for use by large non-residential customers.

#### CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

#### RATES

	Ba	se Rate	+	Rec	cost overy Rate (R) **	=	To	tal Rate		
Customer Charge	\$	131.00000					\$	131.00000		
1 - 200 Mcf	\$	4.31850		\$	5.55320		\$	9.87170	/ per 1.0 Mcf	(1)
201 - 1,000 Mcf	\$	2.66960		\$	5.55320		\$	8.22280	/ per 1.0 Mcf	(1)
1,001 - 5,000 Mcf	\$	1.87350		\$	5.55320		\$	7.42670	/ per 1.0 Mcf	(1)
5,001 - 10,000 Mcf	\$	1.47350		\$	5.55320		\$	7.02670	/ per 1.0 Mcf	(1)
Over 10,000 Mcf	\$	1.27350		\$	5.55320		\$	6.82670	/ per 1.0 Mcf	(1)

#### TERMS AND CONDITIONS

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Large Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Large Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Large Non-Residential or Interruptible Service rate schedule.

- Meter larger than AL425
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

Large Non-Residential rates are subject to a Pipe Replacement Program charge of \$71.52, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

Large Non-Residential rates are also subject to a Tax Cuts and Jobs Act Surcredit. Pursuant to the December 21, 2018 Order in Case No. 2018-00040, the surcredit is (\$54.58), subject to future change.

DATE OF ISSUE: April 29, 2021
DATE EFFECTIVE: April 26, 2021
ISSUED BY: John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00140 dated April 21, 2021

KENTUCKY
PUBLIC SERVICE COMMISSION

Linda C. Bridwell
Executive Director

Andre G. Andrewell
EFFECTIVE

4/26/2021

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13, Original Sheet No. 4 Superseding P.S.C. No. 12

## CLASSIFICATION OF SERVICE – RATE SCHEDULES LARGE NON-RESIDENTIAL\*

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### AVAILABILITY

Available for use by large non-residential customers.

#### CHARACTER OF SERVICE

Firm - within the reasonable limits of the Company's capability to provide such service.

#### RATES

				Gas	2051					
				Reco	very Rate					
	Ba	se Rate	+	(GCR	**	=	Tot	al Rate	_	
Customer Charge	\$	195.04000					\$	195.04000		(1)
1 - 200 Mc	f \$	5.69350		\$	5.55320		\$	11.24670	/ per 1.0 Mcf	(1)
201 - 1,000 Mc	f\$	3.51960		\$	5.55320		\$	9.07280	/ per 1.0 Mcf	(1)
1,001 - 5,000 Mc	f \$	2.47000		\$	5.55320		\$	8.02320	/ per 1.0 Mcf	(1)
5,001 - 10,000 Mc	f\$	1.94270		\$	5.55320		\$	7.49590	/ per 1.0 Mcf	(1)
Over 10,000 Mc	f\$	1.67900		\$	5.55320		\$	7.23220	/ per 1.0 Mcf	(1)

#### TERMS AND CONDITIONS

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Large Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Large Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Large Non-Residential or Interruptible Service rate schedule.

- Meter larger than AL425
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

Large Non-Residential rates are subject to a Pipe Replacement Program charge of \$00.00, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

(D)

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated \_\_\_\_\_

## DELTA\_APP\_TAB05\_052821 Page 7 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, Fifty-ninth Revised Sheet No. 5 Superseding P.S.C. No. 12, Fifty-eighth Revised Sheet No. 5

## CLASSIFICATION OF SERVICE – RATE SCHEDULES INTERRUPTIBLE SERVICE

#### **APPLICABILITY**

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### AVAILABILITY

Available for use by interruptible customers.

#### CHARACTER OF SERVICE

Interruptible - within the reasonable limits of the Company's capability to provide such service.

#### RATES

	Bas	se Rate	_+	Reco (GCR	very Rate	=	Tot	al Rate	_	
Customer Charge	\$	250.00000					\$	250.00000		
1 - 1,000 Mcf	\$	1.60000		\$	5.55320		\$	7.15320	/ per 1.0 Mcf	(1)
1,001 - 5,000 Mcf	\$	1.20000		\$	5.55320		\$	6.75320	/ per 1.0 Mcf	(1)
5,001 - 10,000 Mcf	\$	0.80000		\$	5.55320		\$	6.35320	/ per 1.0 Mcf	(1)
Over 10,000 Mcf	\$	0.60000		\$	5.55320		\$	6.15320	/ per 1.0 Mcf	(1)

Gas Cost

Special Conditions - All customers having a connected load in excess of 2,500,000 Btu input per hour may be required to enter into an Interruptible Sales Agreement. Determinations of those customers so required shall be based on peak day use as well as annual volume and shall be at the sole discretion of the Company. In order to provide a fair opportunity to compete with other motor fuels, the customer charge and Pipe Replacement Program charge may be waived by Delta at its sole discretion for compressed natural gas fueling station customers.

Any customer required to enter into an Interruptible Agreement shall be permitted to purchase or transport gas under the Interruptible Rate Schedule as set forth on Sheet No. 5. Gas requirements, minimum charges and other specific information shall be set forth in the Agreement.

Interruptible rates are also subject to a Pipe Replacement Program charge of \$549.64, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

\*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

Interruptible rates are also subject to a Tax Cuts and Jobs Act Surcredit. Pursuant to the December 21, 2018 Order in Case No. 2018-00040, the surcredit is (\$370.49), subject to future change.

DATE OF ISSUE: April 29, 2021
DATE EFFECTIVE: April 26, 2021
ISSUED BY: John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00140 dated April 21, 2021

EFFECTIVE
4/26/2021
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13, Original Sheet No. 5 Superseding P.S.C. No. 12

(T)

(D)

## CLASSIFICATION OF SERVICE – RATE SCHEDULES INTERRUPTIBLE SERVICE

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### AVAILABILITY

Available for use by interruptible customers.

#### CHARACTER OF SERVICE

Firm Service, as available. This rate schedule is designed to make available quantities of natural gas that Company may from time to time have available for sale without impairment of service to customers served under other higher priority rate schedules, and which can be supplied from Company's existing distribution system, subject to the provisions of this rate schedule. Company shall have the right to discontinue the supply of natural gas wholly or in part for such period or periods as, in the sole judgment of Company, may be necessary or advisable to enable it to supply the full gas requirements of its customers served under higher priority rate schedules. Nothing herein shall prevent Company from expanding its obligations under such other rate schedules. Company may decline to accept any additional contracts for service hereunder.

#### RATES

				Gas	COST					
				Reco	overy Rate					
	Bas	e Rate	+	(GCF	R) **	=	Tota	al Rate		
Customer Charge	\$	267.85000					\$	267.85000	='	(1)
1 - 1,000 Mcf	\$	1.71430		\$	5.55320		\$	7.26750	/ per 1.0 Mcf	(1)
1,001 - 5,000 Mcf	\$	1.28570		\$	5.55320		\$	6.83890	/ per 1.0 Mcf	(1)
5,001 - 10,000 Mcf	\$	0.85710		\$	5.55320		\$	6.41030	/ per 1.0 Mcf	(1)
Over 10,000 Mcf	\$	0.64280		\$	5.55320		\$	6.19600	/ per 1.0 Mcf	(1)

Special Conditions - All customers having a connected load in excess of 2,500,000 Btu input per hour may be required to enter into an Interruptible Sales Agreement. Determinations of those customers so required shall be based on peak day use as well as annual volume and shall be at the sole discretion of the Company. In order to provide a fair opportunity to compete with other motor fuels, the customer charge and Pipe Replacement Program charge may be waived by Delta at its sole discretion for compressed natural gas fueling station customers.

Any customer required to enter into an Interruptible Agreement shall be permitted to purchase or transport gas under the Interruptible Rate Schedule as set forth on Sheet No. 5. Gas requirements, minimum charges and other specific information shall be set forth in the Agreement.

Interruptible rates are also subject to a Pipe Replacement Program charge of \$000.00, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

\*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown. President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated

DELTA APP TAB05 052821 Page 8 of 52

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 12, First Revised Sheet No. 6 Superseding P.S.C. No. 12, Original Sheet No. 6

#### **CLASSIFICATION OF SERVICE -- RATE SCHEDULES** INTERRUPTIBLE SERVICE

#### TERMS AND CONDITIONS

DATE OF ISSUE: April 18, 2012

DATE EFFECTIVE: April 23, 2012 (Final Meter Reads)

ISSUED BY: Glenn R. Jennings, Chairman of the Board, President and CEO

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule.

> KENTUCKY PUBLIC SERVICE COMMISSION JEFF R. DEROUEN

**EXECUTIVE DIRECTOR** 

4/23/2012

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

PURSUANT TO 807 KAR 5011 SECTI Issued by Authority of an Orser of the Public Service Commission of KY in Case No. 2012-00106 dated April 13, 2012

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13, Original Sheet No. 6 Superseding P.S.C. No. 12

#### **CLASSIFICATION OF SERVICE - RATE SCHEDULES** INTERRUPTIBLE SERVICE

#### TERMS AND CONDITIONS

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule, Delta may require a written contract providing for a continuance of service under the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated \_\_\_

DELTA APP TAB05 052821 Page 9 of 52

DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12. First Revised Sheet No. 6.1 Canceling P.S.C. No. 12, Original Sheet No. 6.1

#### **CLASSIFICATION OF SERVICE - RATE SCHEDULES** FOR FORMER PEOPLES GAS KY LLC'S TERRITORY

#### APPLICABILITY

Applicable within areas formerly served by Peoples Gas KY LLC with a connection along Kentucky West Virginia Gas Company's well connection and gathering system in Eastern Kentucky included in Peoples Gas KY LLC's former service area

#### **AVAILABILITY**

Available to farm tap customers as defined by KRS 278.485 previously served by Peoples Gas KY LLC or any new farm tap customers served from a connection along Kentucky West Virginia Gas Company's well connection and gathering system in Peoples Gas KY LLC's former service area, including farm tap customers previously served by Delta's supplier. Pursuant to KRS 278.485, the point of service must be located within one-half (1/2) air-mile of Delta supplier's producing gas well or gathering pipeline.

#### CHARACTER OF SERVICE

Gas delivered pursuant to this tariff is from pipelines owned and operated by Delta's supplier and all gas sold hereunder is made available by said supplier. Other than the meter, service tap, saddle and first service shut off valve, which shall be owned and maintained by Delta, all other approved equipment and material required for service under this tariff shall be furnished, installed, and maintained by the customer at the customer's expense and shall remain the customer's property. At the customer's option, Delta will furnish and install this other equipment, but this other equipment shall be paid for, owned and maintained by the customer. Such other equipment shall include, but is not limited to, the line from the service tap to the point of use, gas regulation equipment, and desiccant tanks or other moisture control equipment as approved and required by Delta. Delta shall have the right to abandon gas service to any customer served from any line which is no longer operated by its supplier for any reason whatsoever. All gas sold and delivered under this Tariff shall be delivered at the varying pressures of Delta's supplier's pipeline, and it shall be the responsibility of the customer to supply, maintain, and operate the necessary regulator and related equipment for the customer's use.

#### RATES

Gas Cost Recovery Rate (Peoples KY Base Rate GCR) \*\* = Total Rate Customer Charge ' 21.00000 \$ 21.00000 (R) All Mcf 4.31850 3.39460 \$ 7.71310 / per 1.0 Mcf

(R) Indicates Reduction.

DATE OF ISSUE: May 24, 2021 EFFECTIVE DATE: May 1, 2021 ISSUED BY: John B. Brown, President

SULFBOOM

Issued by authority of an Order of the Public Service Commission of KY In Case No. 2021-00134 dated May 12, 2021

KENTUCKY PUBLIC SERVICE COMMISSION Linda C. Bridwell 5/1/2021 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13. Original Sheet No. 6.1 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE - RATE SCHEDULES FARM TAP SERVICE

(T)

#### APPLICABILITY

Applicable to all areas served by Delta, including areas formerly served by Peoples Gas KY LLC with a connection along (7) Kentucky West Virginia Gas Company's well connection and gathering system in Eastern Kentucky included in Peoples (7) Gas KY LLC's former service area.

#### AVAILABILITY

Available to farm tap customers as defined by KRS 278.485. This includes customers previously served by Peoples Gas KY LLC or any new farm tap customers served from a connection along Kentucky West Virginia Gas Company's well connection and gathering system in Peoples Gas KY LLC's former service area, including farm tap customers previously served by Delta's supplier. Pursuant to KRS 278.485, the point of service must be located within one-half (1/2) airmile of Delta or Delta's supplier's producing gas well or gathering pipeline. Customers shall complete Form 910, "Application for Service on Gathering System," and are responsible for all equipment other than the meter, service tap, saddle and first service shut off valve. (T)

#### CHARACTER OF SERVICE

Gas delivered pursuant to this tariff is from pipelines owned and operated by Delta or Delta's supplier and all gas sold (i) hereunder is made available by said supplier and subject to the terms and conditions of KRS 278.485 and 807 KAR 5:026. Delta's Tariff applies to customers taking service pursuant to this Rate Schedule unless (1) set forth otherwise (i) or (2) the Tariff conflicts with KRS 278.485 or 807 KAR 5:026. (T)

Other than the meter, service tap, saddle and first service shut off valve, which shall be owned and maintained by Delta, all other approved equipment and material required for service under this tariff shall be furnished, installed. and maintained by the customer at the customer's expense and shall remain the customer's property. At the customer's option, Delta will furnish and install this other equipment, but this other equipment shall be paid for, owned and maintained by the customer. Such other equipment shall include, but is not limited to, the line from the service tap to the point of use, gas regulation equipment, and desiccant tanks or other moisture control equipment as approved and required by Delta. Delta shall have the right to abandon gas service to any customer served from any line which is no longer operated by its supplier for any reason whatsoever. Nothing in this Tariff shall be construed to restrict Delta's right to abandon any gas well or any gathering pipeline, or any part thereof, and to remove any such abandoned pipeline or lines. All gas sold and delivered under this Tariff shall be delivered at the varying pressures of Delta's supplier's pipeline, and it shall be the responsibility of the customer to supply, maintain, and operate the necessary regulator and related equipment for the customer's use. Service could be interrupted due to the unprocessed nature of the gas, and upon the discontinuance of the gathering of gas through the gathering line or low flowing pressures resulting from the depletion of the wells feeding that gathering line or other reasons affecting pressure and/or volumes of gas, service is subject to interruption or discontinuance. (T)

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated

## DELTA\_APP\_TAB05\_052821 Page 10 of 52

**DELTA NATURAL GAS COMPANY, INC.** 

P.S.C. No. 12, Original Sheet No. 6.2

## CLASSIFICATION OF SERVICE – RATE SCHEDULES FOR FORMER PEOPLES GAS KY LLC'S TERRITORY

- The customer charge includes \$0.30 collected under Delta's Energy Assistance Program Tariff Rider as set forth on Sheet No. 38 of this tariff.
- \*\* The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Peoples KY Purchased Gas Adjustment" as set forth on Sheets No. 14.1 and 14.2 of this tariff.

These rates are also subject to a Tax Cuts and Jobs Act Surcredit. Pursuant to the December 21, 2018 Order in Case No. 2018-00040, the surcredit is \$(3.83), subject to future change.

DATE OF ISSUE: April 1, 2021 EFFECTIVE DATE: April 1, 2021 ISSUED BY: John B. Brown, President

Issued by authority of an Order of the Public Service Commission of KY In Case No. 2020-00346 dated February 22, 2021

RENTUCKY
PUBLIC SERVICE COMMISSION

Linda C. Bridwell
Executive Director

Linda C. Bridwell
Executive Director

4/1/2021

PURSUANT TO 807 KAR S:011 SECTION 9 (1)

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13, Original Sheet No. 6.2 Superseding P.S.C. No. 12

(7)

## CLASSIFICATION OF SERVICE – RATE SCHEDULES FARM TAP SERVICE

RATES

Gas Cost

				Recovery Rate			
	Customer Charge *	Base Rate \$ 29.0300	+	GCR**	= <u>To</u> \$	<u>otal Rate</u> 29.0300	(1)
	All Mcf	\$ 2.3570		\$ 5.5532	\$	7.9102	(I)
	* Residential rates are sul on Sheet No. 38 of this tar	•			٠.	y Assistance Program Tariff Rider as set forth	(T) (T)
	** The "Gas Cost Recovery Rate (GCR)" as shown above, is an adjustment per Mcf determined in accordance with the "Peoples KY Purchased Gas Adjustment" as set forth on Sheets No. 13 and 14 of this tariff.						
SPECIAL CHARGES APPLICABLE TO FARM TAP CUSTOMERS (7)						(T)	
New installations: \$150.00 fee (7)						(1)	
Reconnections: \$25.00 turn on fee plus payment of all past due amounts (i)						(1)	
	Change of Ownership: In the event of a transfer of ownership, the continuance of service will be permitted upon the remittance of payment of the existing account balance from the previous owner, and a \$25.00 turn-on fee may apply.						
	The special charges set forth herein are in addition to the special charges set forth elsewhere in the Tariff that likewise (3)						

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00185 dated \_\_\_\_\_

apply to customers taking Farm Tap Service.

## DELTA APP TAB05 052821 Page 11 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, Second Revised Sheet No. 7 Superseding P.S.C. No. 12, First Revised Sheet No. 7

#### **CLASSIFICATION OF SERVICE - RATE SCHEDULES** TRANSPORTATION OF GAS FOR OTHERS ON SYSTEM UTILIZATION

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### AVAILABILITY

Available to small non-residential, large non-residential and interruptible and compressed natural gas fueling station customers who have purchased natural gas elsewhere, obtained all requisite authority to transport such gas to Delta's facilities and request Delta to utilize its facilities to transport such customer-owned gas to place of utilization. Any such transportation service shall be subject to the terms and conditions set forth herein and to the reserved right of Delta to decline to initiate such service whenever, in Delta's sole judgment, the performance of the service would be contrary to good operating practice or would have a detrimental impact on other customers of Delta. Such detrimental impact may include under deliveries of transportation gas to Delta's system or switching by the transportation customer to Delta's Small Non-Residential, Large Non-Residential or Interruptible Service rate schedules.

#### RATE

A transportation charge comprised of the following components will be applied to each Mcf, or in the case of measurement based on heating value, each dekatherm (Dth) of gas transported hereunder:

- (T)
- Delta's Base Rate for gas sold as set forth in Delta's Small Non-Residential, Large Non-Residential and Interruptible Rate Schedules; plus
- Where the pipeline suppliers transportation, compression or other similar charges are billed to Delta, the cost per Mcf or Dth, as applicable, of such charges; plus

(T)

- A take-or-pay recovery component of \$(0.0000)
- For compressed natural gas fueling station customers, in order to provide a fair opportunity to compete with other motor fuels, Delta may negotiate at Delta's sole discretion and such customers a fixed base rate that is no more than the maximum Base Rate set forth in Delta's Interruptible Service Rate Schedule, but is no less than the minimum Base Rate set forth in Delta's Interruptible Service Rate Schedule.

KENTUCKY PUBLIC SERVICE COMMISSION Linda C. Bridwell

DATE OF ISSUE: October 27, 2020 DATE EFFECTIVE: January 31, 2021 ISSUED BY: John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

dated

1/31/2021 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13. Original Sheet No. 7 Superseding P.S.C. No. 12

(T)

#### **CLASSIFICATION OF SERVICE - RATE SCHEDULES** TRANSPORTATION OF GAS FOR OTHERS ON SYSTEM UTILIZATION

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### AVAILABILITY

Available to government or university-owned housing facilities that may be served as residential, and small non-residential, large non-residential, interruptible and compressed natural gas fueling station customers who have purchased natural gas elsewhere, obtained all requisite authority to transport such gas to Delta's facilities and request Delta to utilize its facilities to transport such customer-owned gas to place of utilization. Any such transportation service shall be subject to the terms and conditions set forth herein and to the reserved right of Delta to decline to initiate such service whenever, in Delta's sole judgment, the performance of the service would be contrary to good operating practice or would have a detrimental impact on other customers of Delta. Such detrimental impact may include under deliveries of transportation gas to Delta's system or switching by the transportation customer to Delta's Small Non-Residential, Large Non-Residential or Interruptible Service rate schedules.

#### RATE

A transportation charge comprised of the following components will be applied to each Mcf, or in the case of measurement based on heating value, each dekatherm (Dth) of gas transported hereunder:

- Delta's Base Rate for gas sold as set forth in Delta's Small Non-Residential, Large Non-Residential and Interruptible Rate Schedules; plus
- Where the pipeline suppliers transportation, compression or other similar charges are billed to Delta, the cost per Mcf or Dth, as applicable, of such charges; plus
- A take-or-pay recovery component of \$(0.0000)
- For compressed natural gas fueling station customers, in order to provide a fair opportunity to compete with other motor fuels. Delta may negotiate at Delta's sole discretion and such customers a fixed base rate that is no more than the maximum Base Rate set forth in Delta's Interruptible Service Rate Schedule, but is no less than the minimum Base Rate set forth in Delta's Interruptible Service Rate Schedule.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated

## DELTA APP TAB05 052821 Page 12 of 52

	FOR	All Serv	ice Areas		
	P.S.C. NO.		12		
DELTA NATURAL GAS COMPANY, INC.	Orig	inal	SHEET NO.	8	
Name of Issuing Corporation	CANCELLING	P.S.C. N	0. 11		
	Orig	inal	SHEET NO.	8	
CLASSIFICATION OF SERVICE					
RATE SCHEDULES					

#### TRANSPORTATION OF GAS FOR OTHERS ON SYSTEM UTILIZATION

#### GAS SOLD TO CUSTOMER

Monthly gas deliveries to customer in excess of scheduled transportation volumes will be billed by Delta and paid by customer in accordance with Delta's Standby Service Rate Schedule.

#### TERMS AND CONDITIONS

Service hereunder shall be performed under a written contract between customer and Delta setting forth specific arrangements as to term of the contract, volumes to be transported, points of delivery, methods of metering, timing of receipts and deliveries of gas by Delta, timing constraints relative to under deliveries and/or switching to Delta's Small Non-Residential, Large Non-Residential or Interruptible Service rate schedules, the availability of discounts in special situations and any other matters relating to individual customer circumstances.

At least ten (10) days prior to the beginning of each month, customer shall provide Delta with a schedule setting forth daily volumes of gas to be delivered into Delta's facilities for customer's account. Customer shall give Delta at least twenty-four (24) hours prior notice of any subsequent changes to scheduled deliveries. Delivery of gas transported hereunder will be effected as nearly as practicable on the same day as the receipt thereof. Delta will not be obligated to utilize underground storage capacity in performance of the service provided herein.

All gas volumes delivered hereunder shall shrink by 2% to cover line loss and measurement differences when no compression is being used in the transportation. When compression is required in the transportation, all gas volumes delivered hereunder shall shrink an additional amount equivalent to fuel usage.

It shall be the customer's responsibility to make all necessary arrangements, including regulatory approvals, required to deliver gas transported under this tariff.

Delta reserves the right to refuse to accep	ot ass that does not meet
Delta's quality specifications.	KENTUCKY PUBLIC SERVICE COMMISSION
	<b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR
	TARIFF BRANCH
DATE OF ISSUE November 8, 2010 DATE EFFECT	TIVE Oct / / / / 10
ISSUED BY Glenn R. Jennings Dlen R. Comming T.	TLE Cha Property e Board
Name of Officer	PresideffCTWAd CEO
Issued by authority of an Order of the Public S	ervice Comp <b>o/ssi/2010</b> f KY in
CASE NO. 2010-00116 D	ATEDpurQuitober Kikk:p112fct10n9(1)

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13. Original Sheet No. 8 Superseding P.S.C. No. 12

#### **CLASSIFICATION OF SERVICE - RATE SCHEDULES** TRANSPORTATION OF GAS FOR OTHERS ON SYSTEM UTILIZATION

#### GAS SOLD TO CUSTOMER

Monthly gas deliveries to customer in excess of scheduled transportation volumes will be billed by Delta and paid by customer in accordance with Delta's Standby Service Rate Schedule.

#### TERMS AND CONDITIONS

Service hereunder shall be performed under a written contract between customer and Delta setting forth specific arrangements as to term of the contract, volumes to be transported, points of delivery, methods of metering, timing of receipts and deliveries of gas by Delta, timing constraints relative to under deliveries and/or switching to Delta's Small Non-Residential, Large Non-Residential or Interruptible Service rate schedules, the availability of discounts in special situations and any other matters relating to individual customer circumstances.

At least ten (10) days prior to the beginning of each month, customer shall provide Delta with a schedule setting forth daily volumes of gas to be delivered into Delta's facilities for customer's account. Customer shall give Delta at least twenty-four (24) hours prior notice of any subsequent changes to scheduled deliveries. Delivery of gas transported hereunder will be effected as nearly as practicable on the same day as the receipt thereof. Delta will not be obligated to utilize underground storage capacity in performance of the service provided herein.

All gas volumes delivered hereunder shall shrink by 2% to cover line loss and measurement differences when no compression is being used in the transportation. When compression is required in the transportation, all gas volumes delivered hereunder shall shrink an additional amount equivalent to fuel usage.

It shall be the customer's responsibility to make all necessary arrangements, including regulatory approvals, required to deliver gas transported under this tariff.

Delta reserves the right to refuse to accept gas that does not meet Delta's quality specifications.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated

## DELTA APP TAB05 052821 Page 13 of 52

DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, Second Revised Sheet No. 9 Superseding P.S.C. No. 12, First Revised Sheet No. 9

#### **CLASSIFICATION OF SERVICE - RATE SCHEDULES** TRANSPORTATION OF GAS FOR OTHERS ON SYSTEM UTILIZATION

Volumes of gas transported hereunder will be determined in accordance with Delta's measurement base.

Customer owned gas transported hereunder for an interruptible customer will be subject to interruption in accordance with normal interruption procedures applicable to such rate schedule. Such customers must agree in writing to cause deliveries of customer-owned gas into Delta's facilities to cease upon notification by Delta of the necessity to interrupt or curtail the use of gas.

Delta shall have the right at any time to curtail or interrupt the transportation or delivery of gas to interruptible customers hereunder when, in Delta's sole judgment, such curtailment or interruption is necessary to enable Delta to maintain deliveries to customers of higher priority or to respond to any emergency. During such periods, Delta shall have the right to purchase any transportation gas delivered into Delta's system for the account of the customer at the actual cost the customer paid for such gas.

Delta may execute special transportation contracts with anyone after said contract has been filed with and accepted by the Public Service Commission.

This transportation is available to any customer with a daily nominated volume (the level of daily volume in Mcf as requested by the customer to be transported and delivered by the Company) which averages a minimum of 25 Mcf of gas per day for the billing period on an individual service at the same premise who has purchased their own supply of natural gas and require transportation by the Company to the point of utilization subject to suitable service being available from existing facilities. In order to provide a fair opportunity to compete with other motor fuels, this minimum volume requirement may be waived by Delta at is sole discretion for compressed natural gas fueling station customers.

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule. Delta may require a written contract providing for a continuance of service under the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule.

DATE OF ISSUE: October 27, 2020 DATE EFFECTIVE: January 31, 2021 ISSUED BY: John B. Brown, President

red by Authority of an Order of the Public Service Commission of KY in

dated

KENTUCKY PUBLIC SERVICE COMMISSION Linda C. Bridwell 1/31/2021 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**DELTA NATURAL GAS COMPANY, INC.** 

P.S.C. No. 13. Original Sheet No. 9 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE - RATE SCHEDULES TRANSPORTATION OF GAS FOR OTHERS ON SYSTEM UTILIZATION

Volumes of gas transported hereunder will be determined in accordance with Delta's measurement base.

Customer owned gas transported hereunder for an interruptible customer will be subject to interruption in accordance with normal interruption procedures applicable to such rate schedule. Such customers must agree in writing to cause deliveries of customer-owned gas into Delta's facilities to cease upon notification by Delta of the necessity to interrupt or curtail the use of gas.

Delta shall have the right at any time to curtail or interrupt the transportation or delivery of gas to interruptible customers hereunder when, in Delta's sole judgment, such curtailment or interruption is necessary to enable Delta to maintain deliveries to customers of higher priority or to respond to any emergency. During such periods, Delta shall have the right to purchase any transportation gas delivered into Delta's system for the account of the customer at the actual cost the customer paid for such gas.

Delta may execute special transportation contracts with anyone after said contract has been filed with and accepted by the Public Service Commission.

This transportation is available to any customer with a daily nominated volume (the level of daily volume in Mcf as requested by the customer to be transported and delivered by the Company) which averages a minimum of 25 Mcf of gas per day for the billing period on an individual service at the same premise who has purchased their own supply of natural gas and require transportation by the Company to the point of utilization subject to suitable service being available from existing facilities. In order to provide a fair opportunity to compete with other motor fuels, this minimum volume requirement may be waived by Delta at is sole discretion for compressed natural gas fueling station customers.

For a customer that is utilizing transportation service and has under deliveries of transportation gas to Delta's system, and/or requests to revert to the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule. Delta may require a written contract providing for a continuance of service under the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule for a minimum term of twelve months beginning with the date service reverts to the Small Non-Residential, Large Non-Residential or Interruptible Service rate schedule.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

## DELTA\_APP\_TAB05\_052821 Page 14 of 52

Current Tariff ndf

	P.S.C. NO.	12			
DELTA NATURAL GAS COMPANY, INC.	Original	SHEET NO	10		
Name of Issuing Corporation	CANCELLING P.S.C. NO.	. 11			
<u> </u>	Original	SHEET NO.	10		
CLASSIFICATION OF SERVICE					
RATE SCHEDILES					

All Service Areas

## TRANSPORTATION OF GAS FOR OTHERS OFF SYSTEM UTILIZATION

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### AVAILABILITY

Available to any person whose facilities connect or can be made to connect with Delta's facilities or who can cause their natural gas to be delivered to Delta's facilities and who desires gas to be transported by Delta to a place of utilization not connected to Delta's facilities. Further, the person or persons desiring such transportation shall have executed a contract with Delta as set forth under the terms and conditions of this tariff.

#### RATE

(I) The charge for service under this tariff shall be \$0.2826 per 1,000 cu. ft. of gas transported, or, in the case of measurement based upon heating value, shall be \$0.2826 per dekatherm. Any additions or modifications of the facilities required to perform this service shall

#### TERMS AND CONDITIONS

be at the sole expense of the customer.

Specific details relating to volumes, delivery points and other matters shall be covered by a separate contract.

Delta shall reserve the right to purchase all or part of the gas to be transported at the same price the transporter would have received at the delivery point less Delta's applicable transportation charges, shrinkage and compressor fuel costs.

Delivery of gas transported hereunder will be effected as nearly as practicable on the same day as the receipt thereof. Delta will not be obligated to utilize underground storage capacity in performance of the service provided herein.

All gas volumes delivered hereunder shall s loss and measurement differences when no co	nrink by 2% <b>KENTUCKY</b> er line pres <mark>sibleseryese@ONYU@SION</mark>
1050 dila maddiamana attitution	<b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR
	TARIFF BRANCH
DATE OF ISSUE December 1, 2010 DATE EFFEC	15 F & N.D.U
ISSUED BY Glenn R. Jennings Mon. C. Jenning	ITLE Chard Pie Board
Name of Officer	Presi <b>dentua</b> nd CEO
	ervice Com <b>ny22/2010</b> f KY in
CASE NO. 2010-00116	ATED-urdNowemberar 201; se20dx(0:(1)

DELTA\_APP\_TAB04.pdf

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13, Original Sheet No. 10 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE - RATE SCHEDULES

#### TRANSPORTATION OF GAS FOR OTHERS OFF SYSTEM UTILIZATION

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### AVAILABILITY

Available to any person whose facilities connect or can be made to connect with Delta's facilities or who can cause their natural gas to be delivered to Delta's facilities and who desires gas to be transported by Delta to a place of utilization not connected to Delta's facilities. Further, the person or persons desiring such transportation shall have executed a contract with Delta as set forth under the terms and conditions of this tariff

#### RATE

The charge for service under this tariff shall be \$0.3259 per 1,000 cu. ft. of gas transported, or, in the case of measurement based upon heating value, shall be \$0.3259 per dekatherm. Any additions or modifications of the facilities required to perform this service shall be at the sole expense of the customer.

#### TERMS AND CONDITIONS

Specific details relating to volumes, delivery points and other matters shall be covered by a separate contract.

Delta shall reserve the right to purchase all or part of the gas to be transported at the same price the transporter would have received at the delivery point less Delta's applicable transportation charges, shrinkage and compressor fuel costs.

Delivery of gas transported hereunder will be effected as nearly as practicable on the same day as the receipt thereof. Delta will not be obligated to utilize underground storage capacity in performance of the service provided herein.

All gas volumes delivered hereunder shall shrink by 2% to cover line loss and measurement differences when no compression is being used in the transportation. When compression is required in the transportation, all gas volumes delivered hereunder shall shrink an additional amount equivalent to fuel usage.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

## DELTA\_APP\_TAB05\_052821 Page 15 of 52

DELTA NATURAL GAS COMPANY, INC.

Name of Issuing Corporation

FOR All Serv	vice Areas
P.S.C. NO.	12
Original	SHEET NO. 11
CANCELLING P.S.C. N	O. 11
Original	SHEET NO. 11

KENTUCKY

CLASSIFICATION OF SERVICE RATE SCHEDULES

## TRANSPORTATION OF GAS FOR OTHERS OFF SYSTEM UTILIZATION

the transportation. When compression is required in the transportation, all gas volumes delivered hereunder shall shrink an additional amount equivalent to fuel usage.

It shall be the customer's responsibility to make all necessary arrangements, including regulatory approvals, required to deliver gas transported under this tariff.

Delta reserves the right to refuse to accept gas that does not meet  $\mbox{Delta's quality specifications.}$ 

Volumes of gas transported hereunder will be determined in accordance with Delta's measurement base.

Delta shall have the right at any time to curtail or interrupt the transportation or delivery of gas hereunder when, in Delta's sole judgment, such curtailment or interruption is necessary to enable Delta to maintain deliveries to retail customers of higher priority or to respond to any emergency.

Delta may execute special transportation contracts with anyone after said contract has been filed with and accepted by the Public Service Commission.

This transportation is available to any customer with a daily nominated volume (the level of daily volume in Mcf as requested by the customer to be transported and delivered by the Company) which averages a minimum of 25 Mcf of gas per day for the billing period.

	FUBLIC SERVICE COMMINISSION
	<b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR
	TARIFF BRANCH
NATE OF ISSUE November 8, 2010 DATE EFFECT	TIVE Oct Sunt Killy 10 e Board
Name of Officer	Presidentctand CEO
ssued by authority of an Order of the Public S PASE NO. 2010-00116 D	ervice Com <b>no/sej/sm-40</b> f KY in ATED <sub>PUR</sub> OAtober k&Jso11&6J1009(1)

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13, Original Sheet No. 11 Superseding P.S.C. No. 12

#### **CLASSIFICATION OF SERVICE - RATE SCHEDULES**

#### TRANSPORTATION OF GAS FOR OTHERS OFF SYSTEM UTILIZATION

It shall be the customer's responsibility to make all necessary arrangements, including regulatory approvals, required to deliver gas transported under this tariff.

Delta reserves the right to refuse to accept gas that does not meet Delta's quality specifications.

Volumes of gas transported hereunder will be determined in accordance with Delta's measurement base.

Delta shall have the right at any time to curtail or interrupt the transportation or delivery of gas hereunder when, in Delta's sole judgment, such curtailment or interruption is necessary to enable Delta to maintain deliveries to retail customers of higher priority or to respond to any emergency.

Delta may execute special transportation contracts with anyone after said contract has been filed with and accepted by the Public Service Commission.

This transportation is available to any customer with a daily nominated volume (the level of daily volume in Mcf as requested by the customer to be transported and delivered by the Company) which averages a minimum of 25 Mcf of gas per day for the billing period.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

## DELTA APP TAB05 052821 Page 16 of 52

	FOR All Serv	vice Areas			
	P.S.C. NO.	12			
DELTA NATURAL GAS COMPANY, INC.	Original	SHEET NO. 12			
Name of Issuing Corporation	CANCELLING P.S.C. N	io. 11			
	Original	SHEET NO. 12			
CLASSIFICATION OF SERVICE					
RATE SCHEDULES					

#### STANDBY SERVICE RATE SCHEDULE

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### AVAILABILITY

Available for use by commercial and industrial customers who:

- purchase all or part of their natural gas requirements from sources other than Delta and who request Delta to be available to supply natural gas at that place of utilization; or
- (2) request Delta to provide a standby energy source at their place of utilization.

#### CHARACTER OF SERVICE

Firm - within the reasonable limits of Delta's capability to provide such service unless otherwise specified in a contract between Delta and the customer.

#### RATES

Customer shall pay Delta a standby charge to be set forth in a contract between Delta and the customer that has been filed with and accepted by the Public Service Commission. In addition, monthly natural gas usage will be billed by Delta and paid by the customer in accordance with the charges set forth in Delta's General Service or Interruptible Rate Schedule under which it sells gas to the customer.

#### SPECIAL TERMS AND CONDITIONS

circumstances.

Service under this rate schedule shall be performed under a written contract between Delta and the customer setting forth specific arrangements as to standby charge, maximum daily volumes of natural gas required by the customer from Delta, points of delivery, methods of metering and other matters relating

**KENTUCKY** 

PUBLIC SERVICE COMMISSION JEFF R. DEROUEN **EXECUTIVE DIRECTOR** DATE EFFECTIVE Oct Charles Killey 10 e Board DATE OF ISSUE November 8, 201,0 ISSUED BY Glenn R. Jennings Ven R. Sennings Presidentcrand CEO Name of Officer

Issued by authority of an Order of the Public Service Company KY in DATED PUROCATOR OF KARLS 2012 20 1 0 0 11 2010-00116 CASE NO.

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13. Original Sheet No. 12 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

#### STANDBY SERVICE RATE SCHEDULE

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17.

#### **AVAILABILITY**

Available for use by commercial and industrial customers who:

- purchase all or part of their natural gas requirements from sources other than Delta and who request Delta to be available to supply natural gas at that place of utilization; or
- request Delta to provide a standby energy source at their place of utilization.

#### CHARACTER OF SERVICE

Firm - within the reasonable limits of Delta's capability to provide such service unless otherwise specified in a contract between Delta and the customer.

#### **RATES**

Customer shall pay Delta a standby charge to be set forth in a contract between Delta and the customer that has been filed with and accepted by the Public Service Commission. In addition, monthly natural gas usage will be billed by Delta and paid by the customer in accordance with the charges set forth in Delta's General Service or Interruptible Rate Schedule under which it sells gas to the customer.

#### SPECIAL TERMS AND CONDITIONS

Service under this rate schedule shall be performed under a written contract between Delta and the customer setting forth specific arrangements as to standby charge, maximum daily volumes of natural gas required by the customer from Delta, points of delivery, methods of metering and other matters relating to individual customer circumstances.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

## DELTA APP TAB05 052821 Page 17 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, First Revised Sheet No. 13 Superseding P.S.C. No. 12, Original Sheet No. 13

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

#### GAS COST ADJUSTMENT CLAUSE

#### DETERMINATION OF GCR

The Company shall file a Quarterly Report with the Commission which shall contain an updated Gas Cost Recovery Rate (GCR) and shall be filed at least thirty (30) days prior to the beginning of each calendar quarter. The GCR shall become effective for billing with the final meter readings of the first billing cycle of each calendar quarter.

The gas cost recovery rates are comprised of:

- (1) The expected gas cost component (EGC), on a dollar per Mcf basis, which represents the average expected cost of gas supplies and may include fixed price, forward price and indexed price purchases. The purchases are less amounts injected into underground storage. The EGC includes withdrawals from underground storage at the average unit cost of working gas. The EGC includes the uncollectible gas costs portion of bad debt. In an effort to mitigate price volatility, the Company may contract with gas suppliers at fixed prices, at locked-in prices for gas to be delivered at future dates (forward price) and at index-based prices. These efforts can include the monthly or periodic layering of forward purchase volumes to help moderate the volatility of gas prices. The Company may consider published futures prices as well as price trends and price expectations at the time such decisions are made. Depending upon the circumstances, this volume can be up to the annual projected system requirements including storage needs.
- The supplier refund adjustment (RA), on a dollar per Mcf basis, which reflects refunds received from suppliers during the reporting period, plus interest at the average 90 day commercial paper rate for the calendar quarter. In the event of any large or unusual refunds, the Company may apply to the Public Service Commission for the right to depart from the refund procedure
- The actual adjustment (AA), on a dollar per Mcf basis, compensates for difference between the previous quarter's expected gas cost and the actual cost of gas during that quarter.
- The balance adjustment (BA), on a dollar per Mcf basis, which compensates for any under or

over collections which have occurred as a result of prior adjustments.

DATE OF ISSUE:	October 27, 2020
DATE EFFECTIVE:	January 31, 2021
SSUED BY: John I	B. Brown, President
Shot	Ben

Issued by Authority of the Public Service Commission of KY in

Case No. dated

KENTUCKY PUBLIC SERVICE COMMISSION
Linda C. Bridwell Executive Director
Shide Co. Shidwell
EFFECTIVE
1/31/2021 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13. Original Sheet No. 13 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE **RATE SCHEDULES**

#### GAS COST ADJUSTMENT CLAUSE

#### **DETERMINATION OF GCR**

The Company shall file a Quarterly Report with the Commission which shall contain an updated Gas Cost Recovery Rate (GCR) and shall be filed at least thirty (30) days prior to the beginning of each calendar quarter. The GCR shall become effective for billing with the final meter readings of the first billing cycle of each calendar quarter.

The gas cost recovery rates are comprised of:

- (1) The expected gas cost component (EGC), on a dollar per Mcf basis, which represents the average expected cost of gas supplies and may include fixed price, forward price and indexed price purchases. The purchases are less amounts injected into underground storage. The EGC includes withdrawals from underground storage at the average unit cost of working gas. The EGC includes the uncollectible gas costs portion of bad debt. In an effort to mitigate price volatility, the Company may contract with gas suppliers at fixed prices, at locked-in prices for gas to be delivered at future dates (forward price) and at index-based prices. These efforts can include the monthly or periodic layering of forward purchase volumes to help moderate the volatility of gas prices. The Company may consider published futures prices as well as price trends and price expectations at the time such decisions are made. Depending upon the circumstances, this volume can be up to the annual projected system requirements including storage needs.
- (2) The supplier refund adjustment (RA), on a dollar per Mcf basis, which reflects refunds received from suppliers during the reporting period, plus interest at the average 90 day commercial paper rate for the calendar quarter. In the event of any large or unusual refunds, the Company may apply to the Public Service Commission for the right to depart from the refund procedure herein set forth.
- (3) The actual adjustment (AA), on a dollar per Mcf basis, compensates for difference between the previous quarter's expected gas cost and the actual cost of gas during that quarter.
- (4) The balance adjustment (BA), on a dollar per Mcf basis, which compensates for any under or over collections which have occurred as a result of prior adjustments.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

### DELTA APP TAB05 052821 Page 18 of 52

All Service Areas P.S.C. NO. SHEET NO. 14 DELTA NATURAL GAS COMPANY, INC. Original Name of Issuing Corporation CANCELLING P.S.C. NO 11 Original SHEET NO. 14 CLASSIFICATION OF SERVICE RATE SCHEDULES

#### GAS COST ADJUSTMENT CLAUSE

#### BILLING

The gas cost recovery rate to be applied to bills of customers shall equal the sum of the following components:

GCR = EGC + RA + AA + BA

#### DEFINITIONS

For purposes of this tariff:

(T)

- "Average Expected Cost" means the cost of gas supplies, adjusted for injections/withdrawals into storage and the uncollectible gas costs portion of bad debt. Cost of gas supplies include associated transportation and storage charges, and propane which results from the application of suppliers' rates currently in effect, or reasonably expected to be in effect during the calendar quarter, on purchased volumes during the twelve month period ending with the reporting period to which the GCR will apply, divided by the corresponding sales volume. Where the calculations require the use of volumes used during a given period, and those volumes did not exist for a particular source for the entire period, or the Company expects the volumes to change substantially, the Company may make appropriate adjustments in its calculations. Any adjustments of this type shall be described in the quarterly Gas Cost Recovery Report.
- "GCR" means the quarterly updated gas cost recovery rate applicable to the monthly consumption of customers (sum of the expected gas cost component plus the supplier refund adjustment plus the actual adjustment plus the balancing adjustment; i.e., GCR = EGC + RA + AA + BA).
- "Calendar Ouarters" means each of the four three-month periods of (1) August, September and October; (2) November, December and January; (3) February, March and April; and (4) May, June and July.
- "Reporting Period" means the three (3) month accounting period that ended approximately sixty (60) days prior to the filing date of the updated gas recovery rates; i.e., the calendar quarter preceding that during which the most recent Quarterly Report was filed.

#### INTERIM GAS COST ADJUSTMENT FILINGS

The Company may make application for Interim Gas Cost Adjustments subject to the approval of the commission.

KENTUCKY **EXECUTIVE DIRECTOR** 

DATE	OF	ISSUE	Novem	ber	8,	2010	]	DATE	EFF
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CASE NO. 2010-00116

President Tand CEO Service Compo/22/2010f KY in DATEDPURQuitoberrka21:011 202110n 9 (1)

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13. Original Sheet No. 14 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE **RATE SCHEDULES**

#### GAS COST ADJUSTMENT CLAUSE

#### **BILLING**

The gas cost recovery rate to be applied to bills of customers shall equal the sum of the following components: GCR = EGC + RA + AA + BA

#### **DEFINITIONS**

For purposes of this tariff:

- "Average Expected Cost" means the cost of gas supplies, adjusted for injections/withdrawals into storage and the uncollectible gas costs portion of bad debt. Cost of gas supplies include associated transportation and storage charges, and propane which results from the application of suppliers' rates currently in effect. or reasonably expected to be in effect during the calendar quarter, on purchased volumes during the twelve month period ending with the reporting period to which the GCR will apply, divided by the corresponding sales volume. Where the calculations require the use of volumes used during a given period, and those volumes did not exist for a particular source for the entire period, or the Company expects the volumes to change substantially, the Company may make appropriate adjustments in its calculations. Any adjustments of this type shall be described in the quarterly Gas Cost Recovery Report.
- "GCR" means the quarterly updated gas cost recovery rate applicable to the monthly consumption of customers (sum of the expected gas cost component plus the supplier refund adjustment plus the actual adjustment plus the balancing adjustment; i.e., GCR = EGC + RA + AA + BA).
- "Calendar Quarters" means each of the four three-month periods of (1) August, September and October; (2) November, December and January; (3) February, March and April: and (4) May, June and July,
- "Reporting Period" means the three (3) month accounting period that ended approximately sixty (60) days prior to the filing date of the updated gas recovery rates; i.e., the calendar quarter preceding that during which the most recent Quarterly Report was filed.

#### INTERIM GAS COST ADJUSTMENT FILINGS

The Company may make application for Interim Gas Cost Adjustments subject to the approval of the Commission.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

# DELTA APP TAB05 052821 Page 19 of 52

DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, Original Sheet No. 14.1

#### CLASSIFICATION OF SERVICE - RATE SCHEDULES PEOPLES KY PURCHASED GAS ADJUSTMENT

The rate authorized herein is based upon the wholesale cost of gas to Company for service to farm tap customers taking service from a connection along the Kentucky West Virginia Gas Company's well connection and gathering system in Eastern Kentucky as computed upon the rate of Kentucky West Virginia Gas Company then currently in effect under Federal Power Commission tariffs for interstate business. For the purpose of this purchased gas adjustment clause, this rate shall be considered as the base rate for purchased gas. In the event there is an increase in this base rate, Company shall within thirty days from the time it receives notice of the proposed change file with this Commission the following information:

- A copy of the Federal Power Commission tariff, effecting the change in the base rate and a statement relative to the effective date of such proposed change.
- A statement setting out the details of gas purchased under the provisions of the base rate for the previous twelve months showing billing under the base rate and under the proposed revised rate applicable to this service.
- A balance sheet as of the end of the latest twelve-month period and a statement of operating expenses and revenues in the same detail as reported to this Commission in the Utility's Annual Report.
- Such other information as this Commission may request for a proper determination of the purchased gas adjustment.

DATE OF ISSUE: April 1, 2021 EFFECTIVE DATE: April 1, 2021 ISSUED BY: John B. Brown, President

Issued by authority of an Order of the Public Service Commission of KY In Case No. 2020-00346 dated February 22, 2021

KENTUCKY PUBLIC SERVICE COMMISSION Linda C. Bridwell

4/1/2021

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

The Peoples KY Purchased Gas Adjustment tariff sheets 14.1 and 14.2 have been eliminated.

## DELTA\_APP\_TAB05\_052821 Page 20 of 52

DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, First Revised Sheet No. 14.2 Canceling P.S.C. No. 12, Original Sheet No. 14.2

#### CLASSIFICATION OF SERVICE – RATE SCHEDULES PEOPLES KY PURCHASED GAS ADJUSTMENT

#### DEFINITIONS

For purposes of this tariff:

- a. "Average Expected Cost" is the cost of purchased gas which results from the application of supplier rates currently in effect, or reasonably expected to be in effect during the calendar quarter, on purchased gas volumes during the twelve-month period ending with the reporting period to which the GCR will apply, divided by the corresponding sales volume. Where the calculations require the use of volumes used during a given period, and those volumes did not exist for a particular source for the entire period, or the Company expects the volumes to change substantially, the Company may make appropriate adjustments to its calculations. Any adjustments of this type shall be described in the quarterly Gas Cost Recovery Report.
- b. "GCR" means the quarterly updated gas cost recovery rate and is the sum of the expected gas cost component plus the supplier refund adjustment plus the actual cost adjustment plus the balancing adjustment; i.e., GCR = EGC + RA + ACA + BA.
- "Calendar Quarters" means each of the four three-month periods of (1) February, March, and April; (2) May, June, and July; (3) August, September, and October; (4) November, December, and January.
- d. "Reporting Period" means the three-month accounting period that ended approximately sixty (60) days prior to the filing date of the updated gas cost recovery rates; i.e., the calendar quarters ended April 30, July 31, October 31, and January 31 of each year.

#### GAS COST RECOVERY RATE (GCR):

Expected Gas Supply Cost (EGC) \$ 3.8821 / per 1.0 Mcf (1) Refund Adjustment (RA) \$ 0.0000 (R) Actual Cost Adjustment (ACA) \$(0.4715) (R) Balance Adjustment (BA) \$(0.0160) \$ 3.3946 / per 1.0 Mef Total Gas Cost Recovery Rate KENTUCKY PUBLIC SERVICE COMMISSION (R) Indicates Reduction. (I) Indicates Increase. Linda C. Bridwell DATE OF ISSUE: April 30, 2021 EFFECTIVE DATE: May 1, 2021 ISSUED BY: John B. Brown, President Issued by authority of an Order of the Public Service Commission of K 5/1/2021 In Case No. 2021-00134 dated April 26, 2021 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

The Peoples KY Purchased Gas Adjustment tariff sheets 14.1 and 14.2 have been eliminated.

### DELTA APP TAB05 052821 Page 21 of 52

DELTA NATURAL GAS COMPANY, INC.

P.S.C. NO. 12, First Revised Sheet No. 15 Superseding P.S.C. No. 12, Original Sheet No. 15

#### **CLASSIFICATION OF SERVICE - RATE SCHEDULES**

#### SPECIAL CHARGES

The following charges shall be applied under the following conditions:

Collection Charge - A charge of \$20.00 will be levied when a Company representative makes a trip to the premises of a customer for the purpose of terminating service. The charge may be assessed if service is actually terminated or if the customer pays the delinquent bill to avoid termination. The charge may also be assessed if the Company's representative agrees to delay termination based on the customer's agreement to pay the delinquent bill by a specific date. A collection trip may be made only after written notice has been sent to the customer stating that if the bill is not paid by a certain date the service will be disconnected.

Reconnection Charge - A reconnection charge of \$60.00\* to be levied by the Company and paid by the customer before or at the time the service is reconnected shall be assessed as approved by the Public Service Commission when:

- The customer's service has been disconnected for non-payment of bills or for violation of the Commission's or Company's Rules and Regulations, and the customer has qualified for and requested service to be reconnected. Customers qualifying for service reconnection under 807 KAR 5:006, Section 15 - Winter Hardship - shall be exempt from reconnect charges.
- (2) The customer's service has been disconnected at the customer's request and at any time subsequently within twelve (12) months is reconnected at the same premise.

Bad Check Charge - The Company may charge and collect a fee of \$15.00 to cover the cost of handling an unsecured check; where a customer tenders in payment of an account a check which upon deposit by the Company is returned as unpaid by the customer's financial institution.

Request Test Charge - Pursuant to 807 KAR 5:006, Section 18, the Company shall make a test of any meter upon written request of any customer provided such request is not made more frequently than once each twelve (12) months. The customer shall be given the opportunity of being present at such request tests. If such tests show that the meter was not more than two percent (2%) fast, the Company may make a reasonable

\* The reconnection charge for any customer served pursuant to KRS 278.485 shall be \$25.00.

KENTUCKY PUBLIC SERVICE COMMISSION

Gwen R. Pinson

Steven R. Punson

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**EFFECTIVE** 

7/21/2019

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

ISSUED BY: John B. Brown, President, Treasurer and Secretary Issued by Authority of the Public Service Commission of KY

DATE OF ISSUE: June 20, 2019

DATE EFFECTIVE: July 20, 2019

**DELTA NATURAL GAS COMPANY, INC.** 

P.S.C. No. 13. Original Sheet No. 15 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE - RATE SCHEDULES

#### **SPECIAL CHARGES**

The following charges shall be applied under the following conditions:

Collection Charge - A charge of \$20.00 will be levied when a Company representative makes a trip to the premises of a customer for the purpose of terminating service. The charge may be assessed if service is actually terminated or if the customer pays the delinquent bill to avoid termination. The charge may also be assessed if the Company's representative agrees to delay termination based on the customer's agreement to pay the delinquent bill by a specific date. A collection trip may be made only after written notice has been sent to the customer stating that if the bill is not paid by a certain date the service will be disconnected.

Reconnection Charge - A reconnection charge of \$60.00\* to be levied by the Company and paid by the customer before or at the time the service is reconnected shall be assessed as approved by the Public Service Commission when:

- (1) The customer's service has been disconnected for non-payment of bills or for violation of the Commission's or Company's Rules and Regulations, and the customer has qualified for and requested service to be reconnected. Customers qualifying for service reconnection under 807 KAR 5:006. Section 16 - Winter Hardship - shall be exempt from reconnect charges.
- The customer's service has been disconnected at the customer's request and at any time subsequently within twelve (12) months is reconnected at the same premise.

Bad Check Charge - The Company may charge and collect a fee of \$15.00 to cover the cost of handling an unsecured check; where a customer tenders in payment of an account a check which upon deposit by the Company is returned as unpaid by the customer's financial institution.

Request Test Charge - Pursuant to 807 KAR 5:006, Section 19, the Company shall make a test of any meter (T) upon written request of any customer provided such request is not made more frequently than once each twelve (12) months. The customer shall be given the opportunity of being present at such request tests. If such tests show that the meter was not more than two percent (2%) fast, the Company may make a reasonable charge for the test. The test charge is based upon meter size and is as follows:

> 1,000 cubic feet per hour and under \$ 4.00 Over 1,000 to 10,000 \$8.00 Over 10.000 \$12.00

\*The reconnection charge for any customer pursuant to KRS 278.485 shall be \$25.00 as set forth in Sheet No. 6.1-6.2.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated

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## DELTA\_APP\_TAB05\_052821 Page 22 of 52

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR	All Se	rvic	e Are	as	
P.S.C. NO.			12		
Origi	.nal	5	SHEET	NO.	16
CANCELLING	P.S.C.	NO.		11	
Origi	.nal		SHEET	NO.	16

PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN

CLASSIFICATION OF SERVICE RATE SCHEDULES

#### SPECIAL CHARGES

charge for the test. The test charge is based upon meter size and is as follows:

1,000 cubic feet pe	er hour	and	under	\$	4.	.00
Over 1,000 to 10,00	0 (			\$	8.	00
Over 10 000				Ģ.	12	00

Gas Light Charge - Monthly consumption of unmetered gas used for an outdoor gas light, as approved by the Company, will be calculated to be 1,500 cubic feet per month per mantle for upright mantles and for each pair of inverted mantles. On special models of gas lights where gas consumption is greater than those referred to above, the Company shall estimate, based on the manufacturer's suggested usage, the monthly consumption to the closest 100 cubic feet and bill customer that equal amount each month. Such consumption shall be billed under the appropriate rate schedule applicable to the customer.

	EXECUTIVE DIRECTOR		
	TARIFF BRANCH		
DATE OF ISSUE November 8, 2010 DATE EFFECT	IVE Oct / / H 10		
ISSUED BY Glenn R. Jennings Dun R. String T.	TLE Challer July e Board		
Name of Officer ()	Presidentcrand CEO		
Issued by authority of an Order of the Public S	ervice Commission of KY in		
CASE NO. 2010-00116 D	ATED <u>purQatiologis kirled1120110n 9 (1)</u>		
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#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 16 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES

#### SPECIAL CHARGES

Gas Light Charge - Monthly consumption of unmetered gas used for an outdoor gas light, as approved by the Company, will be calculated to be 1,500 cubic feet per month per mantle for upright mantles and for each pair of inverted mantles. On special models of gas lights where gas consumption is greater than those referred to above, the Company shall estimate, based on the manufacturer's suggested usage, the monthly consumption to the closest 100 cubic feet and bill customer that equal amount each month. Such consumption shall be billed under the appropriate rate schedule applicable to the customer.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

### DELTA APP TAB05 052821 Page 23 of 52

DELTA NATURAL GAS COMPANY, INC. Name of Issuing Corporation

All Servi	ce Are	eas	
	12		
inal	SHEET	NO.	17
P.S.C. NO	•	11	
inal	SHEET	NO.	17
	inal P.S.C. NO	12 inal SHEET P.S.C. NO.	P.S.C. NO. 11

CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### APPLICABILITY

Applicable within all service areas served by Delta namely: Owingsville, Sharpsburg, Salt Lick, Midland, Bath County; Estill County; Camargo, Jeffersonville, Montgomery County; Frenchburg, Menifee County; Kingston Terrill, Berea, Madison County; Stanton, Clay City, Powell County; Garrard County; Annville, Jackson County; Beattyville, Lee County; North Middletown, Bourbon County; Nicholasville, Wilmore, Jessamine County; Clearfield, Farmers, Rowan County; Middlesboro, Pineville, Bell County; Barbourville, Knox County; Williamsburg, Corbin, Whitley County; London, Laurel County; Manchester, Burning Springs, Oneida, Clay County; Leslie County; Lexington, Fayette County; Fleming County; Clark County; Mt. Olivet, Robertson County; Sardis, Mason County; and environs of each.

#### COMMISSION'S RULES AND REGULATIONS

All gas service rendered by the Company shall be in accordance with the Administrative Regulations by which gas utilities are governed by the Public Service Commission of Kentucky and all amendments thereto and modifications thereof which may be made by the Commission.

#### COMPANY'S RULES AND REGULATIONS

In addition to the Rules and Regulations prescribed by the Public Service Commission, all gas service rendered shall also be in accordance with the Rules and Regulations adopted by the Company.

#### FILING OF RATES, RULES AND REGULATIONS

A copy of all schedules of rates, rules and regulations under which gas service is rendered is on file for the public's benefit with the Public Service Commission of Kentucky. A copy of such rates, rules and regulations, together with the law, rules and regulations of the Public Service Commission of Kentucky is available for public inspection in the principal office of the

KENTUCKY PUBLIC SERVICE COMMISSION JEFF R. DEROUEN EXECUTIVE DIRECTOR

	TARIFF BRANCH
DATE OF ISSUE November 8, 2010, DATE ISSUED BY Glenn R. Jennings	EFFECTIVE Oc. But Killy 10
Name of Officer	TIESTEGRETARIA CHO
Issued by authority of an Order of the Pu CASE NO. 2010-00116	ublic Service Com <b>n/22/2010</b> f KY in DATED <u>ur@otoberk&amp;10112010010()</u>

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13. Original Sheet No. 17 Superseding P.S.C. No. 12

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#### CLASSIFICATION OF SERVICE **RULES AND REGULATIONS**

#### **APPLICABILITY**

Applicable within all service areas served by Delta. namely: Bath County; Estill County; (T) Montgomery County; Menifee County; Madison County; Powell County; Garrard County; Jackson (T) County; Lee County; Bourbon County; Jessamine County; Rowan County; Bell County; Knox County; Whitley County; Laurel County; Clay County; Leslie County; Fayette County; Fleming County; Clark County; Robertson County; Mason County; Lawrence County; Martin County; Perry County; Magoffin County; Pike County; Floyd County; Johnson County; Knott County; and Letcher County.

#### COMMISSION'S RULES AND REGULATIONS

All gas service rendered by the Company shall be in accordance with the Administrative Regulations by which gas utilities are governed by the Public Service Commission of Kentucky and all amendments thereto and modifications thereof which may be made by the Commission.

#### COMPANY'S RULES AND REGULATIONS

In addition to the Rules and Regulations prescribed by the Public Service Commission, all gas service rendered shall also be in accordance with the Rules and Regulations adopted by the Company.

### FILING OF RATES. RULES AND REGULATIONS

A copy of all schedules of rates, rules and regulations under which gas service is rendered is on file for the public's benefit with the Public Service Commission of Kentucky. A copy of such rates, rules and regulations, together with the law, rules and regulations of the Public Service Commission of Kentucky is available for public inspection in the principal office of the Company.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

### DELTA APP TAB05 052821 Page 24 of 52

DELTA NATURAL GAS COMPANY, INC. Name of Issuing Corporation

FOR	All Servi	ce Are	eas		
P.S.C. NO.		12			
Origin	nal	SHEET	NO.	18	
CANCELLING I	P.S.C. NO.		11		
Origin	nal	SHEET	NO.	18	

#### CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### NO EXCEPTIONS TO RULES AND REGULATIONS

No agent, representative or employee of the Company shall make any promise, agreement or representation not incorporated in or provided for by the Rules and Regulations of the Public Service Commission of Kentucky or of this Company and neither has any agent, representative or employee of the Company any right or power to amend, modify, alter or waive any of the said Rules and Regulations except as hereinafter provided.

#### RULES AND REGULATIONS MAY BE AMENDED

The Company reserves the right to amend or modify its Rules and Regulations or to adopt such additional Rules and Regulations as the Company deems necessary in the proper conduct of its business, subject to the filing with and acceptance of same by the Public Service Commission of Kentucky.

#### SUPERSEDE PREVIOUS RULES AND REGULATIONS

These Rules and Regulations replace and supersede all previous Rules and Regulations under which the Company has previously supplied gas service.

#### CUSTOMER CLASSIFICATIONS

Service to customers which consists of direct Residential: natural gas usage in a residential dwelling for space heating, air conditioning, cooking,

water heating and other residential uses.

Small

Non-Residential

Service to customers engaged primarily in the sale of goods or services including institutions and local and federal government agencies for uses other than those involving manufacturing or electric power generation

with a meter no larger than an AL425.

Large

Non-Residential:

Service to compercial and industrial customers including institutikentueka local and federal government Paralle SER VIGE COMMISSION

larger than an AL425.

JEFF R. DEROUEN **EXECUTIVE DIRECTOR** 

TARIFF BRANCH

DATE OF ISSUE November 8, 2010 ISSUED BY Glenn R. Jennings Jun R. Sunning

DATE EFFECTIVE Oc Bunt Kirling 10 Board

Presidentivend CEO

Name of Officer Issued by authority of an Order of the Public Service Compression of KY in CASE NO. 2010-00116

DATEDURSONITODO EXKAZSO 11 SZOTON 9 (1

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13. Original Sheet No. 18 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE **RULES AND REGULATIONS**

#### NO EXCEPTIONS TO RULES AND REGULATIONS

No agent, representative or employee of the Company shall make any promise, agreement or representation not incorporated in or provided for by the Rules and Regulations of the Public Service Commission of Kentucky or of this Company and neither has any agent, representative or employee of the Company any right or power to amend, modify, alter or waive any of the said Rules and Regulations except as hereinafter provided.

#### **RULES AND REGULATIONS MAY BE AMENDED**

The Company reserves the right to amend or modify its Rules and Regulations or to adopt such additional Rules and Regulations as the Company deems necessary in the proper conduct of its business, subject to the filing with and acceptance of same by the Public Service Commission of Kentucky.

#### SUPERSEDE PREVIOUS RULES AND REGULATIONS

These Rules and Regulations replace and supersede all previous Rules and Regulations under which the Company has previously supplied gas service.

#### **CUSTOMER CLASSIFICATIONS**

Residential: Service to customers which consists of direct natural gas usage in a

residential dwelling for space heating, air conditioning, cooking,

water heating and other residential uses.

Small

Non-Residential Service to customers engaged primarily in the sale of goods or

> services including institutions and local and federal government agencies for uses other than those involving manufacturing or electric power generation with a meter no larger than an AL425.

Large

Non-Residential:

Service to commercial and industrial customers including

institutions and local and federal government agencies with a meter

larger than an AL425.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

### DELTA\_APP\_TAB05\_052821 Page 25 of 52

DELTA NATURAL GAS COMPANY, INC.

Name of Issuing Corporation

FOR	All Se	rvice	Areas		
P.S.C. NO.		12			
Orig	inal	SH	EET NO.	. 19	
CANCELLING	P.S.C.	NO.	11		
Orig	inal	SH	EET NO	. 19	

KENTUCKY

CLASSIFICATION OF SERVICE
RULES AND REGULATIONS

#### 9. APPLICATION FOR SERVICE

A written application or contract, properly executed, may be required before the Company is obligated to render gas service. The Company shall have the right to reject for valid reasons any such application or contract. All applications for service shall be made in the legal name of the party desiring the service.

Applications for service are not transferable and new occupants of premises will be required to make application for service before commencing the use of gas. Customers who have been receiving gas service shall notify the Company when discontinuance of service is desired and shall pay for all gas until such notice has been given in person, in writing or by telephone and final meter reading is made by the Company.

When a customer moves within the service area of the Company, the customer shall be billed out at the original location and billed in at the new location. Therefore, the customer may receive two bills for the month in which the move occurs.

In case the customer is not the owner of the premises, it shall be the customer's responsibility to obtain from the property owner or owners the necessary consent to install and maintain in, on or over said premises all such piping and other equipment as are required or necessary to install service line for supplying gas service to the customer whether the piping and equipment be the property of the customer or the Company.

### 10. REFUSAL OF SERVICE

The Company reserves the right to refuse or to defer full service to an applicant where the existing mains are inadequate to serve the applicant's requirements without adversely affecting the service to customers already connected and being served.

	PUBLIC SERVICE COMMISSION
	<b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR
	TARIFF BRANCH
DATE OF ISSUE November 8, 2010 DATE EFFEC	TIVE Oc / 1 / 10
SSUED BY Glenn R. Jennings Lenn R. Sennes T	ITLE Chard Plante Board
Name of Officer	President Trand CEO
ssued by authority of an Order of the Public S	ervice Comm <b>y22/2010</b> f KY in
CASE NO. 2010-00116	ATED-ur: 0 00 to 0 00 00 11 2 0 11 00 0 (1)

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 19 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 9. APPLICATION FOR SERVICE

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DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00185 dated

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### DELTA\_APP\_TAB05\_052821 Page 26 of 52

DELTA NATURAL GAS COMPANY, INC.

Name of Issuing Corporation

FOR	All Serv	ice Are	eas	
P.S.C. NO.		12		
Origi	nal	SHEET	NO.	20
CANCELLING	P.S.C. NO		11	
Origi	.nal	SHEET	NO.	20

KENTUCKY

PUBLIC SERVICE COMMISSION

CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### RENEWAL OF CONTRACT

If, upon the expiration of any service agreement or service contract for a specified term, the customer continues to use the service, the service agreement or service contract (unless otherwise provided therein) will be automatically renewed and extended for successive periods of one year each, subject to termination at the end of any year upon written notice by either party in advance of the expiration date in accordance with the terms set forth in the service agreement or service contract.

#### 12. CUSTOMER'S LIABILITY

The customer shall assume all responsibility for the gas service in or on the customer's premises at and from the point of delivery of gas and for all the piping, appliances and equipment used in connection therewith which are not the property of the Company, and will protect and save the Company harmless from all claims for injury or damage to persons or property occurring on the customer's premises or at and from the point of delivery of gas occasioned by such gas or gas service and equipment, except where said injury or damage will be shown to have been caused solely by the gross negligence of the Company.

#### 13. ACCESS TO PROPERTY

The Company shall at all reasonable hours have access to meters, service connections and other property owned by it and located on customer's premises for purposes of installation, maintenance, meter reading, operation or removal of its property at the time service is to be terminated. Any employee of the Company whose duties require the employee to enter the customer's premises shall wear a distinguishing uniform or other insignia, identifying the employee as an employee of the company, or carry a badge or other identification which will identify the employee as an employee of the Company, the same to be shown by the employee upon request.

	<b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR
	TARIFF BRANCH
DATE OF ISSUE November 8, 2010 DATE EFFECT	TIVE Oc. Sunt Killy 10 e Board
Name of Officer	Presi <b>dent Tan</b> d CEO
Issued by authority of an Order of the Public $\Omega$	ervice Comm <b>y22/2010</b> f KY in ATEDurwootoberkalkg11201wog(1)

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13, Original Sheet No. 20 Superseding P.S.C. No. 12

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#### CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 11. RENEWAL OF CONTRACT

If, upon the expiration of any service agreement or service contract for a specified term, the customer continues to use the service, the service agreement or service contract (unless otherwise provided therein) will be automatically renewed and extended for successive periods of one year each, subject to termination at the end of any year upon written notice by either party in advance of the expiration date in accordance with the terms set forth in the service agreement or service contract.

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#### B. <u>FORCE MAJEURE</u> (N)

Neither Company nor Customer shall be liable in damages to the other for any act, omission or circumstance occasioned by or in consequence of any acts of God, strikes, lockouts affecting the company or its suppliers of gas, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, washouts, arrests and restraints of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated or otherwise, not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. Failure to prevent or settle any strike or strikes shall not be considered to be a matter within the control of the party claiming suspension. Such causes or contingencies affecting the performance hereunder by either Company or Customer, however, shall not relieve it of liability in the event of its concurring negligence or in the event of its failure to use due diligence to remedy the situation and to remove the cause in an adequate manner and with all reasonable dispatch, nor shall such causes or contingencies affecting such performance relieve either party from its obligations to make payments of amounts then due hereunder in respect of gas theretofore delivered.

### 4. ACCESS TO PROPERTY

The Company shall at all reasonable hours have access to meters, service connections and other property owned by it and located on customer's premises for purposes of installation, maintenance, meter reading, operation or removal of its property at the time service is to be terminated. Any employee of the Company whose duties require the employee to enter the customer's premises shall wear a distinguishing uniform or other insignia, identifying the employee as an employee of the company, or carry a badge or other identification which will identify the employee as an employee of the Company, the same to be shown by the employee upon request.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

### DELTA APP TAB05 052821 Page 27 of 52

DELTA NATURAL GAS COMPANY, INC. Name of Issuing Corporation

FOR	All Se	ervic	e Are	eas	
P.S.C. NO.		1	.2		
Origi	nal	S	HEET	NO.	21
CANCELLING	P.S.C.	NO.		11	
Origi	nal	5	HEET	NO.	21

#### CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### CONTINUOUS OR UNIFORM SERVICE

The Company will endeavor to supply gas continuously and without interruption. However, the Company shall not be responsible for damages or otherwise for failure to supply gas for any interruptions of the supply when such failure is without willful fault or neglect on its part.

The Company cannot and does not quarantee either a sufficient supply or an adequate or uniform pressure of the gas supplied and shall not be liable for any damage or loss resulting from inadequate or interrupted supply or from any pressure variations when such conditions are not due to willful fault or neglect on its part.

#### 15. EXCLUSIVE SERVICE

Except in cases where the customer has a special contract with the Company for reserve or auxiliary service, no other fuel service shall be used by the customer on the same installation in conjunction with the Company's service connection, either by means of valves or any other connection.

The customer shall not sell the gas purchased from the Company to any other customer, company or person, and the customer shall not deliver gas purchased from the Company to any connection wherein said gas is to be used on premises not owned or controlled by the customer.

#### DEPOSITS 16.

The Company may require a minimum cash deposit or other quaranty to secure payment of bills except from customers qualifying for service reconnection pursuant to 807 KAR 5:006, Section 15, Winter Hardship Reconnection. Service may be refused or discontinued for failure to pay the requested deposit. Interest, as prescribed by KRS 278.460, will be paid on all sums held on deposit. The interest will be applied as a credit to the customer's bill or will be paid to the customer on an annual basis. If the deposit is refunded or credited to kearches omer's bill prior to the deposit anniversary date, PHBENCESERVNCEICOMNHASKON or credited to the customer's bill on a pro-nated Descisen If **EXECUTIVE DIRECTOR** 

		TARIFF BRANCH
DATE OF ISSUE November 8, 2010	DATE EFFECT	IVE Octo 10 .0
ISSUED BY Glenn R. Jennings Stem /	2 Olympia TI	TLE Cha Bunt Kirlly, Board
Name of Officer	()	President cand CEO
Issued by authority of an Order of t	he Public Se	ervice Commission of KY in
CASE NO. 2010-00116		ATED_PURSE TO PRESENT KAR 5:012 SEE FROM 9 (1)

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13. Original Sheet No. 21 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE **RULES AND REGULATIONS**

#### CONTINUOUS OR UNIFORM SERVICE

(T)

The Company will endeavor to supply gas continuously and without interruption, except for the (T) rate schedules that state otherwise. However, the Company shall not be responsible for damages (T) or otherwise for failure to supply gas for any interruptions of the supply when such failure is without willful fault or neglect on its part.

The Company cannot and does not guarantee either a sufficient supply or an adequate or uniform pressure of the gas supplied and shall not be liable for any damage or loss resulting from inadequate or interrupted supply or from any pressure variations when such conditions are not due to willful fault or neglect on its part.

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(T)

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(D)

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

### DELTA\_APP\_TAB05\_052821 Page 28 of 52

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR	All Se	rvice Are	as		
P.S.C. NO.		12			
Origi	.nal	SHEET	NO.	22	
CANCELLING	P.S.C.	NO.	11		
Origi	nal	SHEET	NO.	22	

#### CLASSIFICATION OF SERVICE RULES AND REGULATIONS

interest is not paid to the customer or credited to the customer's bill annually, interest will be computed by a method which will result in an amount not less than that obtained by using the middle course method between simple and compound interest in compliance with the Commission Order dated October 31, 1989 in Case No. 89-057. Interest on deposits computed in this manner will accrue until paid to the customer or credited to the customer's bill.

The deposit may be waived upon a customer's showing of satisfactory credit or payment history. Required deposits will be credited to the customer's bill between twelve and fifteen months after the month of deposit if the customer has established a satisfactory payment record for that period. If a deposit has been waived or returned and the customer fails to maintain a satisfactory payment record, a deposit may then be required. Upon termination of service, the deposit and any interest earned and owing will be credited to the final bill with any remainder refunded to the customer.

In determining whether a deposit will be required or waived, the following criteria may be considered:

- (1) Previous payment history with the Company. If the customer has no previous history with the Company, statements from other regulated public utilities may be presented by the customer as evidence of good credit.
- (2) Length of time the customer has resided or been located in the area.
- (3) Whether the customer owns the property where service is to be rendered.
- (4) Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit.

If a deposit is held longer than eighteen monthskentsckieposit will be recalculated at the customer s redibleCSERVEGICOMNISSION customer's actual usage for the past twelve uperthe DEROUGHNTH EXECUTIVE DIRECTOR

DATE OF ISSUE November 8, 2010 DATE EFFECTIVE Oct On Service Comparing TIPLE Challenge TIPL

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 22 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

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- (1) Previous payment history with the Company. If the customer has no previous history with the Company, statements from other regulated public utilities may be presented by the customer as evidence of good credit.
- (2) Length of time the customer has resided or been located in the area.
- (3) Whether the customer owns the property where service is to be rendered.
- (4) Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

### DELTA APP TAB05 052821 Page 29 of 52

DELTA NATURAL GAS COMPANY, INC. Name of Issuing Corporation

FOR A	11 Servi	ce Are	as	
P.S.C. NO.		12		
Origina	1	SHEET	NO.	23
CANCELLING P.	S.C. NO		11	
Origina	1	SHEET	NO.	23

#### CLASSIFICATION OF SERVICE RULES AND REGULATIONS

deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a nonresidential customer, the Company may collect any underpayment and refunds, if any, will be credited to the customer's next utility bill. No refund will be made if the customer's bill is delinguent at the time of recalculation.

Once each year, a billing insert will be included with the bill advising the customer of the right to request a deposit recalculation.

Residential and small non-residential customers with meters up through AL425 will pay equal deposits in the amount of \$95.00. This amount shall not exceed 2/12ths of the average annual bill.

Large non-residential customer's deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent twelve month period if such information is available. If usage information is not available, the deposit will be based on the average bills of similar customers and premises in the system. The deposit amount shall not exceed 2/12ths of the customer's actual or estimated annual bill.

#### 17. MONTHLY CUSTOMER CHARGE

A monthly customer charge shall be rendered against every meter installed unless service is discontinued in one customer's name and is not to be re-served at the location.

Special permission may be obtained from the local distribution supervisor for waiving of the monthly customer charge only when initial service is being rendered and no gas except test gas has been passed by the meter.

A full monthly customer charge will be rendered whenever service has been used for more than fifteen (15) days of a billing month, even if the consumption of the customer is zero (0).

If service is used less than fifteen (15) days in a given billing

month and any consumption is recor- procedure shall apply.	ed, the n <b>kenflicky</b> illing PUBLIC SERVICE COMMISSION
	<b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR
	TARIFF BRANCH
DATE OF ISSUE November 8, 2010 DATE EFFECT	
ISSUED BY Glenn R. Jennings Menn R. Senning T.	TLE Challed have; Board
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Issued by authority of an Order of the Public S	ervice Compassion of KY in
CASE NO. 2010-00116	TED - October 21 - 2010

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13. Original Sheet No. 23 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE **RULES AND REGULATIONS**

If a deposit is held longer than eighteen months, the deposit will be recalculated at the customer's request based on the customer's actual usage for the past twelve months. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Company may collect any underpayment and refunds, if any, will be credited to the customer's next utility bill. No refund will be made if the customer's bill is delinquent at the time of recalculation.

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Special permission may be obtained from the local distribution supervisor for waiving of the monthly customer charge only when initial service is being rendered and no gas except test gas has been passed by the meter.

A full monthly customer charge will be rendered whenever service has been used for more than fifteen (15) days of a billing month, even if the consumption of the customer is zero (0).

If service is used less than fifteen (15) days in a given billing month and any consumption is recorded, the normal billing procedure shall apply.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00185 dated \_\_\_

(T)

# DELTA\_APP\_TAB05\_052821 Page 30 of 52

DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, First Revised Sheet No. 24 Superseding P.S.C. No. 12, Original Sheet No. 24

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 18. MONTHLY BILLS

Bills for gas service will be rendered monthly unless otherwise specified. The term "month" for billing purposes shall mean the period between any two consecutive readings of the meter by the Company, such reading to be taken as near as practicable approximately every thirty (30) days.

Bills are due upon rendition and payable within a period not exceeding ten (10) days after the date of mailing.

Service shall be subject to being discontinued for non-payment of bills after the customer has been given at least ten (10) days written notice separate from the original bill and not before twenty seven (27) days from the mailing date of the original bill.

The Company may not terminate service to a customer if a medical certificate is presented or if a Certificate of Need from the Cabinet for Human Resources is presented in accordance with 807 KAR 5:006, Section 14 (2)(c) and (3).

Failure to receive a bill does not exempt a customer from these provisions.

When the Company is unable to read the meter after a reasonable effort, or where the meter fails to operate, the customer will be billed on an estimated basis and the billing adjusted as necessary.

The Company's billing form includes dates served; number of days in period; previous and present meter reading; Mcf usage; net amount due for service rendered; taxes, if applicable; adjustments, if any; special charges; total amount due; account number; billing date; due date; and service address.

#### BUDGET PAYMENT PLAN

The Company has a budget payment plan available for its residential and small non-residential customers whereby a customer may elect to pay a monthly amount for the budget year in lieu of monthly billings for actual usage. The monthly budget

DATE OF ISSUE: October 27, 2020
DATE EFFECTIVE: January 31, 2021
ISSUED BY: John B. Brown, President

Issued by Authority of the Public Service Commission of KY in

Case No.

PUBLIC SERVICE COMMISSION

Linda C. Bridwell
Executive Director

Linda C. Bridwell
Executive Director

Linda C. Bridwell
Executive Director

Linda C. Bridwell
EFFECTIVE

1/31/2021

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

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#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13, Original Sheet No. 24 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 19. MONTHLY BILLS

(T)

Bills for gas service will be rendered monthly unless otherwise specified. The term "month" for billing purposes shall mean the period between any two consecutive readings of the meter by the Company, such reading to be taken as near as practicable approximately every thirty (30) days.

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DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

### DELTA\_APP\_TAB05\_052821 Page 31 of 52

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR	All Servi	ce Are	as		
P.S.C. NO		12			
Origin	al	SHEET	NO.	25	
CANCELLING P	.s.c. NO		11		
Origin	al	SHEET	NO.	25	

KENTUCKY

#### CLASSIFICATION OF SERVICE RULES AND REGULATIONS

payment will be determined by the Company based, under normal circumstances, on a minimum of one-twelfth of the estimated annual usage, subject to review and adjustment during the budget year. The normal budget year is the 12 months from August through July, with any amounts to be settled being rolled into the subsequent budget year.

The customer's account may be adjusted through a series of levelized adjustments on a monthly basis if usage or changes in rates indicate that the account will not be current upon payment of the last budget amount.

To be accepted as a budget customer, the account balance must be paid in total before the customer is put on a budget payment plan. It is understood that this budget payment plan will continue until the customer notifies the Company in writing or by telephone to discontinue the plan or if the customer fails to pay bills as rendered under the budget payment plan. The Company reserves the right to revoke the plan and restore the customer to regular billing and require immediate payment of any deficiency.

Failure to receive a bill in no way exempts the customer from the provisions of these terms and conditions.

#### 20. LOCAL FRANCHISE FEE OR TAX

There shall be added to the customer's bill, as a separate item, an amount equal to the proportionate part of any license, occupation, franchise or other similar fee or tax now or hereafter agreed to or imposed upon the Company by local taxing authorities, whether imposed by ordinance, franchise or otherwise, and which fee or tax is based upon a percentage of the gross receipts, net receipts, or revenues of the Company. Such amount shall be added exclusively to bills of customers receiving service within the territorial limits of the authority imposing the fee or tax. Where more than one such fee or tax is imposed, each of the charges or taxes applicable to each customer shall be added to the customer's bill as separately identified items.

	PUBLIC SERVICE COMMISSION
	<b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR
	TARIFF BRANCH
DATE OF ISSUE November 8, 2010 DATE EFFECT	IVE Oct / / // .0
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Name of Officer	Presid <b>ent cave</b> d CEO
Issued by authority of an Order of the Public Se	rvice Commission of KY in
CASE NO. 2010-00116 DA	TED_puOgtobet7 kat 2:0129-1000 9 (1)

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 25 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

payment will be determined by the Company based, under normal circumstances, on a minimum of one-twelfth of the estimated annual usage, subject to review and adjustment during the budget year. The normal budget year is the 12 months from August through July, with any amounts to be settled being rolled into the subsequent budget year.

The customer's account may be adjusted through a series of levelized adjustments on a monthly basis if usage or changes in rates indicate that the account will not be current upon payment of the last budget amount.

To be accepted as a budget customer, the account balance must be paid in total before the customer is put on a budget payment plan. It is understood that this budget payment plan will continue until the customer notifies the Company in writing or by telephone to discontinue the plan or if the customer fails to pay bills as rendered under the budget payment plan. The Company reserves the right to revoke the plan and restore the customer to regular billing and require immediate payment of any deficiency.

Failure to receive a bill in no way exempts the customer from the provisions of these terms and conditions.

#### 21. LOCAL FRANCHISE FEE OR TAX

There shall be added to the customer's bill, as a separate item, an amount equal to the proportionate part of any license, occupation, franchise or other similar fee or tax now or hereafter agreed to or imposed upon the Company by local taxing authorities, whether imposed by ordinance, franchise or otherwise, and which fee or tax is based upon a percentage of the gross receipts, net receipts, or revenues of the Company. Such amount shall be added exclusively to bills of customers receiving service within the territorial limits of the authority imposing the fee or tax. Where more than one such fee or tax is imposed, each of the charges or taxes applicable to each customer shall be added to the customer's bill as separately identified items.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00185 dated

(T)

### DELTA\_APP\_TAB05\_052821 Page 32 of 52

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR.	All Serv	vice Areas	
P.S.C. NO.		12	
Origi	.nal	SHEET NO.	26
CANCELLING	P.S.C. N	0. 11	
Origi	nal	SHEET NO.	26

CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 21. COMPANY-OWNED SERVICE LINES

The Company will install, own, operate and maintain the service line at the premises of residential and commercial customers, if such premises are not connected to a Company main by a service line. With respect to residential and commercial customers that occupy premises already connected to a Company main by a service line, the Company shall be responsible for operating and maintaining the customer service line and when the Company determines that replacement of such customer service line is necessary the Company shall be responsible for installing the service line and shall thereafter own the service line.

Any customer accepting gas service under this section shall be deemed to have granted the Company an easement across his property for such service. No service line shall be installed across private property other than the premises of the building to be supplied with gas; except after special investigation and approval by the Company.

When the length of the service pipe required between the property line and the meter is 100 feet or less, the Company will assess no charge for the service pipe installation.

When the length of required service pipe exceeds 100 feet, the Company may require the applicant to contribute toward the cost of the service line installation an amount equal to the estimated cost per foot for each lineal foot of service beyond 100 feet. Contributions by customers toward the Company's cost of furnishing and installing service lines in accordance with this section are non-refundable.

In the event that the Company is required to undertake any excavation on a customer's property in connection with the installation, repair, maintenance or replacement of a service line, the Company shall make reasonable efforts to restore the property to its original condition pursuant to generally accepted utility standards for such construction operations.

	KENTUCKY PUBLIC SERVICE COMMISSION
	<b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR
	TARIFF BRANCH
DATE OF ISSUE November 8, 2010 DATE EFFECT	IVE Oct / / / LO
ISSUED BY Glenn R. Jennings Mun P. Cannies TI	TLE Challed fully Board
Name of Officer	Presid <mark>emtcran</mark> d CEO
Issued by authority of an Order of the Public S	rvice Comm <b>hysion of</b> KY in
CASE NO. 2010-00116 DA	TED PURCETORET KALSO120 LTON 9 (1)

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 26 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 22. COMPANY-OWNED SERVICE LINE EXTENSIONS AND CONNECTIONS

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The Company will install, own, operate and maintain the service line at the premises of residential and commercial customers, if such premises are not connected to a Company main by a service line. With respect to residential and commercial customers that occupy premises already connected to a Company main by a service line, the Company shall be responsible for operating and maintaining the customer service line and when the Company determines that replacement of such customer service line is necessary the Company shall be responsible for installing the service line and shall thereafter own the service line.

Any customer accepting gas service under this section shall be deemed to have granted the Company an easement across his property for such service. No service line shall be installed across private property other than the premises of the building to be supplied with gas; except after special investigation and approval by the Company.

An extension of 100 feet or less shall be made to an existing distribution main without charge for a prospective customer who shall apply for and contract to use service for one (1) year or more and provides guarantee for the service.

If an extension of the utility's main to serve an applicant or group of applicants amounts to more than 100 feet per customer, the Company may require the total cost of the excessive footage over 100 feet per customer to be deposited with the utility by the applicant, based on average estimated cost per foot of the total extension. Each customer receiving service under this extension shall be reimbursed under the following plan: each year for a refund period of not less than ten (10) years, the utility shall refund to the customer who paid for the excessive footage, the cost of 100 feet of extension in place for each additional customer connected during the year whose service line is directly connected to the extension installed, and not to extensions or laterals therefrom. Total amount refunded shall not exceed the amount paid to the utility. After the end of the refund period, no refund shall be required. An applicant desiring an extension to a proposed real estate subdivision may be required to pay all costs of the extension. Each year for a refund period of not less than ten (10) years, the utility shall refund to the applicant who paid for the extension a sum equivalent to the cost of 100 feet of extension installed for each additional customer connected during the year. Total amount refunded shall not exceed the amount paid to the utility. After the end of the refund period from the completion of the extension, a refund shall not be required.

Nothing contained herein shall be construed as to prohibit the Company from making at its expense greater extensions to its distribution mains or the granting of more favorable terms than herein prescribed, should its judgment so dictate, provided like extensions are made for other customers or subscribers under similar conditions.

In the event that the Company is required to undertake any excavation on a customer's property in connection with the installation, repair, maintenance or replacement of a service line, the Company shall make reasonable efforts to restore the property to its original condition pursuant to generally accepted utility standards for such construction operations.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

### DELTA\_APP\_TAB05\_052821 Page 33 of 52

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR	All Se	ervice	Are	as		
P.S.C. NO.		12				
Origi	nal	SH	EET	NO.	27	
CANCELLING	P.S.C.	NO.		11		
Origi	nal	SH	EET	NO.	27	

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 22. COMPANY'S EQUIPMENT AND INSTALLATION

The Company shall furnish, install and maintain at its expense the necessary service connection. The location of this service connection will be made at the discretion and judgment of the Company.

The Company will furnish, install and maintain at its expense the necessary meter, meter stand (including meter riser), regulator and connections which will be located at or near the main service connection, property line or near the building, at the discretion or judgment of the Company. Suitable site or location for the meter, meter stand, (including meter riser), regulator and connections shall be provided by the customer and the title to this equipment shall remain in the Company with the right to install, operate, maintain and remove same and no charge shall be made by the customer for use of the premises as occupied or used.

#### 23. PROTECTION OF COMPANY'S PROPERTY

All meters, piping and other appliances and equipment furnished by and at the expense of the Company, which may at any time be in or on the customer's premises shall, unless otherwise expressly provided herein, be and remain the property of the Company and the customer shall protect such property from loss or damage and no one who is not an agent of the Company shall be permitted to remove such property or to tamper with or damage same.

#### 24. CUSTOMER'S EQUIPMENT AND INSTALLATION

The customers shall furnish, install and maintain at their expense the necessary housepiping, connections and appliances and same shall be installed in accordance with the requirements and specifications of "INSTALLATION OF GAS PIPING AND GAS EQUIPMENT" as compiled and approved by the American National Standards Institute, the National Board of Fire Underwriters, The American Gas Association and other similar bodies, which is now contained in the National Fuel Gas Code (ANSI Z 223.1-1980) and any revisions thereof which are herewith incorporated by reference as a part of the Company's Rules and Regulations wheeken approximately and when not in conflict with the requiremental Standards authorities.

DATE OF ISSUE November 8, 2010 DATE EFFECTIVE Oct OCTAN BOARD

ISSUED BY Glenn R. Jennings On TITLE Chair Board

Name of Officer TITLE Chair President Canal CEO

Issued by authority of an Order of the Public Service Company 2020 KY in CASE NO. 2010-00116

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13, Original Sheet No. 27 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 23. COMPANY'S EQUIPMENT AND INSTALLATION

The Company shall furnish, install and maintain at its expense the necessary service connection. The location of this service connection will be made at the discretion and judgment of the Company.

The Company will furnish, install and maintain at its expense the necessary meter, meter stand (including meter riser), regulator and connections which will be located at or near the main service connection, property line or near the building, at the discretion or judgment of the Company. Suitable site or location for the meter, meter stand, (including meter riser), regulator and connections shall be provided by the customer and the title to this equipment shall remain in the Company with the right to install, operate, maintain and remove same and no charge shall be made by the customer for use of the premises as occupied or used.

#### 24. PROTECTION OF COMPANY'S PROPERTY

All meters, piping and other appliances and equipment furnished by and at the expense of the Company, which may at any time be in or on the customer's premises shall, unless otherwise expressly provided herein, be and remain the property of the Company and the customer shall protect such property from loss or damage and no one who is not an agent of the Company shall be permitted to remove such property or to tamper with or damage same.

#### 25. CUSTOMER'S EQUIPMENT AND INSTALLATION

The customers shall furnish, install and maintain at their expense the necessary housepiping, connections and appliances and same shall be installed in accordance with the requirements and specifications of "INSTALLATION OF GAS PIPING AND GAS EQUIPMENT" as compiled and approved by the American National Standards Institute, the National Board of Fire Underwriters, The American Gas Association and other similar bodies, which is now contained in the National Fuel Gas Code (ANSI Z 223.1-1980) and any revisions thereof which are herewith incorporated by reference as a part of the Company's Rules and Regulations where applicable and when not in conflict with the requirements of the constituted authorities.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00185 dated

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### DELTA\_APP\_TAB05\_052821 Page 34 of 52

	FOR All Serv	ice Areas
	P.S.C. NO	12
DELTA NATURAL GAS COMPANY, INC.	Original	SHEET NO. 28
Name of Issuing Corporation	CANCELLING P.S.C. NO	. 11
	Original	SHEET NO. 28

CLASSIFICATION OF SERVICE RULES AND REGULATIONS

All appliances must be approved by a standard testing laboratory or agency and installed in accordance with the manufacturer and/or NFPA 54 guidelines.

Suitable pressure regulators shall be installed by, or at the expense of, the customer on all heating appliances and special equipment which have an hourly input of 50,000 BTU or higher; pressure regulators shall also be installed on all appliances with lower inputs where provided or recommended by the manufacturer or where necessary, at the discretion of the Company, to provide better and safer gas utilization and service.

All of the customer's piping, connections and appliances shall be suitable for the purposes thereof and shall be maintained by the customer at his expense at all times in a good, safe and serviceable condition.

The Company shall inspect the condition of the meter and service connections before making service connections to a new customer pursuant to 807 KAR 5:006, Section 13(3). The Company shall not assume any responsibility and shall not be held liable in any way for the making of any periodic inspection of the customer's piping, connections or appliances or for the customer's failure to properly and safely install, operate and maintain same.

### 25. NOTICE OF ESCAPING GAS OR UNSAFE CONDITIONS

Immediate notice must be given by the customer to the office or employees of the Company if any escaping gas or unsafe conditions are detected or any defects or improper installations are discovered in the piping and equipment of either the Company or the customer which are on the customer's premises.

No flames or lights are to be taken near any escape of gas and the gas must be shut off at the meter cock or valve until hazard is eliminated and the gas service is not to be turned on again except by a Company employee.

any injury, loss	or damage which may ar	assume any <b>kenapicki</b> y yfor ise <b>fyddicher</b> who te clean an es an
or negligence of	the customer or his a	gents or <b>j<del>erp</del>resertobėn</b> es. EXECUTIVE DIRECTOR
		TARIFF BRANCH
DATE OF ISSUE November 8, 2		
ISSUED BY Glenn R. Jennings	Jum R. Denning II	TLE Challun fully: Board
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CASE NO. 2010-00116	D?	TED PURCE PROBLEM SALE STORE STORE (1)

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 28 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

All appliances must be approved by a standard testing laboratory or agency and installed in accordance with the manufacturer and/or NFPA 54 guidelines.

Suitable pressure regulators shall be installed by, or at the expense of, the customer on all heating appliances and special equipment which have an hourly input of 50,000 BTU or higher; pressure regulators shall also be installed on all appliances with lower inputs where provided or recommended by the manufacturer or where necessary, at the discretion of the Company, to provide better and safer gas utilization and service.

All of the customer's piping, connections and appliances shall be suitable for the purposes thereof and shall be maintained by the customer at his expense at all times in a good, safe and serviceable condition.

The Company shall inspect the condition of the meter and service connections before making service connections to a new customer pursuant to 807 KAR 5:006, Section 13(3). The Company shall not assume any responsibility and shall not be held liable in any way for the making of any periodic inspection of the customer's piping, connections or appliances or for the customer's failure to properly and safely install, operate and maintain same.

#### 26. NOTICE OF ESCAPING GAS OR UNSAFE CONDITIONS

Immediate notice must be given by the customer to the office or employees of the Company if any escaping gas or unsafe conditions are detected or any defects or improper installations are discovered in the piping and equipment of either the Company or the customer which are on the customer's premises.

No flames or lights are to be taken near any escape of gas and the gas must be shut off at the meter cock or valve until hazard is eliminated and the gas service is not to be turned on again except by a Company employee.

The Company will not be responsible or assume any liability for any injury, loss or damage which may arise from the carelessness or negligence of the customer or his agents or representatives.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00185 dated

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### DELTA\_APP\_TAB05\_052821 Page 35 of 52

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR	All Serv	ice Are	as	
P.S.C. NO.		12		
Origi	.nal	SHEET	NO.	29
CANCELLING	P.S.C. NO	).	11	
Origi	.nal	SHEET	NO.	29
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CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 26. TURNING OFF GAS SERVICE AND RESTORING SAME

The gas service may be turned off at the meter when justified by the customer or his agent or any constituted authorities but no person, unless in the employ of the Company or having permission from the Company, shall turn the gas on or restore service.

#### 27. CHARACTER OF SERVICE

In accordance with 807 KAR 5:022, Section 16, the Company will normally supply natural gas having a heating value of approximately one thousand seventy (1,070) BTU per cubic foot and a specific gravity of approximately sixty-two hundredths (0.62). However, when necessary to supplement the supply of natural gas, the Company reserves the right, at its discretion, to supply an interchangeable mixture of vaporized liquified petroleum gas and air or a combination of same with natural gas.

#### 28. MEASUREMENT BASE

The Company, in accordance with 807 KAR 5:022, Section 8, utilizes an appropriate measurement base in all service areas. The rates of the Company are based upon gas delivered to the customer on a basis of four (4) ounces per square inch above an assumed atmospheric pressure of fourteen and four-tenths (14.4) pounds per square inch or fourteen and sixty-five hundredths (14.65) pounds per square inch absolute pressure at an assumed temperature of sixty (60) degrees Fahrenheit; provided, however, the Company reserves the right to correct as necessary the actual temperatures to sixty (60) degrees Fahrenheit basis in the cases of large volume industrial customers.

All gas measured at pressures higher than standard pressure for low pressure distribution systems shall be corrected to a pressure base of fourteen and sixty-five hundredths (14.65) pounds per square inch absolute.

29. GAS MEASUREMENT

The gas consumed shall be measured by a matter RSDER MESSMEN installed by the Company upon the customer's program RSDEROUNT INSTALLED TO PROTECT OF THE PROT

er's pr**gErFR**S**DEROUEN**OI EXECUTIVE DIRECTOR TARIFF BRANCH

	TARIFF BRANCH
ATE OF ISSUE November 8, 2010 DATE E	FFECTIVE Oc. But Kirtly 10 e Board
SSUED BY Glenn R. Jennings Dlem N. Jenn	
Name of Officer	Presidentimend CEO
ssued by authority of an Order of the Publ	
ASE NO. 2010-00116	IATED-UR-QQ \$\fo \omega \omega \cdot \omega

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13, Original Sheet No. 29 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 27. TURNING OFF GAS SERVICE AND RESTORING SAME

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The gas service may be turned off at the meter when justified by the customer or his agent or any constituted authorities but no person, unless in the employ of the Company or having permission from the Company, shall turn the gas on or restore service.

#### 28. CHARACTER OF SERVICE

(T)

In accordance with 807 KAR 5:022, Section 6, the Company will normally supply natural gas having a heating value of approximately one thousand seventy (1,070) BTU per cubic foot and a specific gravity of approximately sixty-two hundredths (0.62). However, when necessary to supplement the supply of natural gas, the Company reserves the right, at its discretion, to supply an interchangeable mixture of vaporized liquefied petroleum gas and air or a combination of same with natural gas.

#### MEASUREMENT BASE

(T)

The Company utilizes an appropriate measurement base in all service areas. The rates of the Company are based upon gas delivered to the customer on a basis of four (4) ounces per square inch above an assumed atmospheric pressure of fourteen and four-tenths (14.4) pounds per square inch or fourteen and sixty-five hundredths (14.65) pounds per square inch absolute pressure at an assumed temperature of sixty (60) degrees Fahrenheit; provided, however, the Company reserves the right to correct as necessary the actual temperatures to sixty (60) degrees Fahrenheit basis in the cases of large volume industrial customers.

All gas measured at pressures higher than standard pressure for low pressure distribution systems shall be corrected to a pressure base of fourteen and sixty-five hundredths (14.65) pounds per square inch absolute.

#### 30. GAS MEASUREMENT

The gas consumed shall be measured by a meter or meters to be installed by the Company upon the customer's premises at a point most accessible or convenient for the Company and all bills

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

### DELTA APP TAB05 052821 Page 36 of 52

DELTA NATURAL GAS COMPANY, INC. Name of Issuing Corporation

FOR	All Se	ervi	ce Are	as		
P.S.C. NO.			12			
Origi	nal		SHEET	NO.	30	
CANCELLING	P.S.C.	NO.		11		
Origi	nal		SHEET	NO.	30	

#### CLASSIFICATION OF SERVICE RULES AND REGULATIONS

most accessible or convenient for the Company and all bills shall be calculated upon the registration of said meter or meters except as hereinafter provided. If more than one meter is installed for the same or different classes of service at different locations on the customer's premises, each meter shall be considered separately in calculating the amount of any bills, except in those cases where the Company elects to install dual metering facilities in order to assure accurate measurement of all gas consumed. Meter readings may be combined and one bill rendered under these conditions. Meters include all measuring instruments and equipment.

All residences, commercial buildings or other occupied buildings shall have separate meters even if under the same roof, except in cases of multi-occupants under the same roof with a common entrance or within an enclosure or mobile home park where it is unreasonable or uneconomical to measure each unit separately.

When customers are served from high pressure lines, the meters, regulators and safety devises shall be located as near to the Company's main as is practicable.

#### 30. METERING

Unless otherwise specified, a residential, commercial or industrial consumer shall be interpreted to mean a customer served through an individual meter.

A multiple unit dwelling shall be interpreted to mean two or more consumers or dwelling units, such as apartments, trailers or mobile homes within a trailer park.

A master meter shall be interpreted to mean one meter servicing a trailer or mobile home park or a multiple unit dwelling; the Company reserves the right to charge a minimum monthly rate per mobile home or trailer or individual consumer within a multiple unit dwelling served through a master meter.

Any time a master meter is used in	or rendering services, the
Company shall require the execution writing, which agreement, among other	
number of customers served through suc	
	TARIFF BRANCH
DATE OF ISSUE November 8, 2010. DATE EFFE	
SSUED BY Glenn R. Jennings Sum A. Strang	TITLE Challed fully Board
Name of Officer	President Tand CEO
Ssued by authority of an Order of the Public CASE NO. 2010-00116	Service Compassion of KY in
CASE NO. 2010-00116	DATED PURSET PROFIT KAR 50012 SPCTION 9 (1)

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13. Original Sheet No. 30 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE **RULES AND REGULATIONS**

shall be calculated upon the registration of said meter or meters except as hereinafter provided. If more than one meter is installed for the same or different classes of service at different locations on the customer's premises, each meter shall be considered separately in calculating the amount of any bills, except in those cases where the Company elects to install dual metering facilities in order to assure accurate measurement of all gas consumed. Meter readings may be combined and one bill rendered under these conditions. Meters include all measuring instruments and equipment.

All residences, commercial buildings or other occupied buildings shall have separate meters even if under the same roof, except in cases of multi-occupants under the same roof with a common entrance or within an enclosure or mobile home park where it is unreasonable or uneconomical to measure each unit separately.

When customers are served from high pressure lines, the meters, regulators and safety devises shall be located as near to the Company's main as is practicable.

#### (T) METERING

Unless otherwise specified, a residential, commercial or industrial consumer shall be interpreted to mean a customer served through an individual meter.

A multiple unit dwelling shall be interpreted to mean two or more consumers or dwelling units, such as apartments, trailers or mobile homes within a trailer park.

A master meter shall be interpreted to mean one meter servicing a trailer or mobile home park or a multiple unit dwelling; the Company reserves the right to charge a minimum monthly rate per mobile home or trailer or individual consumer within a multiple unit dwelling served through a master meter.

Any time a master meter is used for rendering services, the Company shall require the execution of a service agreement in writing, which agreement, among other things, shall specify the number of customers served through such master meter.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated

### DELTA APP TAB05 052821 Page 37 of 52

Name of Officer

2010-00116

CASE NO.

All Service Areas P.S.C. NO. 12 DELTA NATURAL GAS COMPANY, INC. Original SHEET NO. Name of Issuing Corporation CANCELLING P.S.C. NO. 11 Original SHEET NO. 31 CLASSIFICATION OF SERVICE RULES AND REGULATIONS POINT OF DELIVERY OF GAS The point of delivery of gas supplied by the Company shall be at the point where the gas passes from outlet of the meter to customer's yard line or house piping. 32.  $\underline{\text{MCF}}$  "Mcf" is defined as 1,000 cubic feet at the measurement base. 33. "Ccf" is defined as 100 cubic feet at the measurement base. 34. "Dth" is defined as 1,000,000 BTUs. 35. "Delta" or "the Company" shall mean Delta Natural Gas Company, CUSTOMER'S DISCONTINUANCE OF SERVICE Reference 807 KAR 5:006, Section 12. COMPANY'S DISCONTINUANCE OF SERVICE FOR CAUSE Reference 807 KAR 5:006, Section 14. SPECIAL RULES AND CUSTOMERS SERVED FROM TRANSMISSION MAINS AND GATHERING MAINS Applicability - These special rules for customers served from transmission mains and gathering mains shall be applicable to the Company's service area set forth in the Company's rules and regulations as filed with and approved by the Public Service Commission. Transmission Mains - In addition to the standard Rules and Regulations as applicable to 807 KAR 5:022, Section 7, the following special Rules and Regulations shall apply to all customers served directly from the high pressure transmission mains. All meters, regulators, equipment and connection serve the customer from high pressure transmission line shall be JEFFR. DEROUEN EXECUTIVE DIRECTOR DATE OF ISSUE November 8, 2010 DATE EFFECTIVE Oct Oct Burt Kully Board ISSUED BY Glenn R. Jennings Jenn (). Senning TIFLE

Issued by authority of an Order of the Public Service Commission KY in

Presidentecaved CEO

DATED PURCHODERY 21 50120-100N 9 (1)

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13. Original Sheet No. 31 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE **RULES AND REGULATIONS**

32.	POINT OF DELIVERY OF GAS	(T)
	The point of delivery of gas supplied by the Company shall be at the point where the gas passes from outlet of the meter to customer's yard line or house piping.	
33.	MCF "Mcf" is defined as 1,000 cubic feet at the measurement base.	(T)
34.	CCF "Ccf" is defined as 100 cubic feet at the measurement base.	(T)
35.	<u>DTH</u> "Dth" is defined as 1,000,000 BTUs.	(T)
36.	<u>DELTA</u> "Delta" or "the Company" shall mean Delta Natural Gas Company, Inc.	(T)
37.	CUSTOMER'S DISCONTINUANCE OF SERVICE Reference 807 KAR 5:006, Section 13.	(T) (T)
38.	COMPANY'S DISCONTINUANCE OF SERVICE FOR CAUSE Reference 807 KAR 5:006, Section 15.	(T) (T)
39.	SPECIAL RULES FOR CUSTOMERS SERVED FROM TRANSMISSION MAINS	(T)
	Applicability – These special rules for customers served from transmission mains shall be applicable to the Company's service area set forth in the Company's rules and regulations as filed with and approved by the Public Service Commission.	(D) (D)
	Transmission Mains - In addition to the standard Rules and Regulations as applicable to 807 KAR 5:022, Section 2, which incorporates 49 C.F.R. Part 191, the following special Rules and Regulations shall apply to all customers served directly from the high pressure transmission mains.	(T)
	All meters, regulators, equipment and connections necessary to serve the customer from high pressure transmission line shall be installed on the customer's premises at or as near the transmission line as is practicable.	
DATE OF ISSUE: DATE EFFECTIVE ISSUED BY: /s/ J	: July 1, 2021	
Issued by Author Case No. 2021-0	rity of an Order of the Public Service Commission of KY in 0185 dated	

### DELTA APP TAB05 052821 Page 38 of 52

DELTA NATURAL GAS COMPANY, INC. Name of Issuing Corporation

FOR	All Ser	vice Are	as		
P.S.C. NO.		12			
Orig	inal	SHEET	NO.	32	
CANCELLING	P.S.C. N	10.	11		
Orig	inal	SHEET	NO.	32	

#### CLASSIFICATION OF SERVICE RULES AND REGULATIONS

installed on the customer's premises at or as near the transmission line as is practicable.

Suitable site or location for the equipment owned by the Company or the owner of the line shall be provided and furnished by the customer without any expense to the Company. The Company shall have the right of ingress, egress and regress to and from this location at any time without any expense or charges from the customer.

The customers' yard line extending from the outlet of the meter shall be installed and maintained by the customers at their expense.

The customer shall notify the Company promptly of any leaks in the transmission line or equipment, also, of any hazards or damages to same.

Gathering Lines - The following sections of 807 KAR 5:022 shall not apply to natural gas service to the Company's customers being served pursuant to KRS 278.485 or other retail customers being provided natural gas service directly from transmission or gathering lines:

- Section 9, subsections 2(b) through (f), subsections (16) and (17);
- Section 13, subsections (14), (15) and (16);
- Section 14, subsection (22);
- Section 15; and
- Section 16.

The Company shall make all reasonable efforts to prevent interruptions of service and if interruptions occur, shall endeavor to reestablish service with the shortest possible delay consistent with the safety of its consumers and the general public. Planned interruptions shall always be preceded by adequate notice to all affected customers.

The Company shall provide service to gathering line customers pursuant to 807 KAR 5:026. Customers requesting KENTUCKY from a gathering line shall complete Form 910 "APDIBLICA SERVICED CONTACTOR SHOWN on Gathering System." Prospective gathering ling property to the confidence of the c EXECUTIVE DIRECTOR Och Burt Kully 10 le Board DATE OF ISSUE November 8, 2010 DATE EFFECTIVE OC

ISSUED BY Glenn R. Jennings Jun. R. Name of Officer

Issued by authority of an Order of the Public Service Compression 16 KY in CASE NO. 2010-00116

Presidentum d CEO I ATED UR SONT OBOXKAZ LO11

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13. Original Sheet No. 32 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE **RULES AND REGULATIONS**

Suitable site or location for the equipment owned by the Company or the owner of the line shall be provided and furnished by the customer without any expense to the Company. The Company shall have the right of ingress, egress and regress to and from this location at any time without any expense or charges from the customer.

The customers' yard line extending from the outlet of the meter shall be installed and maintained by the customers at their expense.

The customer shall notify the Company promptly of any leaks in the transmission line or equipment, also, of any hazards or damages to same.

(D)

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

### DELTA\_APP\_TAB05\_052821 Page 39 of 52

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR	All Se	ervi	ce Are	as		
P.S.C. NO.			12			
Origi	nal		SHEET	NO.	33	
CANCELLING		NO.		11		
Origi	nal		SHEET	NO.	33	

PUBLIC SERVICE COMMISSION

#### CLASSIFICATION OF SERVICE RULES AND REGULATIONS

be advised (1) of the possibility of service interruptions due to the unprocessed nature of the gas, and (2) that upon the discontinuance of the gathering of gas through the gathering line or low flowing pressures resulting from the depletion of the wells feeding that gathering line or other reasons affecting pressure and/or volumes of gas, service is subject to interruption or discontinuance.

#### 39. SPECIAL PROVISIONS - LARGE VOLUME CUSTOMERS

Industrial, commercial or other customers using large volumes of gas on a varying basis shall install and maintain at their expense adequate piping and suitable regulating and control equipment to provide reasonable and practical limitation of intermittence or fluctuation in the pressure, volume or flow of gas and shall so regulate and control their operations and the use of gas hereunder so as not to interfere with gas service being furnished to them or to any other customers or with the proper and accurate metering of gas at their existing location or any other location.

#### 40. MONITORING OF CUSTOMER USAGE

The Company monitors each customer's usage on a monthly basis in order to detect unusual deviations in individual customer consumption. Prior to each monthly billing, the Company compares the customer's current consumption with prior usage. Should an unusual deviation in the customer's consumption be found, the Company makes a reasonable attempt to determine the reason for the unusual deviation including re-reading the meter and testing the meter if required.

If the cause for usage deviation cannot be determined from analysis of the customer's meter reading and billing records the Company will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume or known leaks in the customer's service line.

	<b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR
	TARIFF BRANCH
DATE OF ISSUE November 8, 2010 DATE EFFECT ISSUED BY Glenn R. Jennings Mun (), Sinning TI	
Name of Officer	President camp CEO
Issued by authority of an Order of the Public Se CASE NO. 2010-00116	rvice Commi <b>6/25/2096</b> KY in TED_pRStobe For Akso 2 04 04000 9 (1)

#### **DELTA NATURAL GAS COMPANY, INC.**

P.S.C. No. 13, Original Sheet No. 33 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

#### 40. SPECIAL PROVISIONS - LARGE VOLUME CUSTOMERS

(T)

Industrial, commercial or other customers using large volumes of gas on a varying basis shall install and maintain at their expense adequate piping and suitable regulating and control equipment to provide reasonable and practical limitation of intermittence or fluctuation in the pressure, volume or flow of gas and shall so regulate and control their operations and the use of gas hereunder so as not to interfere with gas service being furnished to them or to any other customers or with the proper and accurate metering of gas at their existing location or any other location.

#### 41. MONITORING OF CUSTOMER USAGE

(T)

The Company monitors each customer's usage on a monthly basis in order to detect unusual deviations in individual customer consumption. Prior to each monthly billing, the Company compares the customer's current consumption with prior usage. Should an unusual deviation in the customer's consumption be found, the Company makes a reasonable attempt to determine the reason for the unusual deviation including re-reading the meter and testing the meter if required

If the cause for usage deviation cannot be determined from analysis of the customer's meter reading and billing records the Company will contact the customer by telephone or in writing to determine whether there have been changes such as different number of household members or work staff, additional or different appliances, changes in business volume or known leaks in the customer's service line.

The Company will notify the customer of the investigation, its findings and any refunds or backbilling in accordance with 807 KAR 5:006, Section 11 (4) and (5).

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

# DELTA\_APP\_TAB05\_052821 Page 40 of 52

DELTA NATURAL GAS COMPANY, INC.

Name of Issuing Corporation

FOR	All Se	rvice	Are	as		
P.S.C. NO.		12				
Origi	nal	SH	EET	NO.	34	
CANCELLING	P.S.C.	NO.		11		
Origi	nal	SH	EET	NO.	34	

#### CLASSIFICATION OF SERVICE RULES AND REGULATIONS

The Company will notify the customer of the investigation, its findings and any refunds or backbilling in accordance with 807 KAR 5:006, Section 10 (4) and (5).

#### 41. DISTRIBUTION MAIN EXTENSIONS

The Company will make extensions from its existing distribution mains in all of its service areas in accordance with  $807~\mathrm{KAR}$  5:022, Section 9.

All extensions will be made dependent on the economic feasibility of the extension. Title to all extensions shall be and remain with the Company. In the event a deposit is placed with the Company, the amount of the refund shall not exceed the original deposit.

Nothing contained herein shall be construed as to prohibit the Company from making at its expense greater extensions to its distribution mains or the granting of more favorable terms than herein prescribed, should its judgment so dictate, provided like extensions are made for other customers or subscribers under similar conditions.

JEFF R. DEROUEN EXECUTIVE DIRECTOR	
TARIFF BRANCH	
DATE OF ISSUE November 8, 2010 DATE EFFECTIVE Oct	
ISSUED BY Glenn R. Jennings Dun R. Qunning TITLE Challed And Boa	rd
Name of Officer OPresident CEO	
Issued by authority of an Order of the Public S <mark>e</mark> rvice Comm <b>ission of</b> KY i	.n
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#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 34 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

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DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

# DELTA APP TAB05 052821 Page 41 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12. First Revised Sheet No. 35 Superseding P.S.C. No. 12, Original Sheet No. 35

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

#### WEATHER NORMALIZATION ADJUSTMENT CLAUSE APPLICABLE TO RESIDENTIAL AND SMALL NON-RESIDENTIAL GENERAL SERVICE RATE SCHEDULES

#### WEATHER NORMALIZATION ADJUSTMENT (WNA)

The sales to residential and small non-residential customers shall be increased or decreased monthly by an amount hereinafter described as the Weather Normalization Adjustment (WNA).

#### **DETERMINATION OF WNA**

A Weather Normalization Adjustment Factor (WNAF) shall be utilized during the December through April billing months to calculate the non-gas portion of the bills of all residential and small non-residential heating customers. During the remainder of the year, May through November, the monthly bills shall be computed solely on actual consumption.

#### WEATHER NORMALIZATION ADJUSTMENT WILL BE CALCULATED USING THE FOLLOWING FORMULA:

#### WNA = WNAF \* Actual Mcf \* Base Rate Charge

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(T)

An average daily base load will be determined separately for residential and small non-residential customers. The average daily base load will remain the same for the WNA December - April billing months. WNA will be billed for 5 billing periods.

An Average Monthly Base Load (AMBL) for residential or small non-residential customers will be calculated by using total Mcf for two month non-heat usage (August/September) divided by total number of residential or small non-residential customers billed for the two month period.

> AMBL = MCF / NUMBER OF CUSTOMER (T)

To calculate the Average Daily Base Load (ADBL), divide the Average Monthly Base Load by the average number of days in the two-month non-heat billing cycle.

ADBL = AMBL / AVERAGE # DAYS

DATE OF ISSUE: October 27, 2020 DATE EFFECTIVE: January 31, 2021 ISSUED BY: John B. Brown, President Issued by Authority of the Public Service Commission of KY in dated

PUBLIC SERVICE COMMISSION	
Linda C. Bridwell Executive Director	
Lide C. Gridwell	
EFFECTIVE	
1/31/2021	
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)	

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13. Original Sheet No. 35 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

#### WEATHER NORMALIZATION ADJUSTMENT CLAUSE APPLICABLE TO RESIDENTIAL AND SMALL NON-RESIDENTIAL GENERAL SERVICE RATE SCHEDULES

#### **WEATHER NORMALIZATION ADJUSTMENT (WNA)**

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#### **DETERMINATION OF WNA**

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#### AMBL = MCF / NUMBER OF CUSTOMER

To calculate the Average Daily Base Load (ADBL), divide the Average Monthly Base Load by the average number of days in the two-month non-heat billing cycle.

#### ADBL = AMBL / AVERAGE # DAYS

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

### DELTA\_APP\_TAB05\_052821 Page 42 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, First Revised Sheet No. 36 Superseding P.S.C. No. 12, Original Sheet No. 36

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

#### WEATHER NORMALIZATION ADJUSTMENT CLAUSE APPLICABLE TO RESIDENTIAL AND SMALL NON-RESIDENTIAL GENERAL SERVICE RATE SCHEDULES

Base Load (BL) is determined by multiplying the Average Daily Base Load per residential or small nonresidential customer by the number of days in the billing cycle times the number of residential or small non-residential customers in the billing cycle.

#### BL = ADBL \* # DAYS IN BILLING CYLCE \* # CUSTOMERS IN BILLING CYCLE

The heat load is then determined by subtracting the residential or small non-residential customer's base load from the total Mcf billed in the billing cycle.

HL = MCF BILLED IN CYCLE - BL

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(T)

(T)

(T)

A Heating Degree Factor (HDF) is then determined by dividing the Normal Degree-Days (NDD) for the billing cycle by the Actual Degree-Days (ADD) in the billing cycle.

#### HDF = NDD / ADD

The Weather Normalization Adjustment Consumption (WNAC) is computed by multiplying the Heating Degree Factor times the Heat Load and adding the Base Load to that number.

#### WNAC = HDF \* HL + BL

The Weather Normalization Adjustment Factor is then calculated by dividing the WNA Consumption by the total Mcf billed in the cycle.

WNAF = WNAC / MCF

The WNAF will be recomputed monthly based on company averages. If the WNAF is less than 1.0, the customer's billed amount will be less than the actual amount would have been. If the WNAF is greater than 1.0 the customer's billed amount will be more than the actual amount would have been. The customer's bill is calculated by multiplying the actual Mcf usage by the WNAF times the base rate charge as set forth on Sheet No. 2 of this tariff.

DATE OF ISSUE: October 27, 2020 DATE EFFECTIVE: January 31, 2021 ISSUED BY: John B. Brown, President

ued by Authority of the Public Service Commission of KY in

ase No. dated

PUBLIC SERVICE COMMISSION
Linda C. Bridwell Executive Director
Shide C. Andwell
EFFECTIVE
<b>1/31/2021</b> PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 36 Superseding P.S.C. No. 12

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# CLASSIFICATION OF SERVICE RATE SCHEDULES

#### WEATHER NORMALIZATION ADJUSTMENT CLAUSE APPLICABLE TO RESIDENTIAL AND SMALL NON-RESIDENTIAL GENERAL SERVICE RATE SCHEDULES

Base Load (BL) is determined by multiplying the Average Daily Base Load per residential or small nonresidential customer by the number of days in the billing cycle times the number of residential or small non-residential customers in the billing cycle.

#### BL = ADBL \* # DAYS IN BILLING CYCLE \* # CUSTOMERS IN BILLING CYCLE

The heat load is then determined by subtracting the residential or small non-residential customer's base load from the total Mcf billed in the billing cycle.

#### HL = MCF BILLED IN CYCLE - BL

A Heating Degree Factor (HDF) is then determined by dividing the Normal Degree-Days (NDD) for the billing cycle by the Actual Degree-Days (ADD) in the billing cycle.

#### HDF = NDD / ADD

The Weather Normalization Adjustment Consumption (WNAC) is computed by multiplying the Heating Degree Factor times the Heat Load and adding the Base Load to that number.

#### WNAC = HDF \* HL + BL

The Weather Normalization Adjustment Factor is then calculated by dividing the WNA Consumption by the total Mcf billed in the cycle.

#### WNAF = WNAC / MCF

The WNAF will be recomputed monthly based on company averages. If the WNAF is less than 1.0, the customer's billed amount will be less than the actual amount would have been. If the WNAF is greater than 1.0 the customer's billed amount will be more than the actual amount would have been. The customer's bill is calculated by multiplying the actual Mcf usage by the WNAF times the base rate charge as set forth on Sheet No. 2 of this tariff.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

# DELTA APP TAB05 052821 Page 43 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, First Revised Sheet No. 37 Superseding P.S.C. No. 12, Original Sheet No. 37

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

#### RIDER FOR GAS TECHNOLOGY INSTITUTE RESEARCH AND DEVELOPMENT

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17. This tariff applies to all gas sold by Delta under Delta's residential (Tariff Sheet No. 2), small non-residential (Tariff Sheet No. 3), large nonresidential (Tariff Sheet No. 4) and interruptible (Tariff Sheet No. 5-6) rate schedules. It also applies to transportation by Delta under Delta's on system transportation (Tariff Sheet No. 7-9) rate schedule.

#### GTI R&D Unit Charge

The intent of the Gas Technology Institute Research and Development (GTI R&D) Unit Charge is to maintain the Company's level of contribution at the calendar year 2003 funding amount of approximately \$12,347. The Unit Charge will be billed effective February 1, 2005 at the rate of \$0.002 per Mcf.

#### WAIVER PROVISION

The GTI R&D Unit Charge may be reduced for one or more classifications of service or rate schedules at any time by the Company by filing notice with the Commission. Any such waiver shall not increase the GTI R&D Unit Charge to the remaining classifications of service or rate schedules without Commission approval.

#### REMITTANCE OF FUNDS

All funds collected under this rider will be remitted to Gas Technology Institute on an annual basis. The amounts so remitted shall be reported to the Commission annually.

#### TERMINATION OF THIS RIDER

Participation in the GTI R&D funding program is voluntary on the part of the Company. The Company may terminate this rider at any time by filing a notice of rescission with the Commission.

DATE OF ISSUE:	October 27, 2020
DATE EFFECTIVE:	January 31, 2021
ISSUED BY: John B	3. Brown, Presiden

Issued by Authority of the Public Service Commission of KY in

dated

PUBLIC SERVICE COMMISSION
Linda C. Bridwell Executive Director
Shide C. Budwell
EFFECTIVE
1/31/2021 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13. Original Sheet No. 37 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE **RATE SCHEDULES**

#### RIDER FOR GAS TECHNOLOGY INSTITUTE RESEARCH AND DEVELOPMENT

#### **APPLICABILITY**

Applicable within all areas served by Delta. See Tariff Sheet No. 17. This tariff applies to all gas sold by Delta under Delta's residential (Tariff Sheet No. 2), small non-residential (Tariff Sheet No. 3), large nonresidential (Tariff Sheet No. 4) and interruptible (Tariff Sheet No. 5-6) rate schedules. It also applies to transportation by Delta under Delta's on system transportation (Tariff Sheet No. 7-9) rate schedule.

#### GTI R&D Unit Charge

The intent of the Gas Technology Institute Research and Development (GTI R&D) Unit Charge is to maintain the Company's level of contribution at the calendar year 2003 funding amount of approximately \$12,347. The Unit Charge will be billed effective February 1, 2005 at the rate of \$0.002 per Mcf.

#### WAIVER PROVISION

(T)

The GTI R&D Unit Charge may be reduced for one or more classifications of service or rate schedules at any time by the Company by filing notice with the Commission. Any such waiver shall not increase the GTI R&D Unit Charge to the remaining classifications of service or rate schedules without Commission approval.

#### REMITTANCE OF FUNDS

All funds collected under this rider will be remitted to Gas Technology Institute on an annual basis. The amounts so remitted shall be reported to the Commission annually.

#### TERMINATION OF THIS RIDER

Participation in the GTI R&D funding program is voluntary on the part of the Company. The Company may terminate this rider at any time by filing a notice of rescission with the Commission.

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

# DELTA\_APP\_TAB05\_052821 Page 44 of 52

DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, Second Revised Sheet No. 38 Superseding P.S.C. No. 12, First Revised Sheet No. 38

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

# ENERGY ASSISTANCE PROGRAM RIDER APPLICABLE TO RESIDENTIAL RATE SCHEDULE

#### **ENERGY ASSISTANCE PROGRAM**

An Energy Assistance Program ("EAP") surcharge of \$0.30 per month will be applied to all residential bills rendered under the Residential Rate Schedule. It has been added to Delta's existing customer charge as set forth on Sheet No. 2 of this tariff. Proceeds from the EAP surcharge will help fund a bill credit to enrolled low-income customers. It is available to eligible residential customers in the Company's service territory subject to enrollment through local community action agencies and subject to available funding. Delta's operating expenses associated with the program were considered in determining rates in Case No. 2007-00089.

DATE OF ISSUE: May 22, 2020 DATE EFFECTIVE: July 1, 2020

ISSUED BY: John B. Brown, President, Treasurer and Secretary

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2019-00366 dated May 4, 2020.

KENTUCKY
PUBLIC SERVICE COMMISSION

Kent A. Chandler Executive Director

EFFECTIVE

7/1/2020

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

**DELTA NATURAL GAS COMPANY, INC.** 

P.S.C. No. 13, Original Sheet No. 38 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RULES AND REGULATIONS

# ENERGY ASSISTANCE PROGRAM RIDER APPLICABLE TO RESIDENTIAL RATE SCHEDULE

#### **ENERGY ASSISTANCE PROGRAM**

An Energy Assistance Program ("EAP") surcharge of \$0.30 per month will be applied to all residential bills rendered under the Residential Rate Schedule and Farm Tap Rate Schedule. Proceeds from the EAP surcharge will help fund a bill credit to enrolled low-income customers. It is available to eligible residential customers in the Company's service territory subject to enrollment through local community action agencies and subject to available funding.

(D)

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

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DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR	All Ser	vice Areas	
P.S.C. NO	•	12	
Origin	al	SHEET NO.	39
CANCELLIN	G P.S.C. N	JO. 11	
Origin	al	SHEET NO.	39

CLASSIFICATION OF SERVICE RATE SCHEDULES

# $\frac{{\tt CONSERVATION/EFFICIENCY~PROGRAM~COST~RECOVERY}}{{\tt APPLICABLE~TO~RESIDENTIAL~RATE~SCHEDULE}}$

#### APPLICABILITY

Applicable within all areas served by Delta. See Tariff Sheet No. 17. This tariff applies to all gas sold by Delta under Delta's residential tariff (Tariff Sheet No. 2).

#### CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY COMPONENT (CEPRC)

Delta's Conservation/Efficiency Program (the Program) is a demand-side management program established to promote conservation and the efficient use of natural gas by Delta's residential customers.

The prices to residential customers shall be increased monthly by an amount hereinafter described as the Conservation/Efficiency Program Cost Recovery Component (CEPRC), which allows Delta to recover costs associated with the Program.

#### DETERMINATION OF CEPRC

The Company shall file an annual report with the Commission which shall contain updated CEPRC rates at least thirty (30) days prior to the effective date of the new rates. The annual amount computed under the Conservation/Efficiency Program Cost Recovery Component shall be collected based on the CEPRC amount divided by the expected usage for the upcoming program year. For purposes of determining the CEPRC, the program year is defined as the twelve months ended October 31, with rates effective as of the following February 1. The amounts billed under the CEPRC will be computed solely on actual consumption.

The CEPCR is calculated using the following formula:

·	
CEPRC = CEPCR + CEPLS + CEP	+ CEPBA KENTUCKY PUBLIC SERVICE COMMISSION
	<b>JEFF R. DEROUEN</b> EXECUTIVE DIRECTOR
	TARIFF BRANCH
DATE OF ISSUE November 8, 2010 DATE EFFEC'	TIVE ( 2010
ISSUED BY Glenn R. Jennings Jun Q. Summer TIT	E Chair June Fully Board
Name of Officer $\mathcal{O}$ P	resident any FFFECYIVE
Issued by authority of an Order of the Public S	ervice Commission of KY in
CASE NO. 2010-00116 D	ATED OctUber 21 2010
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#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 39 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES

# CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY APPLICABLE TO RESIDENTIAL RATE SCHEDULE

#### **APPLICABILITY**

Applicable within all areas served by Delta. See Tariff Sheet No. 17. This tariff applies to all gas sold by Delta under Delta's residential tariff (Tariff Sheet No. 2).

#### CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY COMPONENT (CEPRC)

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The prices to residential customers shall be increased monthly by an amount hereinafter described as the Conservation/Efficiency Program Cost Recovery Component (CEPRC), which allows Delta to recover costs associated with the Program.

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The CEPCR is calculated using the following formula:

CEPRC = CEPCR + CEPLS + CEPL + CEPBA

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

### DELTA\_APP\_TAB05\_052821 Page 46 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, First Revised Sheet No. 40 Superseding P.S.C. No. 12, Original Sheet No. 40

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

# CONSERVATION/EFFICINCY PROGRAM COST RECOVERY APPLICABLE TO RESIDENTIAL RATE SCHEDULE

Whereby:

#### CEPCR = CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY

The CEPCR shall include all actual costs which have been approved by the Commission for each twelve month period for conservation/efficiency programs of the Company "approved programs". Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating CEP programs. In addition, all costs incurred including, but not limited to, costs for consultants, employees and administrative expenses, will be recovered through the CEPCR.

#### **CEPLS = CEP REVENUE FROM LOST SALES**

Revenues from lost sales due to CEP programs implemented on and after the effective date of this tariff will be recovered as follows:

The estimated reduction in customer usage (in Mcf) as a result of the approved programs for the previous twelve months shall be multiplied by the non-variable revenue requirement per Mcf for purposes of determining the lost revenue to be recovered hereunder. Non-variable revenue requirement is base rate charged to the applicable rate class under this tariff.

The aggregate lost revenues attributable to the program participant shall be divided by the estimated residential sales (in Mcf) for the upcoming twelve-month period to determine the applicable CEPLS surcharge.

Recovery of revenues from lost sales calculated for a twelve-month period shall be included in the CEPLS until the implementation of new base rates pursuant to a general rate case.

DATE OF ISSUE: October 27, 2020
DATE EFFECTIVE: January 31, 2021
ISSUED BY: John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. dated . .

PUBLIC SERVICE COMMISSION
Linda C. Bridwell Executive Director
Side C. Bridwell
EFFECTIVE
1/31/2021 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

KENTHCKY

**DELTA NATURAL GAS COMPANY, INC.** 

P.S.C. No. 13, Original Sheet No. 40 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES

# CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY APPLICABLE TO RESIDENTIAL RATE SCHEDULE

Whereby:

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#### CEPCR = CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY

The CEPCR shall include all actual costs which have been approved by the Commission for each twelve month period for conservation/efficiency programs of the Company "approved programs". Such program costs shall include the cost of planning, developing, implementing, monitoring, and evaluating CEP programs. In addition, all costs incurred including, but not limited to, costs for consultants, employees and administrative expenses, will be recovered through the CEPCR.

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Revenues from lost sales due to CEP programs implemented on and after the effective date of this tariff will be recovered as follows:

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The aggregate lost revenues attributable to the program participant shall be divided by the estimated residential sales (in Mcf) for the upcoming twelve-month period to determine the applicable CEPLS surcharge.

Recovery of revenues from lost sales calculated for a twelve-month period shall be included in the CEPLS until the implementation of new base rates pursuant to a general rate case.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

### DELTA\_APP\_TAB05\_052821 Page 47 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, First Revised Sheet No. 41 Superseding P.S.C. No. 12, Original Sheet No. 41

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

# CONSERVATION/EFFICINCY PROGRAM COST RECOVERY APPLICABLE TO RESIDENTIAL RATE SCHEDULE

Revenues collected hereunder are based on engineering estimates of energy savings, actual program participation and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the lost revenues determined after any revisions of the engineering estimates and actual program participation are accounted for shall be reconciled in future billings under the CEP Balance Adjustment (CEPBA) component.

#### CEPI = CEP INCENTIVE

For all Conservation/Efficiency Programs, the CEP incentive amount shall be computed by multiplying the net resource savings estimated from the approved programs times fifteen (15) percent. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of Delta's avoided commodity costs over the expected life of the program.

The CEP incentive amount shall be divided by the expected Mcf sales for the upcoming twelve month period to determine the CEPI. CEP incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive.

#### CEPBA = CEP BALANCE ADJUSTMENT

The CEPBA shall be calculated on a twelve month basis and is used to reconcile the difference between the amount of revenues actually billed through the CEPCR, CEPLS, CEPI and previous application of the CEPBA and the revenues which should have been billed.

The program has an October year-end with rates effective February 1.

The CEPBA is the sum of the following components:

 The amount estimated to be recovered during the current program year from February 1 through October 31 less actual recovery.

DATE OF ISSUE: October 27, 2020
DATE EFFECTIVE: January 31, 2021
ISSUED BY: John B. Brown, President

sued by Authority of an Order of the Public Service Commission of KY in

se No. \_\_\_\_\_ dated

KENTUCKY PUBLIC SERVICE COMMISSION
Linda C. Bridwell Executive Director
Shide C. Sindwell
EFFECTIVE
1/31/2021 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 41 Superseding P.S.C. No. 12

# CLASSIFICATION OF SERVICE RATE SCHEDULES

# CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY APPLICABLE TO RESIDENTIAL RATE SCHEDULE

Revenues collected hereunder are based on engineering estimates of energy savings, actual program participation and estimated sales for the upcoming twelve-month period. At the end of each such period, any difference between the lost revenues actually collected hereunder and the lost revenues determined after any revisions of the engineering estimates and actual program participation are accounted for shall be reconciled in future billings under the CEP Balance Adjustment (CEPBA) component.

#### CEPI = CEP INCENTIVE

(T)

For all Conservation/Efficiency Programs, the CEP incentive amount shall be computed by multiplying the net resource savings estimated from the approved programs times fifteen (15) percent. Net resource savings are defined as program benefits less utility program costs and participant costs where program benefits will be calculated on the basis of the present value of Delta's avoided commodity costs over the expected life of the program.

The CEP incentive amount shall be divided by the expected Mcf sales for the upcoming twelve month period to determine the CEPI. CEP incentive amounts will be assigned for recovery purposes to the rate classes whose programs created the incentive.

#### **CEPBA = CEP BALANCE ADJUSTMENT**

The CEPBA shall be calculated on a twelve month basis and is used to reconcile the difference between the amount of revenues actually billed through the CEPCR, CEPLS, CEPI and previous application of the CEPBA and the revenues which should have been billed.

The program has an October year-end with rates effective February 1.

The CEPBA is the sum of the following components:

 The amount estimated to be recovered during the current program year from February 1 through October 31 less actual recovery.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated \_\_\_\_\_

### DELTA\_APP\_TAB05\_052821 Page 48 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, First Revised Sheet No. 42 Superseding P.S.C. No. 12, Original Sheet No. 42

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

# CONSERVATION/EFFICINCY PROGRAM COST RECOVERY APPLICABLE TO RESIDENTIAL RATE SCHEDULE

- The amount estimated to be recovered during the prior program year from November 1 through January 31 less actual recovery.
- The balance adjustment amounts determined on the basis of the above paragraphs (1) and (2) shall include
  interest to be calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the
  immediately preceding 12-month period.

The balance adjustment amounts, plus interest, shall be divided by the expected Mcf sales for the upcoming twelvemonth period to determine the CEPBA for each rate class. (T)

#### Modifications to CEPRC

The filing of modifications to the CEPRC which require changes in the CEPCR component shall be made at least two months prior to the beginning of the effective period for billing. Modifications to other components of the CEPRC shall be made at least thirty days prior to the effective period for billing. Each filing shall include the following information as applicable:

- (1) A detailed description of each CEP program, the total cost of each program over the previous twelve month period and budgeted costs for the next program year, an analysis of expected resource savings, information concerning the specific CEP or efficiency measures to be installed, and any applicable studies which have been performed, as available.
- (2) A statement setting forth the detailed calculation of the CEPCR, CEPLS, CEPI, CEPBA and CEPRC.

Each change in the CEPRC shall be placed into effect with bills rendered on and after the effective date of such change.

DATE OF ISSUE:	October 27, 2020
DATE EFFECTIVE:	January 31, 2021
SSUED BY: John	B. Brown, President
ONLA 6	Prom

Issued by Authority of an Order of the Public Service Commission of KY in

se No. \_\_\_\_\_ dated \_\_

RENTUCKY PUBLIC SERVICE COMMISSION
Linda C. Bridwell Executive Director
This Co. Andwell
EFFECTIVE
1/31/2021
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 42 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

# CONSERVATION/EFFICIENCY PROGRAM COST RECOVERY APPLICABLE TO RESIDENTIAL RATE SCHEDULE

- The amount estimated to be recovered during the prior program year from November 1 through January 31 less actual recovery.
- The balance adjustment amounts determined on the basis of the above paragraphs (1) and (2) shall include interest to be calculated at a rate equal to the average of the "3-month Commercial Paper Rate" for the immediately preceding 12-month period.

The balance adjustment amounts, plus interest, shall be divided by the expected Mcf sales for the upcoming twelve-month period to determine the CEPBA for each rate class.

#### Modifications to CEPRC

The filing of modifications to the CEPRC which require changes in the CEPCR component shall be made at least two months prior to the beginning of the effective period for billing. Modifications to other components of the CEPRC shall be made at least thirty days prior to the effective period for billing. Each filing shall include the following information as applicable:

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- (2) A statement setting forth the detailed calculation of the CEPCR, CEPLS, CEPI, CEPBA and CEPRC.

Each change in the CEPRC shall be placed into effect with bills rendered on and after the effective date of such change.

DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated \_\_\_\_\_

### DELTA APP TAB05 052821 Page 49 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, First Revised Sheet No. 43 Superseding P.S.C. No. 12, Original Sheet No. 43

#### CERTIFICATION OF SERVICE RATE SCHEDULES

#### PIPE REPLACEMENT PROGRAM ("PRP") RIDER

#### **APPLICABILITY**

(N)

Applicable to all customers receiving service under the Company's Rate Schedules, Residential, Small Non-Residential, Large Non-Residential and Interruptible Services.

#### CALCULATION OF PIPE REPLACEMENT RIDER REVENUE REQUIREMENT

The PRP Rider Revenue Requirement includes the following:

- PRP-related plant in service not included in base gas rates minus the associated PRP-related accumulated depreciation and accumulated deferred income taxes;
- Retirement and removal of plant related to PRP construction; b.
- The weighted average cost of capital on the net rate base is the overall rate of return on capital authorized in the Company's latest base gas rate case, grossed up for federal and state income taxes and PSC assessment:
- d. Depreciation expense on the PRP-related plant in service less retirement and removals;
- Reduction for savings in operating and maintenance expense;
- Increased property tax expense on the PRP-related plant in service.

#### PIPE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Delta's Residential, Small Non-Residential, Large Non-Residential and Interruptible Service Rate Schedules shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to complete the pipe main replacement program.

The PRP Rider will be updated annually, in order to reflect the impact on the Company's revenue requirements of net plant additions as well as a balancing adjustment for the preceding program year. Such adjustment to the Rider will become effective with meter readings on and after the first billing cycle of May, and will reflect the allocation of the required revenue increase based on the revenue distribution approved by the Commission.

> KENTUCKY PUBLIC SERVICE COMMISSION

JEFF R. DEROUEN
EXECUTIVE DIRECTOR

TARIFF BRANCH

DATE OF ISSUE: August 28, 2012

DATE EFFECTIVE: August 24, 2012 (Final Meter Reads)

ISSUED BY: Glenn R. Jennings, Chairman of the Board, President and CEO

PURSUANT TO BOT KAR SOI1 SECTION

Standing

PURSUANT TO BOT KAR SOI1 SECTION

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2012-00136 dated August 24, 2012

8/24/2012 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 43 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE **RATE SCHEDULES**

(T)

#### PIPE REPLACEMENT PROGRAM ("PRP") RIDER

#### **APPLICABILITY**

Applicable to all customers receiving service under the Company's Rate Schedules, Residential, Small Non-Residential, Large Non-Residential and Interruptible Services.

#### CALCULATION OF PIPE REPLACEMENT RIDER REVENUE REQUIREMENT

The PRP Rider Revenue Requirement includes the following:

- PRP-related plant in service not included in base gas rates minus the associated PRP-related accumulated depreciation and accumulated deferred income taxes;
- Retirement and removal of plant related to PRP construction:
- The weighted average cost of capital on the net rate base is the overall rate of return on capital authorized in the Company's latest base gas rate case, grossed up for federal and state income taxes and PSC assessment:
- Depreciation expense on the PRP-related plant in service less retirement and removals;
- Reduction for savings in operating and maintenance expense;
- Increased property tax expense on the PRP-related plant in service.

#### PIPE REPLACEMENT PROGRAM FACTORS

All customers receiving service under Delta's Residential, Small Non-Residential, Large Non-Residential and Interruptible Service Rate Schedules shall be assessed a monthly charge in addition to the Customer Charge component of their applicable rate schedule that will enable the Company to complete the pipe main replacement program.

The PRP Rider will be updated annually in order to reflect the expected impact on the Company's revenue (T) requirements of forecasted net plant additions and subsequently adjusted to true up the actual costs with the (T) projected costs. A filing to update the projected costs for the upcoming calendar year will be submitted (T) annually by October 15 to become effective with meter readings on and after the first billing cycle of January. (T) Delta will submit a balancing adjustment annually by March 31 to true-up the actual costs, as offset by (T) operations and maintenance expense reductions, during the most recent twelve months ended December with (T) the projected program costs for the same period. The balancing adjustment true-up to the rider will become (T) effective with meter readings on and after the first billing cycle of June. (T)

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

Case No. 2021-00185 dated

# DELTA APP TAB05 052821 Page 50 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, Original Sheet No. 44

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

#### **EFFICIENT NATURAL GAS APPLIANCE REBATE PROGRAM**

Rebates shall be offered to Delta Natural Gas residential customers who are constructing a new home, are changing from another energy source to natural gas, or who are adding or upgrading natural gas appliances to efficient models. For those constructing a new home, the rebate will be paid to one of the following parties: a builder constructing speculative home, a builder constructing model, tract or custom home, a customer contracting a builder, a customer acting as a general contractor, or a customer ordering a new manufactured or mobile home.

All equipment must meet program requirements and be installed according to applicable manufacturer's recommendations and code requirements. A customer must present the dated invoice to Delta within 120 days of installation in order to be eligible for a rebate. Delta personnel will perform a verification of the installation prior to granting the rebate. All equipment must meet the program guideline minimum requirements stated below with no exceptions.

#### Rebate Amounts and Program Guideline Minimum Requirements:

Natural Gas Heating Equipment	Efficiency Level	BTU Input	Rebate Amount
Forced Air Furnace or Boiler	90% or greater	30,000 or greater	\$400.00
Dual Fuel Auxiliary Furnace	90% or greater	30,000 or greater	\$300.00
Space Heater	99%	10,000 or greater	\$100.00
Gas Logs	99%	18,000 or greater	\$100.00
Gas Fireplace	90% or greater	18,000 or greater	\$100.00
Natural Gas Water Heaters	Efficiency Level	Unit Requirement	Rebate Amount
Storage Tank Model	0.57 UEF	30 gallon or greater	\$200.00
Power Vent or Direct Vent Model	0.65 UEF	40 gallon or greater	\$250.00
On Demand Model	0.81 UEF	Tank-less	\$300.00

There shall be no recovering from customers through the Conservation/Efficiency Program of any Efficient Natural Gas Appliance Rebate Program costs, including lost revenues and incentives.

> KENTUCKY PUBLIC SERVICE COMMISSION

> > Gwen R. Pinson

6/29/2018

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Steven R. Punson **EFFECTIVE** 

DATE EFFECTIVE: June 29, 2018 ISSUED BY, John B. Brown, President, Treasurer and Secretary

DATE OF ISSUE: July 9, 2018

HULBEROUS Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2018-00029 dated June 28, 2018

**DELTA NATURAL GAS COMPANY, INC.** 

P.S.C. No. 13. Original Sheet No. 44 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

#### **EFFICIENT NATURAL GAS APPLIANCE REBATE PROGRAM**

Rebates shall be offered to Delta Natural Gas residential customers who are constructing a new home, are changing from another energy source to natural gas, or who are adding or upgrading natural gas appliances to efficient models. For those constructing a new home, the rebate will be paid to one of the following parties: a builder constructing speculative home, a builder constructing model, tract or custom home, a customer contracting a builder, a customer acting as a general contractor, or a customer ordering a new manufactured or mobile home.

All equipment must meet program requirements and be installed according to applicable manufacturer's recommendations and code requirements. A customer must present the dated invoice to Delta within 120 days of installation in order to be eligible for a rebate. Delta personnel will perform a verification of the installation prior to granting the rebate. All equipment must meet the program guideline minimum requirements stated below with no exceptions.

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Gas Logs	99%	18,000 or greater	\$100.00
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Natural Gas			
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Storage Tank Model	0.57 UEF	30 gallon or greater	\$200.00
Power Vent or Direct Vent Model	0.65 UEF	40 gallon or greater	\$250.00
On Demand Model	0.81 UEF	Tank-less	\$300.00

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DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in

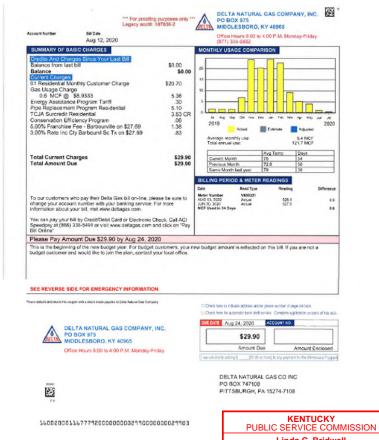
Case No. 2021-00185 dated

# DELTA\_APP\_TAB05\_052821 Page 51 of 52

### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, Original Sheet No. 45

#### CLASSIFICATION OF SERVICE RATE SCHEDULES



DATE OF ISSUE: October 27, 2020
DATE EFFECTIVE: January 31, 2021
ISSUED BY: John B. Brown, President

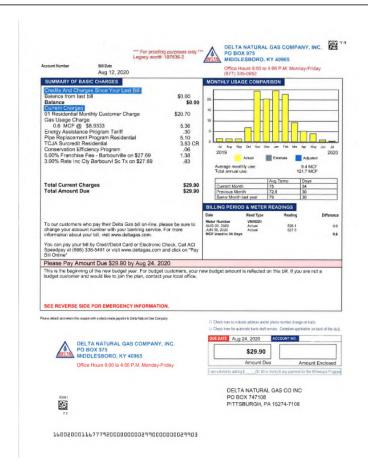
Issued by Authority of the Public Service Commission of KY in Case No. \_\_\_\_\_ dated \_\_\_\_

EFFECTIVE
1/31/2021
PURSUANT TO 807 KAR 5.011 SECTION 9 (1)

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13, Original Sheet No. 45 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE RATE SCHEDULES



DATE OF ISSUE: May 28, 2021
DATE EFFECTIVE: July 1, 2021
ISSUED BY: /s/ John B. Brown
John B. Brown, President

# DELTA APP TAB05 052821 Page 52 of 52

#### DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 12, Original Sheet No. 46

#### CLASSIFICATION OF SERVICE **RATE SCHEDULES**

CHAR	GES
Reconnect	\$60.00
Collection	\$20.00
NSF	\$15.00

WE ARE PROUD TO OFFER AN AUTOMATED BILL PAYMENT SERVICE

Pay your bill by electronic check, debit or credit card 24 hours a day, 7 days a week

Pay online at www.deftagas.com or by phone (886) 335-5491 Payment may be made with the following credit cards: VISA, MasterCard, Discover, or American Express. A processing fee will be charged when using this service.

Rate Schedules-Information about rate schedules is available upon request or at www.deltagas.com/rates.html

Past due amount, if any, is immediately payable. Carrying a past due amount andier failing to pay Total Account Balance in full by the due date may result in discontinuance of service and the assessment of collection charges.

#### FOR YOUR SAFFTY

Natural gas has a distinct odor added for your protection. When you smell it:

Leave the house...immediately! Don't light matches or flip an eletrical switch.

Call us from a telephone other than your house phone.

#### EMERGENCY NUMBER (After Hours/Weekend/Holidays)

To report an emergency during office hours, please call (877) 335-0852.

To report an emergency after normal office hours, weekends or holidays, please call: (800) 432-0771.

If you are planning a home construction or landscaping project, call Kentucky 811 at least 72 hours before you start to dig. A representative will mark the approximate location of the underground utility lines on your property.

#### **PAYMENT TERMS**

#### Current Month's Bill

The current month's bill due date is shown on the front of this statement. Payment is due in Delta's office on or before the due

The due date indicated on this statement is for the current month's bill only and does not apply to Previous Amounts Due. Previous Amounts Due are past due and may be subject to disconnection. No extensions of time for Previous Amounts Due is being authorized by this statement.

NOT RESPONSIBLE FOR MAIL DELIVERY. Failure to receive your bill does not exempt you from payment or discontinuance of service.



☐ Checking

(Please atlach a voic

hereby authorize D

Automatic Bank Draft Service

☐ Savings

everse side. Upon not cation, the automatic paymet inda C. Bridwell

Direct email inquiries to: www.deltagas.com

Change of Address		
New Address		
City	State	ZIP
Phone		
Signature		

DATE OF ISSUE: October 27, 2020 DATE EFFECTIVE: January 31, 2021 ISSUED BY: John B. Brown, President
Issued by Authority of the Public Service Commission of KY in \_\_dated

KENTUCKY

PUBLIC SERVICE COMMISSION

1/31/2021 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) DELTA NATURAL GAS COMPANY, INC.

P.S.C. No. 13. Original Sheet No. 46 Superseding P.S.C. No. 12

#### CLASSIFICATION OF SERVICE RATE SCHEDULES

CHARGES \$60.00 \$20,00 Collection NSF \$15,00

#### WE ARE PROUD TO OFFER AN AUTOMATED BILL PAYMENT SERVICE.

Pay your bill by electronic check, debit or credit card 24 hours a day, 7 days a week.

Pay briline at www.deltagas.com or by phone (866) 338-5491. Payment may be made with the following credit cards: VISA, MasterCard, Discover, or American Express. A processing fee will be charged when using this service.

Rate Schedules-Information about rate schedules is available upon request or at www.deltagas.com/rates.html

Past due amount, if any, is immediately payable. Carrying a past due amount and/or falling to pay Total Account Balance in full by the due date may result in discontinuance of service and the assessment of collection charges

FOR YOUR SAFETY

Natural gas has a distinct odor added for your protection. When you smell it: Leave the house...immediately! Don't light matches or flip an eletrical switch.

Call us from a telephone other than your house phone.

EMERGENCY NUMBER (After Hours/Weekend/Holidays)

To report an emergency during office hours, please call (877) 335-0852.

To report an emergency after normal office hours, weekends or holidays, please call: (800) 432-0771.

If you are planning a home construction or landscaping project, call Kentucky B11 at least 72 hours before you start to dig. A representative will mark the approximate location of the underground utility lines on your property.

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"Usage is accompanied estimated due to weather conditions or uniforeseen proximatences. Any adjustments from an estimated bill will be reflected with the next actual meter reading

NOT RESPONSIBLE FOR MAIL DELIVERY. Failure to receive your bill does not exempt you from payment or discontinuance of service.





Direct email inquiries to: mersen/ice@deltagas.com www.dellagas.com

Change of Addres	s	
New Address		
City	State	ZIP
Phone		
Signature		

Automatic Bank	Draft Service
Please deduct my payn	nent from my
☐ Checking	□ Savings
(Please attach a voide	f chuck).

ereby authorize Delta Natural Gas Company, Inc. to debit my bank account in payment for gas service for the Delta customer shown on the everse side. Upon notification, the automatic payment service will be goed and the normal payment process will resume with the next billing

DATE OF ISSUE: May 28, 2021 DATE EFFECTIVE: July 1, 2021 ISSUED BY: /s/ John B. Brown John B. Brown, President

# Delta Natural Gas Company, Inc. Case No. 2021-00185

# Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement

Tab 6 - 807 KAR 5:001 Section 16(1)(b)(5)

Sponsoring Witness: John B. Brown

# Description of Filing Requirement:

A statement that notice has been given in compliance with Section 17 of this administrative regulation, with a copy of the notice.

## Response:

Customer notice has been given in compliance with 807 KAR 5:001, Section 17. A copy of the notice is attached.

The attached notice is scheduled to be run for three consecutive weeks, beginning May 24, 2021, in the following newspapers:

Barbourville Mountain Advocate Beattyville Enterprise Berea Citizen Clay City Times Corbin Times-Tribune Cromona Letcher Co. News Press Flemingsburg Gazette Hazard Herald Hindman Troublesome Creek Times Hyden Leslie Co. News Inez Mountain Citizen Irvine Citizen Voice & Times Irvine Estill Co. Tribune Lancaster Central Record Lexington Herald-Leader London Sentinel-Echo Louisa Big Sandy News Manchester Enterprise Maysville Ledger-Independent McKee Jackson Co. Sun Menifee County News Middlesboro Daily News Mt. Sterling Advocate Nicholasville Jessamine Journal

Owingsville Bath Co. News Outlook

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Paintsville Herald
Paris Bourbon Co. Citizen
Pikeville Appalachian News-Express
Pineville Sun
Prestonsburg Floyd County Chronicle & Times
Richmond Register
Robertson County Mercury
Rowan County News
Salyersville Independent
Three Forks Tradition
Whitesburg Mountain Eagle
Williamsburg News-Journal
Winchester Sun

Delta is individually noticing the special contract customers that Delta plans to renegotiate the rates of, as those customers are not served by a tariffed rate classification.

#### **NOTICE**

PLEASE TAKE NOTICE that in a May 28, 2021 Application, Delta Natural Gas Company, Inc. ("Delta") is seeking approval by the Kentucky Public Service Commission to increase the gas service revenues by \$9,135,170 on an annual basis, which is approximately 18.6%, and for a Certificate of Public Convenience of Necessity. The proposed annual revenue increases by customer classification are: Residential - \$4,802,026 (21.1%); Small Non-Residential - \$1,354,251 (19.4%); Large Non-Residential - \$2,384,550 (20.6%); Interruptible Service - \$ -24 (0%); Transportation - On System Utilization/Special Contracts - \$117,711 (33.2%); Transportation - Off System Utilization - \$413,652 (15.3%); Farm Tap - \$63,004 (2.3%).

The proposed effective date of the rates is for service rendered on and after July 1, 2021. Delta has requested the proposed rates be implemented to all customer classifications as shown below:

#### **Monthly Customer Charge**

Classification	Present Rate	Proposed Rate	\$ Change	% Increase
Residential	\$20.70	\$29.03	\$8.33	40.2%
Small Non-Residential	\$31.20	\$44.40	\$13.20	42.3%
Large Non-Residential	\$131.00	\$195.04	\$64.04	48.9%
Interruptible Service	\$250.00	\$267.85	\$17.85	7.1%
Transportation – Off System Utilization	N/A	N/A	N/A	N/A
Farm Tap (Former Peoples Gas KY Territory and all other farm tap customers)	\$20.70	\$29.03	\$8.33	40.2%

#### **Consumption Charges\***

Classification	Present Rate	Proposed Rate	\$ Change	% Increase
Residential	\$ 4.31850/ per 1.0 Mcf	\$5.7072/ per 1.0 Mcf	\$1.3887	32.2%
Small Non-Residential	\$ 4.31850/ per 1.0 Mcf	\$5.6931/ per 1.0 Mcf	\$1.3746	31.8%
Large Non-Residential				
1-200 Mcf	\$ 4.31850/ per 1.0 Mcf	\$5.6935/ per 1.0 Mcf	\$1.3750	31.8%
201- 1,000 Mcf	\$ 2.66960/ per 1.0 Mcf	\$3.5196/ per 1.0 Mcf	\$0.8500	31.8%
1,001- 5,000 Mcf	\$ 1.87350/ per 1.0 Mcf	\$2.4700/ per 1.0 Mcf	\$0.5965	31.8%
5,001 - 10,000 Mcf	\$ 1.47350/ per 1.0 Mcf	\$1.9427/ per 1.0 Mcf	\$0.4692	31.8%
Over 10,000 Mcf	\$ 1.27350/ per 1.0 Mcf	\$1.6790/ per 1.0 Mcf	\$0.4055	31.8%
Interruptible Service				
1-1,000 Mcf	\$ 1.60000/ per 1.0 Mcf	\$1.7143/ per 1.0 Mcf	\$0.1143	7.1%
1,001 - 5,000 Mcf	\$ 1.20000/ per 1.0 Mcf	\$1.2857/ per 1.0 Mcf	\$0.0857	7.1%
5,001 - 10,000 Mcf	\$ 0.80000/ per 1.0 Mcf	\$0.8571/ per 1.0 Mcf	\$0.0571	7.1%
Over 10,000 Mcf	\$ 0.60000/ per 1.0 Mcf	\$0.6428/ per 1.0 Mcf	\$0.0428	7.1%
Transportation – Off System	\$0.28260/ per 1,000 cu.	\$0.3259/ per 1,000 cu. ft.	\$0.0433	15.3%
Utilization	ft. of gas transported	of gas transported or		
	or \$0.28260/ per	\$0.3259/ per dekatherm		
	dekatherm			
Farm Tap (Former Peoples	\$ 4.31850/ per 1.0 Mcf	\$2.3570/per 1.0 Mcf	\$ -1.9615	-45.4%
Gas KY Territory and all				
other farm tap customers)				

<sup>\*</sup>The consumption charges are exclusive of the Gas Cost Recovery rate.

The On-System Transportation Rate shall be the same as the Base Rate for Residential, Small Non-Residential, Large Non-Residential and Interruptible customers, as applicable, set forth above.

**Average Monthly Bills** 

Classification	Monthly	Current	Proposed	\$ Change	% Increase
	Average Usage	Average Bill	Average Bill		
Residential	3.8 Mcf	\$59.48	\$71.82	\$12.34	20.7%
Small Non-Residential	9.7 Mcf	\$129.44	\$153.49	\$24.05	18.6%
Large Non-Residential	69.1 Mcf	\$830.07	\$972.19	\$142.11	17.1%
Interruptible Service	3,801.0 Mcf	\$5,390.35	\$5,583.40	\$193.05	3.6%
Transportation – On					
System Utilization					
Residential	3.9 Mcf	\$38.81	\$51.29	\$12.48	32.1%
Small Non-Residential	14.2 Mcf	\$95.00	\$125.24	\$30.24	31.8%
Large Non-Residential	1,106.1 Mcf	\$3,346.10	\$4,411.49	\$1,065.39	31.8%
Transportation – Off	88,455.2 Mcf	\$24,997.44	\$28,827.55	\$3,830.11	15.3%
System Utilization					
Farm Tap (Former	5.4 Mcf	\$70.18	\$71.75	\$1.57	2.2%
Peoples Gas KY					
Territory and all other					
farm tap customers)					

Delta is also requesting a Certificate of Public Convenience and Necessity to construct a pipeline that will provide a second feed to the Nicholasville portion of its system.

Delta is proposing changes to the terms and conditions of its Farm Tap service. Delta is also including a \$150.00 installation fee and \$25.00 reconnection fee for its farm tap customers. Delta is also proposing to merge the Gas Cost Recovery adjustment that applies to its farm tap customers into the Gas Cost Recovery adjustment that applies to all other rate classes subject to a gas cost adjustment. Delta is proposing revisions to its line extension tariff. Other proposed tariff modifications include minor revisions to the Pipe Replacement Program ("PRP"), resetting the PRP rate to \$0 pursuant to the current tariff, and elimination of the Tax Cuts and Jobs Act Surcredit.

This application may be examined at the offices of Delta located at 3617 Lexington Road in Winchester, Kentucky, or on the company's website at <a href="https://www.deltagas.com">https://www.deltagas.com</a>.

This application may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday through Friday from 8:00 am – 4:30 pm or on the Commission's website at <a href="http://psc.ky.gov">http://psc.ky.gov</a>.

Comments regarding this application may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort KY 40602; or through its website at http://psc.ky.gov.

The rates contained in this notice are the rates proposed by Delta but the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice.

Any person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, which establishes the grounds for the request including the status and interest of the party.

DELTA\_APP\_TAB06\_052821 Page 5 of 5

If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the application.

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 7 - 807 KAR 5:001 Section 16(2)
Sponsoring Witness: John B. Brown

#### Description of Filing Requirement:

Notice of Intent. Utilities with gross annual revenues greater than \$5,000,000 shall notify the Commission in writing of its intent to file a rate application at least thirty (30) days, but not more than sixty (60) days, prior to filing its application.

- (a) The notice of intent shall state if the rate application will be supported by a historical test period or a fully forecasted test period.
- (b) Upon filing the notice of intent, an application may be made to the Commission for permission to use an abbreviated form of newspaper notice of proposed rate increases provided the notice includes a coupon that may be used to obtain a copy from the applicant of the full schedule of increases or rate changes.
- (c) Upon filing the notice of intent with the Commission, the applicant shall mail to the Attorney General's Office of Rate Intervention at a copy of the notice of intent or send by electronic mail in a portable document format, to rateintervention@ag.ky.gov.

#### Response:

See attached notice filed by Delta and acknowledgement of receipt by the Kentucky Public Service Commission. Also attached is a copy of the notice of intent sent to the Attorney General's Office of Rate Intervention.

Page 2 of 6



Monica H. Braun

DIRECT DIAL: (859) 231-3903 Monica.Braun@skofirm.com

300 WEST VINE STREET SUITE 2100 LEXINGTON, KY 40507-1801 MAIN: (859) 231-3000 FAX: (859) 253-1093

April 28, 2021

RECEIVED

APR 28 2021

PUBLIC SERVICE COMMISSION

**ELECTRONICALLY FILED** 

Linda C. Bridwell Executive Director Kentucky Public Service Commission 211 Sower Blvd Frankfort, KY 40601

Re: Adjustment of Gas Rates for Delta Natural Gas Company, Inc.

Dear Ms. Bridwell:

In conformity with 807 KAR 5:001, Section 16(2), this letter is to provide notice to the Public Service Commission of the Commonwealth of Kentucky of the intention of Delta Natural Gas Company, Inc. to file an application for an increase in its gas rates no earlier than 30 days from the date of this letter. The rate application will be supported by a fully forecasted test period.

Contemporaneously with this notice, Delta Natural Gas Company, Inc. has submitted a Notice of Election of Use of Filing Procedures and has also provided a copy of this notice to the Kentucky Attorney General, Office of Rate Intervention. Please acknowledge receipt of this notice and assign a case number to the application to be filed.

Sincerely,

Stoll Keenon Ogden PLLC

Mouria H. Braun

Monica H. Braun

cc via email to: John G. Horne, II

#### NOTICE OF ELECTION OF USE OF ELECTRONIC FILING PROCEDURES

(Complete All Shaded Areas and Check Applicable Boxes)

		ance with 807 KAR				Natural Gas	Company, I	nc.	gives	notic	e of its
		file an application	for <u>an Adjustm</u> e	ent of G	as Rates			with the Public			
no la	er ti	nan May 28, 2021		and to	use the	electronic	filing proce	edures set fort	th in that	regul	ation.
De	lta N	Vatural Gas Company	, Inc.		furthers	states that	:				
1	I+	requests that the	Dublic Sonio	o Comi	mission a	accian a d	saca numb	or to the inte	ondod	Yes	No
1.		plication and advis				•	ase numb	er to the inte	enaea		
2.		or its authorized re e authorized to ma	•		•				n and	<b>/</b>	
3.	Со	either it nor its a mmission for auth ys before the date	orization to m	nake ele	ectronic f	ilings but	will do so				<b>V</b>
4.	lt c	or its authorized ag	ents possess t	he facil	ities to re	ceive elec	tronic trans	smissions;		~	
5.	sei	e following persor vice of Public Se blic Service Comm	rvice Commiss			•					
			Name				Electronic	Mail Address			
		John Brown				JBROWN	@DeltaGas.c	com			
		Emily Bennett				EBENNET	ΓT@DeltaGa	is.com			
		Monica H. Braun				monica.bra	aun@skofirn	n.com			
6.	for	and its authorized electronic filing s less the Public Ser	et forth in 807	' KAR 5	:001 and	will fully		•		<b>V</b>	
					Sign	ed /s/Mor	nica H. Braur	1			
						Name:	Monica H. l				
					7	Γitle:	Counsel for	Delta Natural	Gas Comp	any, Iı	nc.
					A	Address:	300 West V	ine Street, Suit	e 2100		
							Lexington,	KY 40507			
					-	Telephone	Number:	(859) 231-300	00		

#### **Braun, Monica**

From: Braun, Monica

Sent: Wednesday, April 28, 2021 8:24 AM

To:john.horne@ky.gov; rateintervention@ky.govSubject:Delta Natural Gas Company, Inc. - Notice of Intent

Attachments: Delta Notice of Election Rate Case.pdf; Delta Notice of Intent.pdf

John,

Please find attached Delta Natural Gas Company, Inc.'s notice of intent to file a rate application that was provided to the Commission this morning.

Best, Monica

#### Monica H. Braun

Member 859-231-3903 Direct 859-489-3852 Mobile 300 W. Vine Street Suite 2100 Lexington, KY 40507

https://www.skofirm.com/attorney/monica-braun

STOLL KEENON OGDEN

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MONICA H. BRAUN
DIRECT DIAL: (859) 231-3903
Monica.Braun@skofirm.com

300 WEST VINE STREET SUITE 2100 LEXINGTON, KY 40507-1801 MAIN: (859) 231-3000 FAX: (859) 253-1093

April 28, 2021

#### **ELECTRONICALLY FILED**

Linda C. Bridwell Executive Director Kentucky Public Service Commission 211 Sower Blvd Frankfort, KY 40601

Re: Adjustment of Gas Rates for Delta Natural Gas Company, Inc.

Dear Ms. Bridwell:

In conformity with 807 KAR 5:001, Section 16(2), this letter is to provide notice to the Public Service Commission of the Commonwealth of Kentucky of the intention of Delta Natural Gas Company, Inc. to file an application for an increase in its gas rates no earlier than 30 days from the date of this letter. The rate application will be supported by a fully forecasted test period.

Contemporaneously with this notice, Delta Natural Gas Company, Inc. has submitted a Notice of Election of Use of Filing Procedures and has also provided a copy of this notice to the Kentucky Attorney General, Office of Rate Intervention. Please acknowledge receipt of this notice and assign a case number to the application to be filed.

Sincerely,

Stoll Keenon Ogden PLLC

Mauria H. Braun

Monica H. Braun

cc via email to: John G. Horne, II

#### NOTICE OF ELECTION OF USE OF ELECTRONIC FILING PROCEDURES

(Complete All Shaded Areas and Check Applicable Boxes)

In ac	cord	ance with 807 KAR	5:001, Section	8,	Delta l	Natural Gas	Company, I	nc.	gives	notic	e of its
inten	t to	file an application for	or an Adjustme	nt of G	as Rates			with the Public	Service	Comr	nission
no la	ter t	nan <u>May 28, 2021</u>		and to	use the	electronic	filing proce	edures set forth	in that	regul	ation.
De	elta N	Natural Gas Company,	Inc.		furthers	states that	:				
		, , , , , , , , , , , , , , , , , , ,									
										Yes	No
1.		requests that the plication and advise				•	case numbe	er to the inte	nded	<b>/</b>	
2.		or its authorized repeathorized repeathorized to mak			•				and	<b>/</b>	
3.	Co	either it nor its a ommission for authorys before the date o	orization to ma	ake ele	ectronic f	ilings but	will do so				<b>/</b>
4.	lt d	or its authorized age	ents possess th	e facil	ities to re	ceive elec	tronic trans	smissions;		~	
5.	se	e following persons rvice of Public Serv blic Service Commis	vice Commissi			-					
			Name				Electronic	: Mail Address			
		John Brown				JBROWN	@DeltaGas.c	com			
		Emily Bennett				EBENNET	ГТ@DeltaGa	is.com			
		Monica H. Braun				monica.br	aun@skofirm	n.com			
6.	foi	and its authorized re electronic filing se less the Public Serv	et forth in 807	KAR 5	:001 and	will fully		•		<b>V</b>	
					Sign	ed /s/Mor	nica H. Braur	1			
					1	Name:	Monica H. I	Braun			
					٦	Γitle:	Counsel for	Delta Natural G	as Comp	any, Ir	ic.
					A	Address:	300 West V	ine Street, Suite	2100		
							Lexington,	KY 40507			
					-	Telephone	e Number:	(859) 231-3000	)		

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 8 - 807 KAR 5:001 Section 16(6)(a)
Sponsoring Witness: John B. Brown

#### **Description of Filing Requirement:**

Financial data for forecasted period shall be presented as pro forma adjustments to the base period.

#### Response:

The financial data for the forecasted period is presented in the form of pro forma adjustments to the base period.

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 9 - 807 KAR 5:001 Section 16(6)(b)
Sponsoring Witness: John B. Brown

#### **Description of Filing Requirement:**

Forecasted adjustments shall be limited to the 12 months immediately following the suspension period.

#### Response:

Forecasted adjustments have been limited to twelve (12) months immediately following the suspension period.

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 10 - 807 KAR 5:001 Section 16(6)(c)
Sponsoring Witness: John B. Brown

#### **Description of Filing Requirement:**

Capitalization and net investment rate base shall be based on a 13 month average for the forecasted period.

#### Response:

Capitalization and net investment rate base are based on a thirteen (13) month average for the forecasted period.

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement

Tab 11 - 807 KAR 5:001 Section 16(6)(d)

Sponsoring Witness: John B. Brown

#### **Description of Filing Requirement:**

After an application based on a forecasted test period is filed, there shall be no revisions to the forecast, except for the correction of mathematical errors, unless the revisions reflect statutory or regulatory enactments that could not, with reasonable diligence, have been included in the forecast on the date it was filed. There shall be no revisions filed within thirty (30) days of a scheduled hearing on the rate application.

#### **Response:**

Delta acknowledges this requirement.

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 12 - 807 KAR 5:001 Section 16(6)(e)
Sponsoring Witness: John B. Brown

#### **Description of Filing Requirement:**

The Commission may require the utility to prepare an alternative forecast based on a reasonable number of changes in the variables, assumptions, and other factors used as the basis for the utility's forecast.

#### **Response:**

Delta acknowledges this requirement.

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 13 - 807 KAR 5:001 Section 16(6)(f)
Sponsoring Witness: William Packer / John B. Brown

#### **Description of Filing Requirement:**

Reconciliation of the rate base and capital used to determine its revenue requirements.

#### **Response:**

See attached.

#### $DELTA\_APP\_TAB13\_052821$

Page 2 of 2

#### Delta Natural Gas Co., Inc.

Case No. 2021-00185

Reconciliation of Forecasted Test Period Rate Base to Capital Forecasted Test Period Ending 12ME 12/31/22

Sheet 1 of 1

Witness: William Packer and John B. Brown

Tab 13

Line No.		
1	Pro Forma Rate Base	\$ 136,735,989
2	Pro Forma Capital	\$ 138,921,565
3	13 Mo. Ave. STD reflected at \$0 in Pro Forma	\$ (2,185,576)
4	Pro Forma Capital Reconciled to Rate Base	\$ 136,735,989
5	Unreconciled Difference	\$

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement

Tab 14 - 807 KAR 5:001 Section 16(7)(a)

Sponsoring Witness: John B. Brown

#### **Description of Filing Requirement:**

Written testimony of each witness supporting its application including testimony from chief officer in charge of Kentucky operations on the existing programs to achieve improvements in efficiency and productivity, including an explanation of the purpose of the program.

#### **Response:**

Please refer to the testimonies and exhibits of the following persons:

- John B. Brown
- Andrea Schroeder
- Jonathan Morphew
- William Packer
- Paul Moul
- William Steven Seelye

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 15 - 807 KAR 5:001 Section 16(7)(b)
Sponsoring Witness: Jonathan Morphew

#### **Description of Filing Requirement:**

Most recent capital construction budget containing at minimum a 3 year forecast of construction expenditures.

#### **Response:**

See attached.

# Delta Natural Gas Company, Inc. Case No.: 2021-00185 Capital Expenditure Budget Years 2021-2024

#### **Projected Captial Expenditures**

Category of Spend		2021		2022		2023		2024			
Distribution	\$	13,238,000	\$	11,820,600	\$	26,400,000	\$	24,900,000			
Customer Service	\$	1,800,000	\$	1,440,000	\$	1,500,000	\$	1,500,000			
IT & Other	\$	3,462,000	\$	4,072,900	\$	4,100,000	\$	4,100,000			
Total	Ś	18.500.000	\$	17.333.500	\$	32.000.000	\$	30.500.000			

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 16 - 807 KAR 5:001 Section 16(7)(c)
Sponsoring Witness: John B. Brown / William Steven Seelye

#### **Description of Filing Requirement:**

Complete description, which may be in written testimony form, of all factors used to prepare forecast period. All econometric models, variables, assumptions, escalation factors, contingency provisions, and changes in activity levels shall be quantified, explained, and properly supported.

#### **Response:**

The description of the factors utilized to prepare the forecast are incorporated into the testimony of Delta's witnesses. Witnesses John Brown and William Packer describe the process by which the forecast was prepared, and those witnesses, as well as the other witnesses, describe how discrete portions of the forecast were calculated.

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 17 - 807 KAR 5:001 Section 16(7)(d)
Sponsoring Witness: Andrea Schroeder

#### **Description of Filing Requirement:**

Annual and monthly budget for the 12 months preceding filing date, base period and forecasted period.

#### Response:

See attached. Note that the attached does not reflect any impact from rate case activity beyond 2021. The response provides budget information for 2020, 2021, and 2022, which includes the 12 months preceding the filing date, base period, and the forecasted test period, which is the calendar year ending December 31, 2022. These projections were calculated in 2020 as a part of Essential's five-year plan and were updated to create the combined Delta and Peoples-Kentucky base year and forecasted test year.

Tab 17 Page 1 of 3 Witness: Andrea Schroeder

					DELTA 20	20 BUDGETED							
Total Operating Revenue	January 7,987,600	February 7,203,600	March 5,826,200	April 3,514,100	May 2,111,700	June 2,120,500	July 2,020,100	August 2,045,700	September 1,881,300	October 2,901,000	November 5,185,600	7,678,500	2020 50,475,900
Purchased Gas	3,428,000	3,073,600	2,239,500	1,033,300	301,400	310,700	296,500	308,500	313,900	731,400	1,951,600	3,268,900	17,257,300
Operations and Maintenance	1,187,600	1,563,400	1,122,300	1,229,800	1,081,600	1,154,900	1,178,300	1,144,400	1,097,500	1,102,000	1,065,200	1,068,400	13,995,400
Depreciation, Depletion and Amortization	665,000	666,200	667,400	668,600	669,800	671,000	672,400	673,900	675,400	676,900	678,400	679,900	8,064,900
Taxes Other than Income Taxes	283,300	283,300	286,700	283,700	283,200	283,200	284,200	283,400	283,300	283,300	283,300	283,300	3,404,200
Total Operating Revenue Deduction:	5,563,900	5,586,500	4,315,900	3,215,400	2,336,000	2,419,800	2,431,400	2,410,200	2,370,100	2,793,600	3,978,500	5,300,500	42,721,800
Operating Income	2,423,700	1,617,100	1,510,300	298,700	(224,300)	(299,300)	(411,300)	(364,500)	(488,800)	107,400	1,207,100	2,378,000	7,754,100
Total Non-Operating Expense/(Incor	500	200	5,700	5,700	5,700	5,600	5,900	5,800	5,800	4,900	5,800	5,400	57,000
Interest & Other Revenue Expense !	170,900	170,900	174,700	176,000	181,000	180,900	180,500	176,200	172,200	170,900	169,200	168,200	2,091,600
Earnings Before Taxes	2,252,300	1,446,000	1,329,900	117,000	(411,000)	(485,800)	(597,700)	(546,500)	(008,333)	(68,400)	1,032,100	2,204,400	5,605,500
Total Income Tax Deductions	279,157	179,221	164,832	(23,350)	82,026	96,954	119,286	109,068	133,077	13,651	(205,982)	(439,945)	507,995
Net Income	1,973,143	1,266,779	1,165,068	140,350	(493,026)	(582,754)	(716,986)	(655,568)	(799,877)	(82,051)	1,238,082	2,644,345	5,097,505

DELTA 2021BUDGETED													
	January	February	March	April	May	June	July	August	September	October	November	December	2,021
Total Operating Revenue	7,693,999	7,024,000	5,610,401	3,370,901	2,138,700	2,203,400	2,056,300	2,067,401	2,091,900	3,134,000	5,170,700	7,264,600	49,826,302
Purchased Gas	3,092,300	2,771,400	2,018,900	927,400	266,700	318,500	287,500	270,100	286,100	824,300	1,805,800	2,907,400	15,776,400
Operations and Maintenance	1,124,566	1,101,907	1,305,486	1,204,308	1,162,041	1,203,566	1,189,130	1,199,528	1,193,542	1,154,656	1,202,347	1,243,059	14,284,136
Depreciation, Depletion and Amortization	704,900	705,000	705,100	705,300	705,300	705,300	705,300	705,600	705,600	705,600	705,700	705,900	8,464,600
Taxes Other than Income Taxes	310,849	308,854	319,633	315,050	312,100	314,596	314,918	316,032	315,658	313,313	316,263	318,882	3,776,148
<b>Total Operating Revenue Deduction:</b>	5,232,615	4,887,161	4,349,119	3,152,058	2,446,141	2,541,962	2,496,848	2,491,260	2,500,900	2,997,869	4,030,110	5,175,241	42,301,284
Operating Income	2,461,384	2,136,839	1,261,282	218,843	(307,441)	(338,562)	(440,548)	(423,859)	(409,000)	136,131	1,140,590	2,089,359	7,525,018
Total Non-Operating Expense/(Incor	(37,730)	(37,730)	(37,730)	(37,730)	(37,730)	(37,730)	(37,730)	(37,730)	(37,730)	(37,730)	(37,730)	(37,730)	(452,760)
Interest & Other Revenue Expense /	195,181	193,301	202,817	202,307	203,171	210,982	213,840	216,314	231,620	233,623	231,867	242,293	2,577,316
Earnings Before Tazes	2,303,933	1,981,268	1,096,195	54,266	(472,882)	(511,814)	(616,658)	(602,443)	(602,890)	(59,762)	946,453	1,884,796	5,400,462
Total Income Tax Deductions	49,110	49,110	49,110	49,110	49,110	49,110	49,110	49,111	49,111	49,111	49,112	49,112	589,327
Net Income	2,254,823	1,932,158	1,047,085	5,156	(521,992)	(560,924)	(665,768)	(651,554)	(652,001)	(108,873)	897,341	1,835,684	4,811,135

Interest & Other Revenue Expense I (Inco

Earnings Before Taxes

Total Income Tax Deductions

4,193

(27,428) (27,429)

(48,587)

		F-1		EOPLES KEN					Control	Outline	Manage	December *	2020
Total Operating Revenue	January 362,618	February 324,854	March 202.093	April 140,209	May 121,764	June 62,725	July 52,739	August 52,603	September 45,125	October 99,187	November 169,693	300,618	1,934,228
Total Operating Nevenue	302,010	324,034	202,033	140,203	121,104	02,120	32,133	32,003	43,123	33,101	103,033	300,010	1,334,220
Purchased Gas	247,786	218,866	130,179	84,418	72,313	28,934	20.132	20,035	16,002	53.256	106.349	199,381	1,197,651
Operations and Maintenance	150,781	133,640	141,781	131,797	130,831	138,312	135,263	135,752	139,653	137,317	138,614	147,635	1,661,376
Depreciation, Depletion and Amortization						12,069	12,538	134,866					
Taxes Other than Income Taxes	10,530	14,110	7,937	7,747	7,587	7,465	7,615	7,132	7,433	7,457	7,453	7,707	100,173
Total Operating Revenue Deductions	419,041	376,598	289,945	234,859	221,707	186,148	174,534	174,565	174,866	210,057	264,485	367,261	3,094,066
Operating Income	(56,423)	(51,744)	(87,852)	(94,650)	(99,943)	(123,423)	(121,795)	(121,962)	(129,741)	(110,870)	(94,792)	(66,643)	(1,159,838)
Total Non-Operating Expense/(Income)	20	22	20	20	22	20	20	21	20	20	21	20	246
Interest & Other Revenue Expense I (Inco	8,720	8,720	8,720	8,720	1,775	2,784	3,799	4,676	5,540	6,490	7,326	7,134	74,405
Earnings Before Taxes	(65,163)	(60,486)	(96,592)	(103,390)	(101,740)	(126,227)	(125,614)	(126,659)	(135,301)	(117,380)	(102,139)	(73,797)	(1,234,489)
Total Income Tax Deductions	(16,258)	(15,091)	(24,100)	(25,796)	(25,384)	(31,494)	(31,341)	(31,602)	(33,758)	(29,286)	(25,484)	(18,412)	(308,005)
Net Income	(48,905)	(45,395)	(72,492)	(77,594)	(76,356)	(94,733)	(94,274)	(95,058)	(101,543)	(88,094)	(76,656)	(55,385)	(926,484)
			P	EOPLES KEN	TUCKY 202	1 BUDGETER	D						
	January	February	March	April	May	June	July	August	September	October	November	December *	2021
Total Operating Revenue	214,170	167,582	133,639	80,286	72,675	42,052	36,192	37,152	36,381	62,318	106,749	162,569	1,151,765
Purchased Gas	88.165	66,252	50.562	25.883	23.312	8,835	6.529	6.507	6.294	17.397	37.788	64.805	402.329
Operations and Maintenance	148,488	137,298	147,010	144,280	142,560	145,018	141,322	145,706	144,687	140,441	147,015	152,199	1,736,024
Depreciation, Depletion and Amortization	10,714	10,875	11,162	11,324	11.458	11,756	11,967	12.082	12,210	12.309	12,400	12,447	140,704
Taxes Other than Income Taxes	10,654	9,586	9,521	8,971	8,770	8,814	8.845	8,842	8,565	8,400	8.820	9,065	108,853
Total Operating Revenue Deductions	258,021	224,011	218,255	190,458	186,100	174,423	168,663	173,137	171,756	178,547	206,023	238,516	2,387,910
Operating Income	(43,851)	(56,429)	(84,616)	(110,172)	(113,425)	(132,371)	(132,471)	(135,985)	(135,375)	(116,229)	(99,274)	(75,947)	(1,236,145)
Total Non-Operating Expensel(Income)	543	542	542	540	543	541	542	541	6,633	541	543	540	12,591

4,925

(61,127) (89,504) (115,048) (118,321) (137,422) (137,581) (141,144) (146,933) (121,735) (104,747)

(27,430) (27,430) (27,430) (27,430) (27,430) (27,430)

(87,618) (90,891) (109,992) (110,151) (113,714) (119,503) (94,305)

4,930

(27,430) (27,430) (27,430)

(77,317) (54,196) (974,618)

(81,626) (1,303,775) (27,430) (329,157)

Witness: Andrea Schroeder

Tatel Operating Revenue Purchard Gar Operating Malitanence Operation, Operation and Americation Torce Other than Income Torce Tatel Operating Revenue Deductions	January 4,350,211	7,521,454	March										
Purchard Gar Operations and Maintenance Deprociation, Depletion and Americation Taxes Other than Income Taxes				April	May	June	July	August	September	October	Havember	December "	2020
Operations and Maintenance Depreciation, Depletion and Amartization Taxes Other than Income Taxes		1,224,424	6,029,293	3,654,309	2,233,464	2,103,225	2,072,039	2,096,303	1,924,425	3,000,187	5,355,293	7,979,118	52,410,128
Operations and Maintonance Doprociation, Doplation and Amartization Taxes Other than Income Taxes													
Doprociation, Doplotion and Amartization Taxer Other than Income Taxer	3,675,786	3,292,466	2,369,679	1,117,718	373,713	339,634	316,432	324,535	329,902	784,656	2,057,949	3,468,281	10,454,951
Taxer Other than Income Taxer	1,338,381	1,697,040	1,264,081	1,361,597	1,212,431	1,243,212	1,313,543	1,280,152	1,237,153	1,239,317	1,203,814	1,216,035	15,656,776
	674,944	676,102	677,448	679,497	610,776	602,437	643,924	645,546	647,178	688,927	690,469	692,438	0,199,766
Tatal Operating Revenue Deductions	293,830	297,410	294,637	291,447	290,787	290,645	291,815	240,532	290,733	290,757	290,753	291,007	3,504,373
	5,982,941	5,963,090	4,605,845	3,450,259	2,557,707	2,605,948	2,605,934	2,504,765	2,544,966	3,003,657	4,242,915	5,667,761	45,815,844
Operating Income	2,367,277	1,565,356	1,422,448	204,050	(324,243)	(422,723)	(\$33,045)	(406,462)	(618,541).	(3,470)	1,112,300	2,311,357	6,594,262
Total Hon-Operating Expense/(Incom	<b>5</b> 20	222	5,720	5,720	5,722	5,420	5,920	5,821	5,820	4,920	5,821	5,420	57,246
Interest & Other Revenue Expense / (	179,620	179,620	103,420	184,720	102,775	103,604	194,299	100,876	177,749	177,390	176,526	175,334	2,166,005
Ceraings Before Tener	2,107,137	1,315,514	1,230,300	13,610	(512,740)	(612,027)	(723,314)	(673,159)	(802,101)	(105,700)	929,961	2,130,603	4,371,011
Total Income Tax Deductions	262,099	164,130	140,732	(49,146)	56,642	65,460	97,946	77,467	99,319	(15,635)	(231,466)	(459,357)	199,990
Het Income	1,924,238	1,221,314	1,092,576	62,756	(569,301)	(677,497)	(011,260)	(750,626)	(901,421)	(170,145)	1,161,426	2,510,960	4,171,021
						E\$ 2021 BUD							
Tatal Operating Revenue	January 7,900,169	7,191,582	Merch 5,744,040	April 3,451,167	Hay 2,211,375	June 2,245,452	July 2,092,492	August 2,104,553	2,128,281	3,196,310	5,277,449	7,427,169	50,978,067
Intel Operating Revenue	1,900,169	1,191,902	5,144,040	2,431,197	6,611,515	2,249,492	2,072,472	2,104,992	6,169,691	2,174,219	5,211,445	1,421,169	30,910,061
Purchased Gar	3,100,465	2,837,652	2,069,462	450,263	240,012	327,335	294,029	276,607	292,394	841,697	1,643,511	2,972,205	16,170,729
Operations and Maintenance	1,273,054	1,239,205	1,452,496	1,249,588	1,304,601	1,249,594	1,220,452	1,345,234	1,339,229	1,295,697	1,349,362	1,395,250	16,020,160
Depreciation, Depletion and Americation	715,614	715,875	716,262	716,624	716,758	717,056	717,267	717,692	717,010	717,909	710,100	718,347	8,605,304
Texas Other than Income Taxes	321,503	318,440	329,154	324,021	320,870	323,410	323,763	324,874	324,223	321,713	325,003	327,947	3,885,001
Tutal Operating Revenue Deductions	5,490,636	5,111,172	4,567,374	3,342,516	2,632,241	2,716,3115	2,665,511	2,664,397	2,672,656	3,176,416	4,236,133	5,413,757	44,619,194
Operating Income	2,417,533	2,000,410	1,176,666	100,671	(420,866)	(470,933)	(573,019)	(559,844)	(544,375)	19,902	1,041,316	2,013,412	6,288,873
Tutal Man-Operating Expenses (Incom	• (37,187)	(37,188)	(37,188)	(37,190)	(37,187)	(37,189)	(37,188)	(37,189)	(31,097)	(37,189)	(37,187)	(37,190)	(440,169)
Interest & Other Revenue Expense f (	199,374	197,457	207,163	206,643	207,524	215,492	210,400	220,932	236,545	230,500	236,797	247,432	2,632,355
Earnings Bofaro Taxos	2,255,346	1,920,141	1,006,691	(60,782)	(591,203)	(649,236)	(754,239)	(743,587)	(749,823)	(181,497)	841,706	1,803,170	4,096,687
Total Income Tax Deductions	21,682	21,681	21,680	21,680	21,680	21,680	21,680	21,681	21,681	21,681	21,682	21,682	260,170
Het Income	2,221,125	1,870,084	959,467	(85,735)	(631,984)	(671,075)	(779,482)	(771,057)	(746,306)	(186,190)	843,145	861,066	5,785,753
				COMBINI	ED COMPANI	ES 2022 BUD	GETED						
	January	Fobruary	March	April	May	June	July	August	Soptombor	October	Navember	Docombor	2022
Tutal Operating Revenue	8,876,514	8,072,182	6,447,390	3,873,780	2,482,155	2,520,405	2,348,715	2,362,253	2,388,886	3,587,703	5,323,666	8,336,616	57,220,263
PurcharedGar	3,110,315	2,775,063	2,023,817	932,257	283,615	320,115	287,544	270,506	285,945	823,132	1,802,925	2,306,649	15,821,883
Operations and Maintenance	1,339,741	1,304,119	1,528,583	1,419,232	1,372,941	1,419,228	1,400,146	1,415,702	1,408,330	1,362,939	1,420,046	1,468,347	16,859,352
	790,521	790,809	791,237	791,637	791,785	792,114	792,347	792,805	792,947	793,056	793,267	793,540	9,506,063
Depreciation, Depletion and Amertization	355,292	351,907	363,747	358,074	354,592	357,399	357,789	359,017	358,298	355,524	359,248	362,413	4,293,301
Depreciation, Depletion and Amerization Taxes Other than Income Taxes	5,535,863	5,221,898	4,707,383	3,501,200	2,802,933	2,888,856	2,837,826	2,838,031	2,845,519	3,334,651	4,375,486	5,530,948	46,480,533
					(320,778)	(368,451)	(489,111)	(475,778)	(456,633)	253,052	1,548,179	2,805,668	10,739,664
Taxer Other than Income Taxer Tatel Operating Revenue Deductions	3.280.645	2.850.283	1.740.007						(,)				-21.001004
Taxer Other then Income Taxer Tutal Operating Revenue Deductions Operating Income	3,280,645	2,850,283	1,740,007	372,581			(41110)	(41.112)	(34.377)	(41.112)	(41.110)	(41.112)	(486 600)
Texes Other then income Toxes Tatal Operating Revenue Deductions Operating Income Total Mun-Operating Expenses (Income	• (41,110)	(41,111)	(41,111)	(41,113)	(41,110)	(41,112)	(41,111)	(41,112)	(34,377)	(41,112)	(41,110)	(41,113)	(486,600)
Total Objection Country Coun	• (41,110) 215,778	(41,111) 213,704	(41,111) 224,208	(41,113) 223,645	(41,110) 224,599	(41,112) 233,222	236,378	239,110	256,008	258,219	256,280	267,790	2,848,943
Tated Operating Revenue Deductions Tated Operating Revenue Deductions Operating Income Tated Han-Operating Expense/flacom Interest Exercises Before Taxes	• (41,110) 215,778 3,105,976	(41,111) 213,704 2,677,690	(41,111) 224,208 1,556,303	(41,113) 223,645 190,048	(41,110) 224,599 (504,267)	(41,112) 233,222 (560,562)	236,378 (684,378)	239,110 (673,776)	256,008 (678,264)	258,219 35,945	256,280 1,333,008	267,790 2,578,990	2,848,943 8,377,321
Taxed Operating Revenue Deductions  Operating Income  Taxed Hen-Operating Expenses(Income  Interest	• (41,110) 215,778	(41,111) 213,704	(41,111) 224,208	(41,113) 223,645	(41,110) 224,599	(41,112) 233,222	236,378	239,110	256,008	258,219	256,280	267,790	

COMBINED COMPANIES 2020 BUDGETED

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 18 - 807 KAR 5:001 Section 16(7)(e)
Sponsoring Witness: John B. Brown

#### **Description of Filing Requirement:**

A statement of attestation signed by the utility's chief officer in charge of Kentucky operations, which shall provide:

- 1. That the forecast is reasonable, reliable, made in good faith, and that all basic assumptions used in the forecast have been identified and justified;
- 2. That the forecast contains the assumptions and methodologies as used in the forecast prepared for use by management, or an identification and explanation for differences that exist, if applicable; and
- 3. That productivity and efficiency gains are included in the forecast.

#### **Response:**

See attached.

## MENTUCKY PUBLIC SERVICE COMMISSION DELTA NATURAL GAS COMPANY, INC.

#### CASE NO. 2021-00185

Comes John B. Brown, President of Delta Natural Gas Company, Inc., and as required by 807 KAR 5:001, Section 16(7)(e), does hereby attest as follows:

- 1. That the forecast utilized by Delta Natural Gas Company, Inc. in Case No. 2021-00185 is reasonable, reliable, made in good faith, and all basic assumptions used in the forecast have been identified and justified;
- 2. That the forecast utilized by Delta Natural Gas Company, Inc. in Case No. 2021-00185 contains the same assumptions and methodologies as in the forecast prepared for use by management, except for the differences that have been identified and explained in the filing requirements and schedules thereto; and
- 3. That productivity and efficiency gains are included in the forecast.

John B Brown

Date: 5-18-21

Subscribed and sworn to before me, a Notary Public in and before said County and

State, this 18th day of May, 2021.

Notary Public and Number

My Commission Expires:

6/20/24

Emily P. Bennett
Notary Public, ID KYNP8480
State at Large, Kentucky
My Commission Expires on June 20, 2024

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 19 - 807 KAR 5:001 Section 16(7)(f)
Sponsoring Witness: Jonathan Morphew

#### **Description of Filing Requirement:**

For each major construction project constituting 5% or more of annual construction budget within 3 year forecast, following information shall be filed:

- 1. The date the project began or estimated starting date.
- 2. The estimated completion date;
- 3. The total estimated cost of construction by year exclusive and inclusive of allowance for funds used during construction ("AFUDC") or interest during construction credit; and
- 4. The most recent available total costs incurred exclusive and inclusive of AFUDC or interest during construction credit.

#### **Response:**

See attached.

Sheet 1 of 1 Witness: Morphew

Tabs 19 and 20 - Construction Projects <5% and >5% of Budget

						Year 20	21					
		Pro	oject Amount		Pr	oject Amount	Inception-to-Date		Inception-to-Date	Actual	Expected	Expected
Plant	Project Description	Wi	thout AFDUC	AFUDC	١	With AFDUC	Without AFDUC	AFDUC	With AFDUC	Start Date	Start Date	Completion Date
	Nicholasville Aldyl-A PRP	\$	1,604,169	\$0	\$	1,604,169	\$340,775.46	\$0	\$340,775.46	4/1/21		8/31/23
	Corbin Aldyl-A PRP	\$	1,046,556	\$0	\$	1,046,556	\$421,522.09	\$0	\$421,522.09	4/1/21		7/31/23
	Berea Aldyl-A PRP	\$	2,399,859	\$0	\$	2,399,859	n/a	\$0	n/a		6/1/21	12/31/2
	Lincoln Co. EDX	\$	3,746,240	\$0	\$	3,746,240	n/a	\$0	n/a		6/1/21	12/31/2
	All Other Projects < 5%	\$	9,711,476	\$0	\$	9,711,476	\$2,335,419.01	\$0	\$2,335,419.01			
Total		\$	18,508,300		\$	18,508,300						
						Year 20	)22					
			oject Amount		Pr	oject Amount	Inception-to-Date		Inception-to-Date	Actual	Expected	Expected
Plant	Project Description	Wi	thout AFDUC	AFUDC	١	With AFDUC	Without AFDUC	AFDUC	With AFDUC	Start Date	Start Date	Completion Date
	Farmers/Midland Aldyl-A PRP	\$	1,835,379	\$0	\$	1,835,379	n/a	\$0	n/a		4/1/22	8/31/22
	Mt. Olivet Aldyl-A PRP	\$	2,176,020	\$0	\$	2,176,020	n/a	\$0	n/a		9/1/22	12/31/22
	Croley Bend PRP Transmission	\$	1,654,300	\$0	\$	1,654,300	n/a	\$0	n/a		5/1/22	7/31/22
	Nicholasville Pipeline Right-of-Way		\$1,750,299	\$0		\$1,750,299	n/a	\$0	n/a		1/1/22	12/31/22
	All Other Projects < 5%	\$	10,167,804	\$0	\$	10,167,804	n/a	\$0	n/a			
Total		\$	17,583,802		\$	17,583,802						
						Year 20	023					
			oject Amount			oject Amount	Inception-to-Date		Inception-to-Date	Actual	Expected	Expected
Plant	Project Description		thout AFDUC	AFUDC		With AFDUC	Without AFDUC	AFDUC	With AFDUC	Start Date	Start Date	Completion Date
	Renfro Valley Right-of-Way (22 Miles)	\$	1,500,000	\$0	\$	1,500,000	n/a	\$0	•		1/1/2023	12/31/202
	Nicholasville Pipeline	\$	13,000,000	\$0	\$	13,000,000	n/a	\$0	n/a		4/1/2023	12/31/202
	All Other Projects < 5%	\$	19,000,000	\$0	\$	19,000,000	n/a	\$0	n/a			
Total		\$	33,500,000		\$	33,500,000						
						Year 20	)24					
			oject Amount			oject Amount	Inception-to-Date		Inception-to-Date	Actual	Expected	Expected
Plant	Project Description	Wi	thout AFDUC	AFUDC		With AFDUC	Without AFDUC	AFDUC	With AFDUC	Start Date	Start Date	Completion Date
	Renfro Valley Pipeline	\$	13,000,000	\$0	\$	13,000,000	n/a	\$0	n/a		4/1/2024	12/31/202
	All Other Projects < 5%	\$	17,500,000	\$0	\$	17,500,000	n/a	\$0	n/a			
Total		\$	30,500,000	\$0	\$	30,500,000	n/a	\$0	n/a			

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 20 - 807 KAR 5:001 Section 16(7)(g)
Sponsoring Witness: Jonathan Morphew

#### **Description of Filing Requirement:**

For all construction projects constituting less than 5% of annual construction budget within 3 year forecast, file aggregate of information requested in paragraph (f) 3 and 4 of this subsection.

#### Response:

See Delta's response to Tab 19.

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 21 - 807 KAR 5:001 Section 16(7)(h)
Sponsoring Witness: John B. Brown

#### **Description of Filing Requirement:**

Financial forecast for each of 3 forecasted years included in capital construction budget supported by underlying assumptions made in projecting results of operations and including the following information:

#### Response:

See Tabs 22-38 of Delta's Application.

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 22 - 807 KAR 5:001 Section 16(7)(h)(1)
Sponsoring Witness: John B. Brown

#### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget supported by underlying assumptions made in projecting the results of operations and including the following information:

1. Operating income statement (exclusive of dividends per share or earnings per share);

#### Response:

See attached.

#### Delta Natural Gas Company, Inc. Forecasted Income Statements 2021-2024 Forecasted Test Period 12 ME 12/31/22 Base Period 12 ME 8/31/21

Tab 22 Page 1 of 1 Witness: John B. Brown

Line Number	<u>.</u>	2021	2022	2023	2024
1	Operating Revenues				
2	<b>Total Operating Revenues</b>	(50,679,298)	(58,449,471)	(58,449,471)	(58,449,471)
3	Operating Expenses				
4	Gas Supply Expense	16,593,614	15,821,883	15,821,883	15,821,883
5	Other Operations Expenses	15,207,973	15,475,220	15,939,477	16,417,661
6	Maintenance	501,945	531,819	547,774	564,207
7	Depreciation and Amortization	8,605,304	9,903,030	10,369,905	10,793,667
8	Taxes Other Than Income Taxes	3,885,001	3,893,351	4,088,019	4,292,420
9	Total Income Taxes	1,022,121	2,512,574	2,415,828	1,955,648
10	<b>Total Operating Expenses</b>	45,815,958	48,137,877	49,182,885	49,845,485
11	<b>Net Operating Income</b>	(4,863,340)	(10,311,594)	(9,266,586)	(8,603,986)
12	Other Income less deductions	(843,573)	(1,332,617)	(1,332,617)	(1,332,617)
13	Income before Interest Charges	(5,706,913)	(11,644,211)	(10,599,203)	(9,936,603)
14	Interest Charges	2,632,355	2,753,732	2,808,807	2,864,983
15	Net Income	(3,074,558)	(8,890,479)	(7,790,396)	(7,071,620)

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 23 - 807 KAR 5:001 Section 16(7)(h)(2)
Sponsoring Witness: John B. Brown

#### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget supported by underlying assumptions made in projecting the results of operations and including the following information:

2. Balance Sheet;

#### **Response:**

See attached. Note that the attached does not reflect any impact from rate case activity beyond 2021.

#### Delta Natural Gas Company, Inc. Forecasted Balance Sheets 2021-2024 Forecasted Test Period 12 ME 12/31/22 Base Period 12 ME 8/31/21

Tab 23 Page 1 of 1 Witness: John B. Brown

2024	2024
Number 2021 2022 2023	2024
1 ASSETS AND OTHER DEBITS	
2 UTILITY PLANT	
3 Total Utility Plant (Gross) 293,472,611 309,545,059 325,107,55	
4 Accum Prov for Depr & Amort (108,111,115) (123,935,779) (131,869,245) (142,239,15)	<del></del>
5 Total Utility Net Plant 169,536,832 177,675,814 182,868,40	99 186,200,142
6 TOTAL OTHER PROPERTY & INVESTMENTS 2,101,507 2,101,507 2,101,507	2,101,507
7 CURRENT AND ACCRUED ASSETS	
8 Cash 3,000,000 404,749 404,74	
9 Accum Prov - Uncollectible Accts (144) 6,376,694 6,376,694 6,376,695	6,376,694
10 Accts Receivable from Assoc. Co.'s (146) 1,330,334 520,794 536,4	18 552,510
11 Plant Materials & Operating Supplies (154) 689,562 710,249 731,55	753,503
12 Gas Stored Underground - Current (164.1) 1,143,702 1,143,702 1,143,702	1,143,702
13 Prepayments (165) 1,072,741 1,072,741 1,072,741 1,072,74	1,072,741
14 Total Current and Accrued Assets 13,613,033 10,228,929 10,265,80	50 10,303,899
15 DEFERRED DEBITS AND OTHER	
16 Other Regulatory Assets 2,537,114 2,537,114 2,537,11	2,537,114
17 Accumulated Deferred Income Taxes (190) 4,648,258 5,363,044 5,470,30	5,579,711
18 Unrecoverd Purchased Gas Costs (191) 173,028 173,028 173,028	28 173,028
19 Total Deferred Debits and Other 7,358,400 8,073,186 8,180,44	8,289,853
20 <b>TOTAL ASSETS</b> 192,609,772 198,079,436 203,416,22	206,895,401
21 LIABILITIES AND OTHER CREDITS	
22 <b>TOTAL PROPRIETARY CAPITAL</b> (68,340,604) (74,508,369) (80,059,33	59) (84,993,571)
23 <b>TOTAL LONG TERM DEBT</b> (67,133,275) (65,633,275) (64,133,27	
24 <b>TOTAL CAPITALIZATION</b> (135,473,879) (140,141,644) (144,192,63	<del></del>
25 TOTAL OTHER NON-CURRENT LIABILITIES (2,599,612) (2,599,612) (2,599,61)	(2,599,612)
(2,377,012) $(2,377,012)$ $(2,377,012)$	(2,377,012)
26 CURRENT AND ACCRUED LIABILITIES	
27 Accounts Payable (232) (4,535,151) (4,535,151) (4,535,151)	51) (4,535,151)
28 Notes Payable to Assoc Companies (233) - (863,471) (2,822,83	(3,526,153)
29 Accounts Payable to Assoc Companies (234) (1,039,810) (1,539,810) (1,539,810)	(1,539,810)
30 Customer Deposits (235) (553,810) (553,810)	(553,810)
31 Taxes Accrued (236) (3,341,458) (3,690,164) (3,901,60	(4,102,470)
32 Interest Accrued (237) (6,578) (6,578)	78) (6,578)
33 Tax Collections payable (241) (2,629,516) (2,629,516) (2,629,516)	(2,629,516)
34 Total Current and Accrued Liabilities (12,106,323) (13,818,500) (15,989,38	(16,893,488)
35 <b>DEFERRED CREDITS</b>	
36 Other Deferred Credits (253) (1,260,185) (1,260,185) (1,260,185)	35) (1,260,185)
37 Other Regulatory Liabilities (254) (13,179,041) (11,429,041) (9,679,041)	
38 Accum Deferred Income Taxes (281-283) (27,990,732) (28,830,454) (29,695,30	
39 Total Deferred Credits (42,429,958) (41,519,680) (40,634,59	
40 <b>TOTAL LIABILITIES AND EQUITY</b> (192,609,772) (198,079,436) (203,416,22)	23) (206,895,401)

## Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 24 - 807 KAR 5:001 Section 16(7)(h)(3)
Sponsoring Witness: John B. Brown

#### **Description of Filing Requirement:**

A financial forecast to each of the three (3) forecasted years included in capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and including the following information:

3. Statement of cash flows;

#### **Response:**

See attached. Note that the attached does not reflect any impact from rate case activity beyond 2021.

### Delta Natural Gas Company, Inc. Forecasted Cash Flow Statements 2021-2024 Forecasted Test Period 12 ME 12/31/22 Base Period 12 ME 8/31/21

Tab 24
Page 1 of 1
Witness: John B. Brown

Line					
Number		2021	2022	2023	2024
-					
1	Cash Flows from Operating Activities				
2	Net Income	3,074,558	8,890,479	7,790,396	7,071,620
	Adjustments to reconcile net income to net cash				
3	provided by (used in) operating activities				
4	Depreciation and amortization	8,605,304	9,903,030	10,369,905	10,793,667
5	Deferred income taxes	(4,408,533)	(1,625,064)	(992,347)	(968,545)
6	Changes in current assets and current liabilities				
7	Accounts receivable	(824,709)	809,540	(15,624)	(16,093)
8	Gas in storage	(922,139)	-	-	-
9	Materials and supplies	-	(20,687)	(21,307)	(21,947)
10	Prepayments	(841,903)	-	-	-
11	Other assets	-	_	_	-
12	Accounts payable	_	-	-	-
13	Accrued taxes	(1,000,000)	348,706	211,499	200,807
14	Other liabilities				
15	Net cash provided by operating activities	3,682,578	18,306,004	17,342,522	17,059,509
16	Cash Flows from Investing Activities				
17	Expenditures for Property, Plant and Equipment	(19,437,434)	(18,042,012)	(15,562,500)	(14,125,400)
10					
18	Cash Flows from Financing Activities	(0.115.202)	1 262 151	1.050.004	<b>502.2</b> 00
19	Net increase (decrease) in short-term debt	(9,115,392)	1,363,471	1,959,384	703,298
20	Net increase (decrease) in long-term debt	23,814,475	(1,500,000)	(1,500,000)	(1,500,000)
21	Equity transfer to/from parent	3,651,024	(2,722,714)	(2,239,406)	(2,137,408)
22	Net cash provided from financing activities	18,350,107	(2,859,243)	(1,780,022)	(2,934,110)
23	Net Increase (Decrease) in Cash and Cash Equivalents	2,595,251	(2,595,251)	-	(1)
24	Cash and Cash Equivalents, at Beginning of Year	404,749	3,000,000	404,749	404,749
25	Cash and Cash Equivalents, at End of Year	3,000,000	404,749	404,749	404,748

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 25 - 807 KAR 5:001 Section 16(7)(h)(4)
Sponsoring Witness: John B. Brown

### Description of Filing Requirement:

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by underlying assumptions made in projecting the results of operations and shall include the following information:

4. Revenue requirements necessary to support the forecasted rate of return;

### **Response:**

See attached. Note that the attached does not reflect any impact from rate case activity beyond 2021.

### Delta Natural Gas Company, Inc. Forecasted Overall Financial Summary Forecasted Test Period 12 ME 12/31/22 Base Period 12 ME 8/31/21

Tab 25 Page 1 of 1 Witness: John B. Brown

Line					
Number	_	2021	2022	2023	2024
1	Cost of gas	16,593,614	15,821,883	15,821,883	15,821,883
2	Operations & maintenance expense	15,709,918	16,007,039	16,487,250	16,981,868
3	Depreciation expense	8,605,304	9,903,030	10,369,905	10,793,667
4	Taxes other than income taxes	3,885,001	3,893,351	4,088,019	4,292,420
5	Return	10,311,660	10,311,660	10,311,660	10,311,660
6	Income tax liability	1,022,121	2,512,574	2,415,828	1,955,648
7	Total revenue requirements	56,127,618	58,449,537	59,494,545	60,157,145
8	Revenues at present rates	(50,679,298)	(58,449,471)	(58,449,471)	(58,449,471)
9	Revenue deficiency	5,448,320	66	1,045,074	1,707,674
10	Percent increase	10.75%	0.00%	<u>1.79</u> %	<u>2.92</u> %

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 26 - 807 KAR 5:001 Section 16(7)(h)(5)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and shall include the following information:

5. Load forecast including energy and demand (electric);

### **Response:**

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 27 - 807 KAR 5:001 Section 16(7)(h)(6)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

A Financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and including the following information:

6. Access line forecast (telephone);

### **Response:**

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 28 - 807 KAR 5:001 Section 16(7)(h)(7)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by underlying assumptions made in projecting the results of operations and shall include the following information:

7. Mix of generation (electric);

### Response:

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 29 - 807 KAR 5:001 Section 16(7)(h)(8)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and shall include the following information:

8. Mix of gas supply (gas);

### Response:

See attached.

		Delta Natural Gas Company									
		Mix of Gas Supply									
		Calendar Years 2021, 2022, 2023, 2024									
	MMcF 2021* 2022 2023 2										
	MMcF		2021	2022	2023	2024					
Total Pip	oeline P	urchases	4,181	4,214	4,223	4,240					

<sup>\*2021: 4</sup> Months actual, 8 months forecast

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 30 - 807 KAR 5:001 Section 16(7)(h)(9)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

A financial forecast to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and shall include the following information:

9. Employee level;

### **Response:**

Number of Employees*:	2021	2022	2023	2024
	162	162	162	162

<sup>\*</sup>Based on number of full-time positions.

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 31 - 807 KAR 5:001 Section 16(7)(h)(10)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

A financial forecast to each of the three (3) forecasted years included in capital construction budget supported by underlying assumptions made in projecting results of operations and including the following information:

10. Labor cost changes;

### Response:

See attached.

### Delta Natural Gas Company Inc. Labor Cost - Years 2022-2024 Forecasted Test Period 12 ME 12/31/22 Base Period 12 ME 8/31/21

		Am	ount Over	Percentage Over
Forecast Year	Total Wages	Pre	vious Year	Previous Year
2022	\$ 10,137,015			
2023	\$ 10,441,125	\$	304,110	3.0%
2024	\$ 10,754,359	\$	313,234	3.0%

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 32 - 807 KAR 5:001 Section 16(7)(h)(11)
Sponsoring Witness: John B. Brown

### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and shall include the following information:

11. Capital structure requirements;

### Response:

See attached.

Tab 32 807 KAR 5:001 Section 16(7)(h)(11) John B. Brown Page 1 of 1

# Delta Natural Gas Company, Inc. Case No. 2021-00185 Forecasted Test Period Filing Requirements Tab 32 – 807 KAR 5:001 Section 16(7)(h)(11) Sponsoring Witness: John B. Brown

**Description of Filing Requirement:** A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and shall include the following information:

11. Capital structure requirements;

### Response:

	12/31/2	020	12/31/2	021	12/31/2	022	12/31/2	023	12/31/2	024	12/31/2	025
Class of Capital Equity	57,987,605	49.21%	68,340,604	50.45%	74,508,369	52.84%	80,059,359	54.46%	84,993,571	56.23%	89,311,007	57.41%
Long Term Debt	43,318,800	36.76%	67,133,275	49.55%	65,633,275	46.55%	64,133,275	43.62%	62,633,275	41.44%	61,133,275	39.30%
Short Term Debt	16,541,772	14.04%	0	0.00%	863,471	0.61%	2,822,855	1.92%	3,526,153	2.33%	5,124,871	3.29%
Total Capital	117,848,177	100.00%	135,473,879	100.00%	141,005,115	100.00%	147,015,488	100.00%	151,152,999	100.00%	155,569,153	100.009

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 33 - 807 KAR 5:001 Section 16(7)(h)(12)
Sponsoring Witness: John B. Brown

### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and including the following information:

12. Rate base;

### Response:

See attached.

Tab 33 Sheet 1 of 1 Witness: John B. Brown

Forecasted Jurisdictional Rate Base Thirteen Month Average Rate Base Ending December 31, 202X

		12/31/2021		12/31/2022		12/31/2023		12/31/2024	
Total Utili	ty Plant In Service per books	\$ 293,472,611	\$	309,545,059	\$	325,107,559	\$	339,232,959	
Add:	Materials & Supplies	604,905		604,905		731,556		753,503	
	Prepayments	1,072,741		1,072,741		1,072,741		1,072,741	
	Gas in Storage	1,143,702		1,143,702		1,143,702		1,143,702	
	Unamortized Debt Exp per books	1,747,661		1,747,661		1,564,381		1,387,901	
	Cash Working Capital Allowance (1/8 O&M)	 2,000,869		2,000,869		2,060,906		2,122,733	
	Subtotal	\$ 6,569,877	\$	6,569,877	\$	6,573,286	\$	6,480,580	
Deduct:	Accumulated Depreciation	(123,935,779)		(131,869,245)		(142,239,150)		(153,032,817)	
	Customer Adv for Construction	(457,600)		(457,600)		(457,600)		(457,600)	
	Accum Deferred Income Taxes	(42,766,929)		(42,782,976)		(42,799,028)		(42,815,087)	
	Subtotal	\$ (167,160,308)	\$	(175,109,820)	\$	(185,495,779)	\$	(196,305,504)	
Rate Base	9	\$ 132,882,180	\$	141,005,115	\$	146,185,067	\$	149,408,035	

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 34 - 807 KAR 5:001 Section 16(7)(h)(13)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and including the following information:

13. Gallons of water projected to be sold (water);

### **Response:**

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 35 - 807 KAR 5:001 Section 16(7)(h)(14)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and including the following information:

### 14. Customer forecast (gas, water);

### **Response:**

Rate	2022	2023	2024
Residential	30,437	30,437	30,437
Commercial	4,214	4,214	4,214
Industrial	889	889	889
Farm Tap	3,283	3,283	3,283
Total	38,824	38,824	38,824

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 36 - 807 KAR 5:001 Section 16(7)(h)(15)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and including the following information:

15. Sales volume forecasts – cubic feet (gas);

### **Response:**

Rate	2022	2023	2024
Residential	1,385,177	1,385,177	1,385,177
Commercial	489,342	489,342	489,342
Industrial	736,645	736,645	736,645
Farm Tap	212,047	212,047	212,047
Total	2,823,212	2,823,212	2,823,212

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 37 - 807 KAR 5:001 Section 16(7)(h)(16)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and including the following information:

16. Toll and access forecast of number of calls and number of minutes (telephone);

### Response:

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 38 - 807 KAR 5:001 Section 16(7)(h)(17)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and including the following information:

17. A detailed explanation of any other information provided;

### **Response:**

Not applicable.

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 39 - 807 KAR 5:001 Section 16(7)(i)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

The most recent Federal Energy Regulatory Commission or Federal Communication Commission reports.

### Response:

Neither the Federal Energy Regulatory Commission nor the Federal Communication Commission audits Delta and, therefore, no such audit reports exist.

### Forecasted Test Period Filing Requirements (Forecasted Test Period 12ME 12/31/22; Base Period 12ME 8/31/21)

Filing Requirement
Tab 40 - 807 KAR 5:001 Section 16(7)(j)
Sponsoring Witness: Andrea Schroeder

### **Description of Filing Requirement:**

The prospectuses of the most recent stock or bond offerings.

### Response:

Delta Natural Gas Company, Inc. has not issued a prospectus since its common stock was acquired by PNG Companies LLC and Essential Utilities, Inc. Delta is attaching the most recent prospectus issued by Essential Utilities, Inc. on April 15, 2021. Delta is also attaching its most recently issued long-term debt note, which was with PNG Companies LLC on November 30, 2017, for which no prospectus was issued. The debt was approved by the Commission in Case No. 2017-00406.

As filed with the Securities and Exchange Commission on April 15, 2021

Registration No. 333-

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

FORM S-3

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

### **Essential Utilities, Inc.**

(Exact name of registrant as specified in its charter)

Pennsylvania (State or other jurisdiction of incorporation or organization) 23-1702594 (I.R.S. Employer Identification No.)

762 W. Lancaster Avenue Bryn Mawr, Pennsylvania 19010-3489 (610) 527-8000

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Christopher P. Luning
Essential Utilities, Inc.
Executive Vice President, General Counsel and Corporate Secretary
762 W. Lancaster Avenue
Bryn Mawr, Pennsylvania 19010-3489
(610) 527-8000

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Roxane F. Reardon Ryan Bekkerus Simpson Thacher & Bartlett LLP 425 Lexington Avenue New York, New York 10017-3954 (212) 455-2000

Mary J. Mullany Ballard Spahr LLP 1735 Market Street, 51st Floor Philadelphia, Pennsylvania 19103-7599 (215) 665-8500

Approximate date of co	ommencement of pr	oposed sale to	the public: F	rom time to	time after this	Registration	Statement l	oecomes
effective.								

If the only securities	being registered	on this Form a	re being off	ered pursuant t	o dividend	or interest re	einvestment p	lans, pleas	e check
the following box. $\square$									

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.  $\square$ 

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.  $\Box$ 

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. ⊠

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	X	Accelerated filer	
Non-accelerated filer	☐ (Do not check if smaller reporting company)	Smaller reporting company	
		Emerging growth company	
If an emerging growth of	company indicate by check mark if the registrant has	elected not to use the extended transition	neriod for

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of Securities Act.  $\square$ 

#### **CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities To Be Registered(1)	Amount To Be Registered(2)	Proposed Maximum Offering Price Per Unit(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(2)
Common Stock, par value \$0.50 per share(3)				
Preferred Stock, par value \$1.00 per share(3)				
Common Stock Purchase Contracts(4)				
Warrants				
Units(5)				
Depositary Shares(6)				
Debt Securities				

- (1) Securities registered hereunder may be sold either separately or as units comprising more than one type of security registered hereunder.
- (2) An unspecified aggregate initial offering price, principal amount or number of securities of each identified class is being registered as may from time to time be issued at indeterminate prices or upon conversion of, or in exchange for, or upon exercise of securities registered hereunder to the extent any such securities are, by their terms, convertible into, or exchangeable or exercisable for, such securities. Separate consideration may or may not be received for securities that are issuable upon conversion of, or in exchange for, or upon exercise of, convertible or exchangeable securities. The Registrant is deferring payment of the registration fee pursuant to Rule 456(b) and is omitting this information in reliance on Rule 456(b) and Rule 457(r).
- (3) Shares of common stock or preferred stock may be issued in primary offerings or upon conversion of debt securities, warrants or preferred stock registered hereby.
- (4) Represents contracts entitling or obligating holders to purchase from the Registrant, and for the Registrant to sell to the holders, a specified number or amount of shares of common stock at a future date or dates. The common stock purchase contracts may be issued separately or as a part of a unit, consisting of a common stock purchase contract and a security or other asset as security for the holder's obligation to purchase the common stock under the common stock purchase contract.
- (5) Represents an interest in two or more other securities, which may or may not be separable from one another.
- (6) Represents depositary shares, evidenced by depositary receipts, issued pursuant to a deposit agreement. In the event the Registrant issues fractional interests in shares of preferred stock registered hereunder, depositary receipts will be distributed to purchasers of such fractional interests, and such shares of preferred stock will be issued to a depositary under the terms of a deposit agreement.

#### **PROSPECTUS**



### ESSENTIAL UTILITIES, INC.

Common Stock
Preferred Stock
Common Stock Purchase Contracts
Warrants
Units
Depositary Shares
Debt Securities

Essential Utilities, Inc. may, from time to time, in one or more offerings, offer and sell common stock, preferred stock, common stock purchase contracts, warrants, units, depositary shares and debt securities. The debt securities and preferred stock may be convertible into or exchangeable or exercisable for other securities. We will provide specific terms of any offering and the offered securities in supplements to this prospectus. The prospectus supplements may also add, update or change information contained in this prospectus.

We may offer and sell these securities to or through underwriters, dealers or agents, directly to purchasers or through a combination of these methods. If an offering of securities involves any underwriters, dealers or agents, then the names of the underwriters, dealers or agents and the terms of the arrangements with such entities will be stated in an accompanying prospectus supplement.

Our common stock is listed on the New York Stock Exchange under the symbol "WTRG." The last reported sale of the common stock on the New York Stock Exchange on April 14, 2021 was \$46.87 per share. We have not yet determined whether any of the other securities that may be offered by this prospectus will be listed on any exchange, inter-dealer quotation system or over-the-counter market. If we decide to seek listing of any such securities upon issuance, an accompanying prospectus supplement will disclose the exchange, quotation system or market on which the securities will be listed.

The prospectus may not be used to sell our securities unless it is accompanied by a prospectus supplement.

Investing in our securities involves risk. Before you invest, you should carefully read and evaluate the risk factors and other information included in this prospectus and any applicable prospectus supplement, including the documents incorporated by reference. See "Risk Factors" beginning on page 4 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is April 15, 2021.

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#### **ABOUT THIS PROSPECTUS**

This document is called a prospectus and is part of a registration statement that we filed with the Securities and Exchange Commission (SEC) using a "shelf" registration process. Under this shelf process, we may, from time to time, in one or more offering, offer and sell common stock, preferred stock, common stock purchase contracts, warrants, units, depositary shares and debt securities. This prospectus provides you with a general description of the securities we may offer. Each time we sell any securities under this prospectus, we will provide a prospectus supplement that will contain specific information about the terms of that offering and the offered securities. That prospectus supplement may include a discussion of any risk factors or other special considerations applicable to those securities. The prospectus supplement also may add, update or change information contained in this prospectus. You should read both this prospectus and the applicable prospectus supplement and the exhibits filed with our registration statement together with the additional information described below under the heading "Where You Can Find More Information" before you decide whether to invest in the securities.

The registration statement (including the exhibits) of which this prospectus is a part contains additional information about us and the securities we may offer by this prospectus. Specifically, we have filed certain legal documents that control the terms of the securities offered by this prospectus as exhibits to the registration statement. We will file certain other legal documents that will control the terms of the securities we may offer by this prospectus as exhibits to the registration statement or to reports we file with the SEC. The registration statement and the reports can be read at the SEC website or at the SEC offices mentioned under the heading "Where You Can Find More Information."

We have not authorized anyone to provide you with information different from that contained or incorporated by reference in this prospectus, any prospectus supplements or any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this document is accurate only as of the date on the front cover of this document. Our business, financial condition, results of operations and prospects may have changed since that date.

Except as otherwise provided in this prospectus, unless the context otherwise requires, references in this prospectus to "Essential Utilities," "we", "us", "our", "Registrant" or the "Company" refer to Essential Utilities, Inc. and its direct and indirect subsidiaries. In addition, references to "Aqua Pennsylvania" refer to our wholly-owned subsidiary, Aqua Pennsylvania, Inc., and its subsidiaries, and references to "Peoples" refer to our wholly-owned subsidiaries Peoples Natural Gas Company LLC, Peoples Gas Company LLC, Peoples Gas Kentucky, Inc., and Delta Natural Gas Company Inc., and their subsidiaries.

#### FORWARD-LOOKING STATEMENTS

Certain statements in this prospectus, or incorporated by reference into this prospectus, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") that are made based upon, among other things, our current assumptions, expectations, plans, and beliefs concerning future events and their potential effect on us. These forward-looking statements involve risks, uncertainties and other factors, many of which are outside our control that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. In some cases you can identify forward-looking statements where statements are preceded by, followed by or include the words "believes," "expects," "anticipates," "plans," "future," "potential," "probably,"

"predictions," "intends," "will," "continue" "in the event" or the negative of such terms or similar expressions. Forward-looking statements in this prospectus, or incorporated by reference into this prospectus, include, but are not limited to, statements regarding:

- the impact of the novel coronavirus ("COVID-19") pandemic or the measures implemented by the Company as a result of the COVID-19 pandemic.
- expectations regarding the impact of the integration of the Peoples Gas Acquisition (as defined below);
- opportunities for future acquisitions, both within and outside the water, wastewater, and natural gas industries, the success of pending acquisitions and the impact of future acquisitions;
- acquisition-related costs and synergies;
- the sale of water, wastewater, and/or gas subsidiaries;
- the impact of conservation awareness of customers and more efficient fixtures and appliances on water and natural gas usage per customer;
- our authority to carry on our business without unduly burdensome restrictions;
- our capability to pursue timely rate increase requests;
- the capacity of our water supplies, water facilities, wastewater facilities, and natural gas supplies and storage facilities;
- the impact of decisions of governmental and regulatory bodies, including decisions to raise or lower rates and decisions regarding potential acquisitions;
- developments, trends and consolidation in the water, wastewater, and natural gas utility and infrastructure industries;
- the impact of changes in and compliance with governmental laws, regulations and policies, including those dealing with the environment, health and water quality, taxation, and public utility regulation;
- the development of new services and technologies by us or our competitors;
- the availability of qualified personnel;
- the condition of our assets;
- recovery of capital expenditures and expenses in rates;
- projected capital expenditures and related funding requirements;
- the availability and cost of capital financing;
- dividend payment projections;
- the impact of geographic diversity on our exposure to unusual weather;
- the continuation of investments in strategic ventures;
- our ability to obtain fair market value for condemned assets;
- the impact of fines and penalties;
- the impact of legal proceedings;
- general economic conditions;
- the impact of federal and/or state tax policies and the regulatory treatment of the effects of those policies; and
- the amount of income tax deductions for qualifying utility asset improvements and the Internal Revenue Service's ultimate acceptance of the deduction methodology.

Because forward-looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements, including but not limited to:

- impacts from the global outbreak of COVID-19, including on consumption, usage and collections
- the diversion of our management's time and resources caused by the integration efforts with respect to the Peoples Gas business and associated system implementations;
- the success in the closing of, and the profitability of future acquisitions;
- changes in general economic, business, credit and financial market conditions;
- our ability to manage the expansion of our business, including our ability to manage our expanded operations resulting from the Peoples Gas Acquisition;
- our ability to integrate and otherwise realize all of the anticipated benefits of businesses, technologies or services which we may acquire;
- changes in environmental conditions, including the effects of climate change;
- the decisions of governmental and regulatory bodies, including decisions on regulatory filings, including rate increase requests and decisions regarding potential acquisitions;
- our ability to file rate cases on a timely basis to minimize regulatory lag;
- abnormal weather conditions, including those that result in water availability, water use restrictions, gas availability or usage, or electricity interruptions;
- the seasonality of our business;
- our ability to treat and supply water or collect and treat wastewater;
- our ability to source sufficient natural gas to meet customer demand in a timely manner;
- the continuous and reliable operation of our information technology systems, including the impact of cyber security attacks or other cyber-related events;
- changes in governmental laws, regulations and policies, including those dealing with taxation, the environment, health and water quality, and public utility regulation;
- the extent to which we are able to develop and market new and improved services;
- the effect of the loss of major customers;
- our ability to retain the services of key personnel and to hire qualified personnel as we expand;
- labor disputes;
- increasing difficulties in obtaining insurance and increased cost of insurance;
- cost overruns relating to improvements to, or the expansion of, our operations;
- increases in the costs of goods and services;
- the effect of natural gas price volatility;
- civil disturbance or terroristic threats or acts;
- changes to the rules or our assumptions underlying our determination of what qualifies for an income tax deduction for qualifying utility asset improvements;
- changes in, or unanticipated, capital requirements;
- changes in our credit rating or the market price of our common stock;

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- changes in valuation of strategic ventures;
- the phase-out of the London Interbank Offered Rate ("LIBOR"), or the replacement of LIBOR with a different reference rate or modification of the method used to calculate LIBOR, which may adversely affect interest rates;
- changes in accounting pronouncements;
- litigation and claims; and
- restrictions on our subsidiaries' ability to make dividends and other distributions.

Given these risks and uncertainties, you should not place undue reliance on any forward-looking statements. You should read this prospectus and the documents that we incorporate by reference into this prospectus completely and with the understanding that our actual results, performance and achievements may be materially different from what we expect. These forward-looking statements represent assumptions, expectations, plans and beliefs only as of the date of this prospectus, the date of the document containing the applicable statement or the date specified in such statement, as applicable. Except for our ongoing obligations to disclose certain information under the federal securities laws, we are not obligated, and assume no obligation, to update these forward-looking statements, even though our situation may change in the future. For further information or other factors which could affect our financial results and such forward-looking statements, see "Risk Factors." We qualify all of our forward-looking statements by these cautionary statements.

### ESSENTIAL UTILITIES, INC.

Essential Utilities, Inc. is a Pennsylvania corporation and the holding company for regulated utilities providing water, wastewater, or natural gas services to an estimated five million people in Pennsylvania, Ohio, Texas, Illinois, North Carolina, New Jersey, Indiana, Virginia, West Virginia, and Kentucky under the Aqua and Peoples brands. Essential Utilities, which prior to its name change on February 3, 2020 was known as Aqua America, Inc., was formed in 1968 as a holding company for its primary subsidiary, Aqua Pennsylvania, formerly known as Philadelphia Suburban Water Company.

Our principal executive office is located at 762 W. Lancaster Avenue, Bryn Mawr, Pennsylvania 19010-3489, and our telephone number is 610-527-8000. Our website may be accessed at www.essential.co. The references to our website and the SEC's website are intended to be inactive textual references only, and the contents of those websites are not incorporated by reference herein and should not be considered part of this prospectus.

#### **RISK FACTORS**

Investing in our securities involves risks. Please see the risk factors described under the section captioned "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2020, as such risk factors may be updated from time to time in filings we make with the SEC subsequent to the date hereof. Before making an investment decision, you should carefully consider these risk factors, together with all other information contained in or incorporated by reference into this prospectus or any applicable prospectus supplement (which includes information contained in certain filings we make with the SEC subsequent to the date hereof as set forth in the section below captioned "Where You Can Find More Information"). Please also refer to the section above captioned "Forward-Looking Statements."

#### **USE OF PROCEEDS**

Unless we otherwise specify in the applicable prospectus supplement, we intend to use the net proceeds from the sale of the securities we may offer by this prospectus to fund our capital expenditures, to provide capital for our growth strategy, which includes potential future acquisitions of municipally owned and investor-owned water and wastewater systems, regulated utilities and infrastructure projects, and market-based activities complementary to our regulated business, to fund the integration of any businesses that we acquire into our existing business, and to purchase and maintain plant equipment, as well as for working capital and other general corporate purposes. Our management will have broad discretion in the allocation of net proceeds from the sale of any securities sold by us.

#### **DESCRIPTION OF CAPITAL STOCK**

As of April 9, 2021, our authorized capital stock was 601,770,819 shares, consisting of:

- 600,000,000 shares of common stock, par value \$0.50 per share, of which 245,636,516 shares were outstanding; and
- 1,770,819 shares of preferred stock, par value \$1.00 per share, of which no shares were outstanding.

The following summary of certain terms of our common stock and preferred stock is qualified in its entirety by the provisions of our Amended and Restated Articles of Incorporation and Amended and Restated Bylaws, each of which is incorporated by reference as an exhibit to the registration statement of which this prospectus constitutes a part.

#### **Common Stock**

This section describes the general terms of our common stock. For more detailed information, you should refer to our articles of incorporation and bylaws, including any amendments thereto, copies of which have been filed with the SEC. These documents are incorporated by reference into this prospectus.

Voting Rights

Holders of our common stock are entitled to one vote for each share held by them at all meetings of the shareholders and are not entitled to cumulate their votes for the election of directors.

### Dividend Rights and Limitations

Holders of our common stock may receive dividends when declared by our board of directors. Because we are a holding company, the funds we use to pay any dividends on our common stock are derived predominantly from the dividends that we receive from our direct and indirect subsidiaries. Therefore, our ability to pay dividends to holders of our common stock depends upon the subsidiaries' earnings, financial condition and ability to pay dividends. Most of our subsidiaries are subject to regulation by state utility commissions and the amounts of their earnings and dividends are affected by the manner in which they are regulated. In addition, they are subject to restrictions on the payment of dividends contained in their various debt agreements. Under the most restrictive debt agreements, the amount available for payment of dividends to us as of December 31, 2020 was approximately \$1,729,269,000 of Aqua Pennsylvania's retained earnings and \$276,283,000 of the retained earnings of certain other subsidiaries. Payment of dividends on common stock is also subject to the preferential rights of the holders of any outstanding preferred stock.

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#### Liquidation Rights

In the event that we liquidate, dissolve or wind-up, the holders of our common stock are entitled to share ratably in all of the assets that remain after we pay our liabilities. This right is subject, however, to the prior distribution rights of any outstanding preferred stock.

#### Listing

Our common stock is listed on the New York Stock Exchange, or NYSE, under the symbol "WTRG."

#### Preferred Stock

Our board of directors has the authority, from time to time and without further action by our shareholders, to divide our unissued capital stock into one or more classes and one or more series within any class and to make determinations of the designation and number of shares of any class or series and determinations of the voting rights, preferences, limitations and special rights of different classes of capital stock may differ with respect to dividend rates, amounts payable on liquidation, voting rights, conversion rights, redemption provisions, sinking fund provisions and other matters. The rights, preferences, privileges and restrictions of each series may be fixed by the designations of that series set forth in either a restated version of our articles of incorporation or a certificate of designations relating to that series, which will be filed with the SEC as an exhibit to or incorporated by reference in the registration statement of which this prospectus constitutes a part.

The issuance of preferred stock may be perceived by some as possibly having the effect of delaying, deferring or preventing a change of control of us without further action by our shareholders. The issuance of preferred stock with voting and conversion rights may also adversely affect the voting power of the holders of our common stock. In certain circumstances, an issuance of preferred stock could possibly have the effect of decreasing the market price of our common stock.

Whenever preferred stock is to be sold pursuant to this prospectus, we will file a prospectus supplement relating to that sale which will specify:

- the number of shares in the series of preferred stock;
- the designation for the series of preferred stock by number, letter or title that will distinguish the series from any other series of preferred stock;
- the dividend rate, if any, and whether dividends on that series of preferred stock will be cumulative, noncumulative or partially cumulative:
- the voting rights of that series of preferred stock, if any;
- any conversion provisions applicable to that series of preferred stock;
- any redemption or sinking fund provisions applicable to that series of preferred stock;
- any preemptive rights provisions applicable to that series of preferred stock;
- the liquidation preference per share of that series of preferred stock; and
- the terms of any other preferences or rights, if any, applicable to that series of preferred stock.

#### **Anti-Takeover Provisions**

Pennsylvania State Law Provisions

Under Section 1712 of the Pennsylvania Business Corporation Law of 1988, as amended, or the PBCL, which is applicable to us, directors stand in a fiduciary relation to their corporation and, as such, are required to perform their duties in good faith, in a manner they reasonably believe to be in the best interests of the

corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. Under Section 1715 of the PBCL, in discharging their duties, directors may, in considering the best interests of their corporation, consider various constituencies, including, shareholders, employees, suppliers, customers and creditors of the corporation, and upon communities in which offices or other establishments of the corporation are located. Directors are not required to give prominent consideration to the interests of any particular constituency. Absent a breach of fiduciary duty, a lack of good faith or self-dealing, any act of the board of directors, a committee thereof or an individual director is presumed to be in the best interests of the corporation. Actions by directors relating to an acquisition or potential acquisition of control of the corporation are not subject to any greater obligation to justify, or higher burden of proof, than is applied to any other acts of directors. The PBCL expressly provides that the fiduciary duty of directors does not require them to (i) redeem or otherwise render inapplicable outstanding rights issued under any shareholder rights plan; (ii) render inapplicable the anti-takeover statutes set forth in Chapter 25 of the PBCL (described below); or (iii) take any action solely because of the effect it may have on a proposed acquisition or the consideration to be received by shareholders in such a transaction. In addition, Section 2513 of the PBCL specifically validates shareholder rights plans, or "poison pills," and the discriminatory dilution provisions contained in such plans.

Chapter 25 of the PBCL contains several anti-takeover statutes applicable to publicly-traded corporations. Corporations may opt-out of such anti-takeover statutes under certain circumstances. We have not opted-out of any of such statutes.

Section 2538 of Subchapter 25D of the PBCL requires certain transactions with an "interested shareholder" to be approved by a majority of disinterested shareholders. "Interested shareholder" is defined broadly to include any shareholder who is a party to the transaction or who is treated differently than other shareholders and affiliates of the interested shareholder.

Subchapter 25E of the PBCL requires a person or group of persons acting in concert which acquires 20% or more of the voting shares of the corporation to offer to purchase the shares of any other shareholder at "fair value." "Fair value" means the value not less than the highest price paid per share by the controlling person or group during the 90-day period prior to the control transaction, plus a control premium. Among other exceptions, Subchapter 25E does not apply to shares acquired directly from the corporation in a transaction exempt from the registration requirements of the Securities Act, or to a one-step merger.

Subchapter 25F of the PBCL generally establishes a 5-year moratorium on a "business combination" with an "interested shareholder." "Interested shareholder" is defined generally to be any beneficial owner of 20% or more of the corporation's voting stock or an affiliate or associate of the corporation that at any time within the prior five-year period was a beneficial owner of 20% or more of the corporation's voting stock. "Business combination" is defined broadly to include mergers, consolidations, asset sales and certain self-dealing transactions. Certain restrictions apply to business combination following the 5-year period. Among other exceptions, Subchapter 25F will be rendered inapplicable if the board of directors approves the proposed business combination, or approves the interested shareholder's acquisition of 20% of the voting shares, in either case prior to the date on which the shareholder first becomes an interested shareholder.

Subchapter 25G of the PBCL provides that "control shares" lose voting rights unless such rights are restored by the affirmative vote of a majority of (i) the disinterested shares (generally, shares held by persons other than the acquiror, executive officers of the corporation and certain employee stock plans) and (ii) the outstanding voting shares of the corporation. "Control shares" are defined as shares which, upon acquisition, will result in a person or group acquiring for the first time voting control over (a) 20%, (b) 33 1/3% or (c) 50% or more of the outstanding shares, together with shares acquired within 180 days of attaining the applicable threshold and shares purchased with the intention of attaining such threshold. A corporation may redeem control shares if the acquiring person does not request restoration of voting rights as permitted by Subchapter 25G. Among other exceptions, Subchapter 25G does not apply to a merger, consolidation or a share exchange if the corporation is a party to the transaction agreement.

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Subchapter 25H of the PBCL provides in certain circumstances for the recovery by the corporation of profits realized from the sale of its stock by a controlling person or group if the sale occurs within 18 months after the controlling person or group became a controlling person or group, and the stock was acquired during such 18-month period or within 24 months before such period. A controlling person or group is a person or group that has acquired, offered to acquire, or publicly disclosed an intention to acquire 20% or more of the voting shares of the corporation or a person or group that has otherwise publicly disclosed or caused to be disclosed that it may seek to acquire control of the corporation through any means. Among other exceptions, Subchapter 25H does not apply to transactions approved by both the board of directors and the shareholders prior to the acquisition or distribution, as appropriate.

Subchapter 25I of the PBCL mandates severance compensation for eligible employees who are terminated within 24 months after the approval of a control-share acquisition. Eligible employees generally are all employees employed in Pennsylvania for at least two years prior to the control-share approval. Severance equals the weekly compensation of the employee multiplied by the employee's years of service (up to 26 years), less payments made due to the termination.

Subchapter 25J of the PBCL requires the continuation of certain labor contracts relating to business operations owned at the time of a control-share approval.

Articles of Incorporation and Bylaw Provisions

Certain provisions of our articles of incorporation and bylaws may have the effect of discouraging unilateral tender offers or other attempts to take over and acquire our business. These provisions might discourage some potentially interested purchaser from attempting a unilateral takeover bid for us on terms which some shareholders might favor. Our articles of incorporation require that certain fundamental transactions must be approved by the holders of 75% of the outstanding shares of our capital stock entitled to vote on the matter unless at least a majority of the members of the board of directors has approved the transaction, in which case the required shareholder approval will be the minimum approval required by applicable law. The fundamental transactions that are subject to this provision are those transactions that require approval by shareholders under applicable law or the articles of incorporation. These transactions include certain amendments of our articles of incorporation or bylaws, certain sales or other dispositions of our assets, certain issuances of our capital stock, or certain transactions involving our merger, consolidation, division, reorganization, dissolution, liquidation or winding up. Our articles of incorporation and bylaws provide that:

- a special meeting of shareholders may only be called by the chairman, the president, the board of directors or shareholders entitled to cast a majority of the votes which all shareholders are entitled to cast at the particular meeting;
- nominations for election of directors may be made by any shareholder entitled to vote for election of directors if the name of the nominee and certain information relating to the nominee is filed with our corporate secretary not less than 14 days nor more than 50 days before any meeting of shareholders to elect directors; and
- certain advance notice procedures must be met for shareholder proposals to be made at annual meetings of shareholders. These advance notice procedures generally require a notice to be delivered not less than 90 days nor more than 120 days before the anniversary date of the immediately preceding annual meeting of shareholders.

### **Transfer Agent and Registrar**

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

#### DESCRIPTION OF COMMON STOCK PURCHASE CONTRACTS

We may issue stock purchase contracts, representing contracts entitling or obligating holders to purchase from us, and us to sell to the holders, a specified number of shares or amount of common stock at a future date or dates. The price per share of common stock may be fixed at the time each contract is issued or may be determined by reference to a specific formula set forth in the contract. Each common stock purchase contract may be issued separately or as a part of a unit, each consisting of a common stock purchase contract and, as security for the holder's obligation to purchase the common stock under the contract, the following:

- our senior debt securities or subordinated debt securities described under "Description of Debt Securities;"
- debt obligations of third parties, including U.S. Treasury securities;
- any other asset as security described in the applicable prospectus supplement; or
- any combination of the foregoing.

Each common stock purchase contract may require us to make periodic payments to the holder of the unit or vice versa, and such payments may be unsecured or prefunded on some basis discussed in the applicable prospectus supplement. Each common stock purchase contract may require holders to secure their obligations thereunder in a specified manner and, in certain circumstances, we may deliver a newly issued prepaid common stock purchase contract, which is referred to as a "prepaid security," upon release to a holder of any collateral securing such holder's obligations under the original contract.

The applicable prospectus supplement will describe the terms of any common stock purchase contract and, if applicable, prepaid security. The description in the prospectus supplement will not purport to be complete and will be qualified in its entirety by reference to the contracts, the collateral arrangements and depositary arrangements, if applicable, relating to such contracts and, if applicable, the prepaid securities and the documents pursuant to which such prepaid securities will be issued. The applicable prospectus supplement will also describe the material United States federal income tax considerations applicable to the common stock purchase contracts.

#### **DESCRIPTION OF WARRANTS**

#### General

The following summary of certain provisions of the warrants does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the warrant agreement that will be filed with the SEC in connection with the offering of such warrants.

We may issue warrants for the purchase of debt securities, preferred stock or common stock. Warrants may be issued independently or together with debt securities, preferred stock or common stock offered by any prospectus supplement and may be attached to or separate from any such offered securities. Each series of warrants will be issued under a separate warrant agreement to be entered into between the Company and a bank or trust company, as warrant agent. The warrant agent will act solely as the Company's agent in connection with the warrants and will not assume any obligation or relationship of agency or trust for or with any holders or beneficial owners of warrants.

#### **Debt Warrants**

The prospectus supplement relating to a particular issue of debt warrants will describe the terms of such debt warrants, including the following: (a) the title of such debt warrants; (b) the offering price for such debt warrants, if any; (c) the aggregate number of such debt warrants; (d) the designation and terms of the debt securities purchasable upon exercise of such debt warrants; (e) if applicable, the designation and terms of the debt securities with which such debt warrants are issued and the number of such debt warrants issued with each

such debt security; (f) if applicable, the date from and after which such debt warrants and any debt securities issued therewith will be separately transferable; (g) the principal amount of debt securities purchasable upon exercise of a debt warrant and the price at which such principal amount of debt securities may be purchased upon exercise (which price may be payable in cash, securities, or other property); (h) the date on which the right to exercise such debt warrants shall commence and the date on which such right shall expire; (i) if applicable, the minimum or maximum amount of such debt warrants that may be exercised at any one time; (j) whether the debt warrants represented by the debt warrant certificates or debt securities that may be issued upon exercise of the debt warrants will be issued in registered or bearer form; (k) information with respect to book-entry procedures, if any; (1) the currency or currency units in which the offering price, if any, and the exercise price are payable; (m) if applicable, a discussion of material United States federal income tax considerations; (n) the anti-dilution provisions of such debt warrants, if any; (o) the redemption or call provisions, if any, applicable to such debt warrants; (p) any provisions for changes to or adjustments in the exercise price for the debt warrants and (q) any additional terms of such debt warrants, including terms, procedures, and limitations relating to the exchange and exercise of such debt warrants.

#### **Stock Warrants**

The prospectus supplement relating to any particular issue of preferred stock warrants or common stock warrants will describe the terms of such warrants, including the following: (a) the title of such warrants; (b) the offering price for such warrants, if any; (c) the aggregate number of such warrants; (d) the designation and terms of the common stock or preferred stock purchasable upon exercise of such warrants issued with each such offered security; (f) if applicable, the date from and after which such warrants and any offered securities issued therewith will be separately transferable; (g) the number of shares of common stock or preferred stock purchasable upon exercise of a warrant and the price at which such shares may be purchased upon exercise; (h) the date on which the right to exercise such warrants shall commence and the date on which such right shall expire; (i) if applicable, the minimum or maximum amount of such warrants that may be exercised at any one time; (j) the currency or currency units in which the offering price, if any, and the exercise price are payable, (k) if applicable, a discussion of material United States federal income tax considerations; (l) the anti-dilution provisions of such warrants, if any; (m) the redemption or call provisions, if any, applicable to such warrants; (m) any provisions for changes to or adjustments in the exercise price for the stock warrants and (n) any additional terms of such warrants, including terms, procedures and limitations relating to the exchange and exercise of such warrants.

## **DESCRIPTION OF UNITS**

We may, from time to time, issue units comprised of one or more of the other securities that may be offered under this prospectus, in any combination. Each unit will be issued so that the holder of the unit is also the holder of each security included in the unit. Thus, the holder of a unit will have the rights and obligations of a holder of each included security. The unit agreement under which a unit is issued may provide that the securities included in the unit may not be held or transferred separately at any time, or at any time before a specified date.

The applicable prospectus supplement will describe the terms of any unit. The description in the prospectus supplement will not purport to be complete and will be qualified in its entirety by reference to units, the collateral arrangements and depositary arrangements, if applicable, relating to such units and, if applicable, the prepaid securities and the documents pursuant to which such prepaid securities will be issued. The applicable prospectus supplement will also describe the material United States federal income tax considerations applicable to the units.

#### **DESCRIPTION OF DEPOSITORY SHARES**

We may, at our option, offer fractional shares of our preferred stock, rather than whole shares of our preferred stock. In the event we do so, we will issue receipts for depositary shares, each of which will represent a fraction (to be set forth in the prospectus supplement relating to offering of the depositary shares) of a share of the related series of preferred stock.

The shares of our preferred stock represented by depositary shares will be deposited under a deposit agreement between us and a bank or trust company selected by us having its principal office in the United States and that meets certain other requirements. Subject to the terms of the deposit agreement, each owner of a depositary share will be entitled, in proportion to the applicable fraction of a share of preferred stock, represented by the depositary share to all of the rights and preferences of the preferred stock represented by the depositary shares (including dividend, voting, redemption, conversion and liquidation rights).

The above description of depositary shares is only a summary, is not complete and is subject to, and is qualified in its entirety by the description in the applicable prospectus supplement and the provisions of the deposit agreement, which will contain the form of depository receipt. A copy of the deposit agreement will be filed with the SEC as an exhibit to or incorporated by reference in the registration statement of which this prospectus is a part.

## **DESCRIPTION OF DEBT SECURITIES**

Please note that in this section entitled "Description of Debt Securities," references to "we," "us," "ours" or "our" refer only to Essential Utilities, Inc. and not to its consolidated subsidiaries. Also, in this section, references to "holders" mean those who own debt securities registered in their own names, on the books that we maintain or the trustee maintains for this purpose, and not those who own beneficial interests in debt securities registered in street name or in debt securities issued in book-entry form through one or more depositaries. Owners of beneficial interests in the debt securities should read the section below entitled "Book-Entry Procedures and Settlement."

#### General

The debt securities offered by this prospectus will be our unsecured obligations, except as otherwise set forth in an accompanying prospectus supplement, and will be either senior or subordinated debt. We will issue senior debt securities under an Indenture dated as of April 23, 2019, as amended and supplemented by the First Supplemental Indenture, dated as of April 23, 2019, each between the Company and U.S. Bank, N.A., as trustee (as amended, the "senior debt indenture"). We will issue subordinated debt under a subordinated debt indenture. We sometimes refer to the senior debt indenture and the subordinated debt indenture, individually, as an indenture and, collectively, as the indentures. We have filed the senior debt indenture and a form of the subordinated debt indenture with the SEC as exhibits to the registration statement of which this prospectus forms a part. You can obtain copies of the indentures by following the directions outlined in "Where You Can Find More Information," or by contacting the applicable indenture trustee.

A form of each debt security, reflecting the particular terms and provisions of a series of offered debt securities, will be filed with the SEC at the time of the offering and incorporated by reference as exhibits to the registration statement of which this prospectus forms a part.

The following briefly summarizes certain material provisions that may be included in the indentures. Other terms, including pricing and related terms, will be disclosed for a particular issuance in an accompanying prospectus supplement. You should read the more detailed provisions of the applicable indenture, including the defined terms, for provisions that may be important to you. You should also read the particular terms of a series of debt securities, which will be described in more detail in an accompanying prospectus supplement. So that you may easily locate the more detailed provisions, the numbers in parentheses below refer to sections

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in the applicable indenture or, if no indenture is specified, to sections in each of the indentures. Wherever particular sections or defined terms of the applicable indenture are referred to, such sections or defined terms are incorporated into this prospectus by reference, and the statement in this prospectus is qualified by that reference.

The trustee under each indenture will be determined at the time of issuance of debt securities, and the name of the trustee will be provided in an accompanying prospectus supplement.

The indentures provide that our senior or subordinated debt securities may be issued in one or more series, with different terms, in each case as we authorize from time to time. We also have the right to "reopen" a previous issue of a series of debt securities by issuing additional debt securities of such series without the consent of the holders of debt securities of the series being reopened or any other series. Any additional debt securities of the series being reopened will have the same ranking, interest rate, maturity and other terms as the previously issued debt securities of that series. These additional debt securities, together with the previously issued debt securities of that series, will constitute a single series of debt securities under the terms of the applicable indenture.

## **Types of Debt Securities**

We may issue fixed or floating rate debt securities. Fixed rate debt securities will bear interest at a fixed rate described in the prospectus supplement. This type includes zero coupon debt securities, which bear no interest and are often issued at a price lower than the principal amount. United States federal income tax consequences and other special considerations applicable to any debt securities issued at a discount will be described in the applicable prospectus supplement.

Upon the request of the holder of any floating rate debt security, the calculation agent will provide the interest rate then in effect for that debt security, and, if determined, the interest rate that will become effective on the next interest reset date. The calculation agent's determination of any interest rate, and its calculation of the amount of interest for any interest period, will be final and binding in the absence of manifest error.

All percentages resulting from any interest rate calculation relating to a debt security will be rounded upward or downward, as appropriate, to the next higher or lower one hundred-thousandth of a percentage point.

All amounts used in or resulting from any calculation relating to a debt security will be rounded upward or downward, as appropriate, to the nearest cent, in the case of U.S. dollars, or to the nearest corresponding hundredth of a unit, in the case of a currency other than U.S. dollars, with one-half cent or one-half of a corresponding hundredth of a unit or more being rounded upward.

In determining the base rate that applies to a floating rate debt security during a particular interest period, the calculation agent may obtain rate quotes from various banks or dealers active in the relevant market, as described in the prospectus supplement. Those reference banks and dealers may include the calculation agent itself and its affiliates, as well as any underwriter, dealer or agent participating in the distribution of the relevant floating rate debt securities and its affiliates.

## **Information in the Prospectus Supplement**

The prospectus supplement for any offered series of debt securities will describe the following terms, as applicable:

- the title;
- whether the debt is senior or subordinated;
- whether the debt securities are secured or unsecured and, if secured, the collateral securing the debt;
- the total principal amount offered;

- the percentage of the principal amount at which the debt securities will be sold and, if applicable, the method of determining the price;
- the maturity date or dates;
- whether the debt securities are fixed rate debt securities or floating rate debt securities;
- if the debt securities are fixed rate debt securities, the yearly rate at which the debt security will bear interest, if any, and the interest payment dates;
- if the debt security is an original issue discount debt security, the yield to maturity;
- if the debt securities are floating rate debt securities, the interest rate basis; any applicable index currency or maturity, spread or spread multiplier or initial, maximum or minimum rate; the interest reset, determination, calculation and payment dates, and the day count used to calculate interest payments for any period;
- the date or dates from which any interest will accrue, or how such date or dates will be determined, and the interest payment dates and any related record dates;
- if other than in U.S. dollars, the currency or currency unit in which payment will be made;
- the denominations in which the currency or currency unit of the securities will be issuable if other than denominations of \$1,000 and integral multiples thereof;
- the terms and conditions on which the debt securities may be redeemed at our option;
- any obligation we may have to redeem, purchase or repay the debt securities at the option of a holder upon the happening of any event and the terms and conditions of redemption, purchase or repayment;
- the names and duties of the trustee and any co-trustees, depositaries, authenticating agents, calculation agents, paying agents, transfer agents or registrars for the debt securities;
- any material provisions of the applicable indenture described in this prospectus that do not apply to the debt securities;
- a discussion of United States federal income tax, accounting and special considerations, procedures and limitations with respect to the debt securities;
- whether and under what circumstances we will pay additional amounts to holders in respect of any tax assessment or government charge, and, if so, whether we will have the option to redeem the debt securities rather than pay such additional amounts; and
- any other specific terms of the debt securities that are consistent with the provisions of the indenture.

The terms on which a series of debt securities may be convertible into or exchangeable for other of our securities or any other entity will be set forth in the prospectus supplement relating to such series. Such terms will include provisions as to whether conversion or exchange is mandatory, at the option of the holder or at our option. The terms may include provisions pursuant to which the number of other securities to be received by the holders of such series of debt securities may be adjusted.

We will issue the debt securities only in registered form. As currently anticipated, debt securities of a series will trade in book-entry form, and global notes will be issued in physical (paper) form, as described below under "Book-Entry Procedures and Settlement." Unless otherwise provided in the accompanying prospectus supplement, we will issue debt securities denominated in U.S. dollars and only in denominations of \$1,000 and integral multiples thereof.

The prospectus supplement relating to offered debt securities denominated in a foreign or composite currency will specify the denomination of the offered debt securities.

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The debt securities may be presented for exchange, and debt securities other than a global security may be presented for registration of transfer, at the principal corporate trust office of the trustee named in the applicable prospectus supplement. Holders will not have to pay any service charge for any registration of transfer or exchange of debt securities, but we may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection with such registration of transfer (Section 3.05).

## **Payment and Paying Agents**

Distributions on the debt securities other than those represented by global notes will be made in the designated currency against surrender of the debt securities at the principal corporate trust office of the trustee named in the applicable prospectus supplement. Payment will be made to the registered holder at the close of business on the record date for such payment. Interest payments will be made at the principal corporate trust office of the trustee named in the applicable prospectus supplement, or by a check mailed to the holder at his registered address. Payments in any other manner will be specified in the applicable prospectus supplement.

#### **Calculation Agents**

Calculations relating to floating rate debt securities and indexed debt securities will be made by the calculation agent, an institution that we appoint as our agent for this purpose. We may appoint one of our affiliates as calculation agent. We may appoint a different institution to serve as calculation agent from time to time after the original issue date of the debt security without your consent and without notifying you of the change. The initial calculation agent will be identified in the applicable prospectus supplement.

#### **Senior Debt**

We may issue senior debt securities under the senior debt indenture. Senior debt will constitute our unsecured and unsubordinated obligations and will rank on a basis equal in priority with all our other unsecured and unsubordinated debt.

#### **Subordinated Debt**

We may issue subordinated debt securities under the subordinated debt indenture. Subordinated debt will constitute our unsecured and subordinated obligations and will be junior in right of payment to our senior debt (including senior debt securities), which is defined as "senior indebtedness" in the subordinated debt indenture (Section 16.01 of the subordinated debt indenture).

If we default in the payment of any principal of, or premium, if any, or interest on any senior debt when it becomes due and payable after any applicable grace period, then, unless and until the default is cured or waived or ceases to exist, we cannot make a payment on account of or redeem or otherwise acquire the subordinated debt securities (Section 16.04 of the subordinated debt indenture).

If there is any insolvency, bankruptcy, liquidation or other similar proceeding relating to us or our property, then all senior debt must be paid in full before any payment may be made to any holders of subordinated debt securities (Section 16.02 of the subordinated debt indenture).

Furthermore, if we default in the payment of the principal of and accrued interest on any subordinated debt securities that is declared due and payable upon an event of default under the subordinated debt indenture, holders of all our senior debt will first be entitled to receive payment in full in cash before holders of such subordinated debt can receive any payments (Section 16.03 of the subordinated debt indenture).

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Except as may be otherwise set forth in an accompanying prospectus supplement, senior debt means:

- the principal, premium, if any, and interest in respect of indebtedness for money borrowed and indebtedness evidenced by securities, notes, debentures, bonds or other similar instruments issued, including, as to us, the senior debt securities;
- all capitalized lease obligations;
- all obligations representing the deferred purchase price of property; and
- all deferrals, renewals, extensions and refundings of obligations of the type referred to above (Section 1.01 of the subordinated debt indenture).

However, senior debt does not include:

- the subordinated debt securities (Section 16.01 of the subordinated debt indenture);
- any indebtedness that by its terms is subordinated to, or ranks in priority on an equal basis with, subordinated debt securities (Section 1.01 of the subordinated debt indenture); and
- items of indebtedness (other than capitalized lease obligations) that would not appear as liabilities on a balance sheet prepared in accordance with accounting principles generally accepted in the United States of America.

#### **Covenants**

The accompanying prospectus supplement will contain any covenants applicable to the debt securities.

## **Modification of the Indentures**

The indentures will provide that we and the relevant trustee may enter into supplemental indentures to establish the form and terms of any new series of debt securities without obtaining the consent of any holder of debt securities (Section 9.01).

We and the trustee may, with the consent of the holders of at least a majority in aggregate outstanding principal amount of the debt securities of a series, modify the applicable indenture or the rights of the holders of the securities of such series (Section 9.02).

No such modification may, without the consent of each holder of an affected security:

- extend the fixed maturity of any such security;
- reduce the rate or change the time of payment of interest on such security;
- reduce the principal amount of such securities or the premium, if any, on such security;
- change any obligation of ours to pay additional amounts with respect to such security;
- reduce the amount of the principal payable on acceleration of such security if issued originally at a discount;
- adversely affect the right of repayment or repurchase of such security at the option of the holder;
- reduce or postpone any sinking fund or similar provision with respect to such security;
- change the currency or currency unit in which such security is payable or the right of selection thereof;
- impair the right to sue for the enforcement of any payment with respect to such security on or after the maturity of such security;

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- reduce the percentage of the aggregate outstanding principal amount of debt securities of the series referred to above whose holders need to consent to the modification or a waiver without the consent of such holders; or
- change any obligation of ours with respect to such security to maintain an office or agency.

#### **Defaults**

Except as may be otherwise set forth in an accompanying prospectus supplement, each indenture will provide that events of default regarding any series of debt securities will be:

- our failure to pay for 30 days required interest on any debt security of such series;
- our failure to pay principal or premium, if any, on any debt security of such series when due;
- our failure to make any required scheduled installment payment for 30 days on debt securities of such series;
- our failure to perform for 90 days after notice any other covenant in the relevant indenture other than a covenant included in the relevant indenture solely for the benefit of a series of debt securities other than such series; and
- certain events of bankruptcy or insolvency, whether voluntary or not (Section 5.01).

Except as may be otherwise set forth in an accompanying prospectus supplement, if an event of default regarding debt securities of any series issued under the indentures should occur and be continuing, either the trustee or the holders of 25% in the principal amount of outstanding debt securities of such series may declare each debt security of that series due and payable (Section 5.02). We may be required to file annually with the trustee a statement of an officer as to the fulfillment by us of our obligations under the indenture during the preceding year.

No event of default regarding one series of debt securities issued under an indenture is necessarily an event of default regarding any other series of debt securities.

Holders of a majority in aggregate principal amount of the outstanding debt securities of any series will be entitled to control certain actions of the trustee under the indentures and to waive past defaults regarding such series (Sections 5.12 and 5.13). The holders of debt securities generally will not be able to require the trustee to take any action, unless one or more of such holders provides to the trustee reasonable security or indemnity (Section 6.02).

If an event of default occurs and is continuing regarding a series of debt securities, the trustee may use any sums that it holds under the relevant indenture for its own reasonable compensation and expenses incurred prior to paying the holders of debt securities of such series (Section 5.06).

Before any holder of any series of debt securities may institute action for any remedy, except payment on such holder's debt security when due, the holders of not less than 25% in principal amount of the debt securities of that series outstanding must request the trustee to take action. Holders must also offer and give the satisfactory security and indemnity against liabilities incurred by the trustee for taking such action (Section 5.07).

## **Defeasance**

Except as may otherwise be set forth in an accompanying prospectus supplement, after we have deposited with the trustee, cash or government securities, in trust for the benefit of the holders sufficient to pay the principal of, premium, if any, and interest on the debt securities of such series when due, and satisfied certain other conditions, including receipt of an opinion of counsel that holders will not recognize taxable gain or loss for United States federal income tax purposes, then:

- we will be deemed to have paid and satisfied our obligations on all outstanding debt securities of such series, which is known as defeasance and discharge (Section 14.02); or
- we will cease to be under any obligation, other than to pay when due the principal of, premium, if any, and interest on such debt securities, relating to the debt securities of such series, which is known as covenant defeasance (Section 14.03).

When there is a defeasance and discharge, the applicable indenture will no longer govern the debt securities of such series, we will no longer be liable for payments required by the terms of the debt securities of such series and the holders of such debt securities will be entitled only to the deposited funds. When there is a covenant defeasance, however, we will continue to be obligated to make payments when due if the deposited funds are not sufficient.

## **Governing Law**

Unless otherwise stated in the prospectus supplement, the debt securities and the indentures will be governed by New York law (Section 1.12).

## **Concerning the Trustee Under the Indentures**

We may have banking and other business relationships with the trustee named in the prospectus supplement, or any subsequent trustee, in the ordinary course of business.

## Form, Exchange and Transfer

We will issue debt securities only in registered form; no debt securities will be issued in bearer form (Section 2.03). We will issue each debt security in book-entry form only, unless otherwise specified in the applicable prospectus supplement. We will issue any common stock issuable upon conversion of any debt security being offered in both certificated and book-entry form, unless otherwise specified in the applicable prospectus supplement. Debt securities in book-entry form will be represented by a global security registered in the name of a depositary, which will be the holder of all the debt securities represented by the global security (Section 2.04). Those who own beneficial interests in a global security will do so through participants in the depositary's system, and the rights of these indirect owners will be governed solely by the applicable procedures of the depositary and its participants. Only the depositary will be entitled to transfer or exchange a debt security in global form, since it will be the sole holder of the debt security (Section 3.05). These bookentry securities are described below under "Book-Entry Procedures and Settlement."

If any debt securities are issued in non-global form or cease to be book-entry securities (in the circumstances described in the next section), the following will apply to them:

• The debt securities will be issued in fully registered form in denominations stated in the prospectus supplement. You may exchange debt securities for debt securities of the same series in smaller denominations or combined into fewer debt securities of the same series of larger denominations, as long as the total amount is not changed (Section 3.05).

- You may exchange, transfer, present for payment or exercise debt securities at the office of the relevant trustee or agent indicated in the prospectus supplement (Section 3.05). You may also replace lost, stolen, destroyed or mutilated debt securities at that office. We may appoint another entity to perform these functions or may perform them (Section 3.06).
- You will not be required to pay a service charge to transfer or exchange the debt securities, but you may be required to pay any tax or other governmental charge associated with the transfer or exchange (Sections 3.05 and 3.06). The transfer or exchange, and any replacement, will be made only if our transfer agent is satisfied with your proof of legal ownership. The transfer agent may also require an indemnity before replacing any debt securities (Section 3.06).
- If we have the right to redeem, accelerate or settle any debt securities before their maturity or expiration, and we exercise that right as to less than all those debt securities, we may block the transfer or exchange of those debt securities during the period beginning 15 days before the day we mail the notice of exercise and ending on the day of that mailing, in order to freeze the list of holders to prepare the mailing. We may also refuse to register transfers of or exchange any debt security selected for early settlement, except that we will continue to permit transfers and exchanges of the unsettled portion of any debt security being partially settled (Section 3.05).
- If fewer than all of the debt securities represented by a certificate that are payable or exercisable in part are presented for payment or exercise, a new certificate will be issued for the remaining amount of securities (Section 15.02).

## **Book-Entry Procedures and Settlement**

Most offered debt securities will be book-entry (global) securities. Upon issuance, all book-entry securities will be represented by one or more fully registered global securities, without coupons (Section 3.02). Each global security will be deposited with, or on behalf of, The Depository Trust Company, or DTC, a securities depository, and will be registered in the name of DTC or a nominee of DTC (Section 3.01). DTC will thus be the only registered holder of these debt securities.

Purchasers of debt securities may only hold interests in the global notes through DTC if they are participants in the DTC system. Purchasers may also hold interests through a securities intermediary—banks, brokerage houses and other institutions that maintain securities accounts for customers—that has an account with DTC or its nominee. DTC will maintain accounts showing the security holdings of its participants, and these participants will in turn maintain accounts showing the security holdings of their customers. Some of these customers may themselves be securities intermediaries holding securities for their customers. Thus, each beneficial owner of a book-entry security will hold that debt security indirectly through a hierarchy of intermediaries, with DTC at the top and the beneficial owner's own securities intermediary at the bottom.

The debt securities of each beneficial owner of a book-entry security will be evidenced solely by entries on the books of the beneficial owner's securities intermediary. The actual purchaser of the debt securities will generally not be entitled to have the debt securities represented by the global securities registered in its name and will not be considered the owner under the declaration. In most cases, a beneficial owner will also not be able to obtain a paper certificate evidencing the holder's ownership of debt securities. The book-entry system for holding securities eliminates the need for physical movement of certificates and is the system through which most publicly traded common stock is held in the United States. However, the laws of some jurisdictions require some purchasers of securities to take physical delivery of their securities in definitive form. These laws may impair the ability to transfer book-entry securities.

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A beneficial owner of book-entry securities represented by a global security may exchange the securities for definitive (paper) securities only if:

- DTC is unwilling or unable to continue as depositary for such global security and we do not appoint a qualified replacement for DTC within 90 days; or
- We in our sole discretion decide to allow some or all book-entry securities to be exchangeable for definitive securities in registered form (Section 3.05).

Unless we indicate otherwise, any global security that is exchangeable will be exchangeable in whole for definitive securities in registered form, with the same terms and of an equal aggregate principal amount. Definitive securities will be registered in the name or names of the person or persons specified by DTC in a written instruction to the registrar of the securities (Section 3.05). DTC may base its written instruction upon directions that it receives from its participants.

In this prospectus, for book-entry securities, references to actions taken by security holders will mean actions taken by DTC upon instructions from its participants, and references to payments and notices of redemption to security holders will mean payments and notices of redemption to DTC as the registered holder of the securities for distribution to participants in accordance with DTC's procedures.

DTC is a limited purpose trust company organized under the laws of the State of New York, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered under section 17A of the Securities Exchange Act. The rules applicable to DTC and its participants are on file with the SEC.

We will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interest in the book-entry securities or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests.

#### PLAN OF DISTRIBUTION

We may sell any of the securities being offered by this prospectus separately or together:

- through agents;
- to or through underwriters who may act directly or through a syndicate represented by one or more managing underwriters;
- through dealers;
- through a block trade in which the broker or dealer engaged to handle the block trade will attempt to sell the securities as agent, but may position and resell a portion of the block as principal to facilitate the transaction;
- through "at the market" offerings, within the meaning of Rule 415(a)(4) of the Securities Act, to or through a market maker or into an existing trading market on an exchange or otherwise;
- in exchange for our outstanding indebtedness;
- directly to purchasers, through a specific bidding, auction or other process; or
- through a combination of any of these methods of sale.

If the securities offered under this prospectus are issued in exchange for our outstanding securities, the applicable prospectus supplement will describe the terms of the exchange, and the identity and the terms of sale of the securities offered under this prospectus by the selling security holders.

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The distribution of securities may be effected from time to time in one or more transactions at a fixed price or prices that may be changed, at market prices prevailing at the time of sale or prices related to prevailing market prices or at negotiated prices.

Agents designated by us from time to time may solicit offers to purchase the securities. We will name any agent involved in the offer or sale of the securities and set forth any commissions payable by us to an agent in the prospectus supplement for that transaction. Unless otherwise indicated in the prospectus supplement, any agent will be acting on a best efforts basis for the period of its appointment. Any agent may be deemed to be an "underwriter" of the securities as that term is defined in the Securities Act.

If we utilize an underwriter or underwriters in the sale of securities, we will execute an underwriting agreement with the underwriter or underwriters at the time we reach an agreement for sale. We will set forth in the prospectus supplement the names of the specific managing underwriter or underwriters, as well as any other underwriters, and the terms of the transactions, including compensation of the underwriters and dealers. This compensation may be in the form of discounts, concessions or commissions. Underwriters and others participating in any offering of securities may engage in transactions that stabilize, maintain or otherwise affect the price of securities. We will describe any of these activities in the prospectus supplement.

If a dealer is utilized in the sale of the securities, we or an underwriter will sell securities to the dealer, as principal. The dealer may then resell the securities to the public at varying prices to be determined by the dealer at the time of resale. The prospectus supplement will set forth the name of the dealer and the terms of the transactions.

We may directly solicit offers to purchase the securities, and we may sell directly to institutional investors or others. These persons may be deemed to be underwriters within the meaning of the Securities Act with respect to any resale of the securities. The prospectus supplement will describe the terms of any direct sales, including the terms of any bidding or auction process, if utilized.

Agreements we enter into with agents, underwriters and dealers may entitle them to indemnification by us against specified liabilities, including liabilities under the Securities Act, or to contribution by us to payments they may be required to make in respect of these liabilities. The prospectus supplement will describe the terms and conditions of indemnification or contribution.

Certain of the agents, underwriters and dealers that we sell the securities offered under this prospectus to or through, and certain of their affiliates, engage in transactions with and perform services for us in the ordinary course of business. We may enter into hedging transactions in connection with any particular issue of the securities offered under this prospectus, including forwards, futures, options, interest rate or exchange rate swaps and repurchase or reverse repurchase transactions with, or arranged by, the applicable agent, underwriter or dealer, an affiliate of that agent, underwriter or dealer or an unrelated entity. We, the applicable agent, underwriter or dealer or other parties may receive compensation, trading gain or other benefits in connection with these transactions. We are not required to engage in any of these transactions. If we commence these transactions, we may discontinue them at any time. Counterparties to these hedging activities also may engage in market transactions involving the securities offered under this prospectus.

No securities may be sold under this prospectus without delivery (in paper format, in electronic format, in electronic format on the Internet, or by other means) of the applicable prospectus supplement describing the method and terms of the offering.

#### **LEGAL MATTERS**

Unless otherwise indicated in the applicable prospectus supplement, certain legal matters, including the validity of the debt securities that may be offered, will be passed upon for us by Simpson Thacher & Bartlett LLP, New York, New York. Unless otherwise indicated in the applicable prospectus supplement, certain matters of Pennsylvania law, including the validity of the securities that may be offered, will be passed upon for us by Ballard Spahr LLP, Philadelphia, Pennsylvania. If legal matters in connection with the offering made by this prospectus are passed on by counsel for the underwriters, dealers or agents, if any, that counsel will be named in the applicable prospectus supplement.

#### **EXPERTS**

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2020 have been so incorporated in reliance on the report (which contains an explanatory paragraph on the effectiveness of internal control over financial reporting due to the exclusion of Peoples Gas because it was acquired by the Company in a purchase business combination during 2020) of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The consolidated financial statements of LDC Funding LLC as of December 31, 2019 and 2018 and for each of the three years in the period ended December 31, 2019, incorporated in this prospectus by reference to our Current Report on Form 8-K filed on April 15, 2021, have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report, which is incorporated by reference herein, and are incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

## WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. You may read and copy any document we file at the SEC's Public Reference Room at 100 F Street N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. You may also obtain our SEC filings from the SEC's website at www.sec.gov or from our website at www.essential.co.

We have filed with the SEC a "shelf" registration statement on Form S-3 under the Securities Act relating to the securities that may be offered by this prospectus. This prospectus is a part of that registration statement, but does not contain all of the information in the registration statement. We have omitted certain parts of the registration statement in accordance with rules and regulations of the SEC. Statements made in this prospectus as to the contents of any contract, agreement or other documents are not necessarily complete, and, in each instance, we refer you to a copy of such document filed as an exhibit to the registration statement, of which this prospectus is a part, or otherwise filed with the SEC. For more detail about us and any securities that may be offered by this prospectus, you may examine the registration statement on Form S-3 and the exhibits filed with it at the locations listed in the previous paragraph.

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The SEC allows us to "incorporate by reference" the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus. When we file information with the SEC in the future, that information will automatically update and supersede this information. We incorporate by reference the documents listed below and any future filings we will make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act until we sell all of the securities covered by this prospectus; provided, however, that we are not incorporating, in each case, any documents or information deemed to have been furnished and not filed in accordance with SEC rules:

- Our Annual Report on Form 10-K for the year ended December 31, 2020, filed with the SEC on March 1, 2021;
- Our Current Report on Form 8-K filed with the SEC on April 15, 2021; and
- The description of our common stock set forth in our Registration Statement on Form 8-A, including any amendments or reports filed for the purpose of updating such description.

These documents contain important business and financial information about us that is not included in or delivered with this prospectus. You may request a copy of any or all documents that we incorporate by reference at no cost, by writing or telephoning us at:

Essential Utilities, Inc. 762 W. Lancaster Avenue Bryn Mawr, PA 19010-3489 Telephone: 610-527-8000 Attention: Corporate Secretary

We have not authorized anyone to provide you with information different from that contained or incorporated by reference in this prospectus, any prospectus supplements or any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. You should not assume that the information provided in this prospectus or incorporated by reference in this prospectus is accurate as of any date other than the date on the front of this prospectus or the date of those documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

If you find inconsistencies between the documents, or between the documents and this prospectus or the applicable prospectus supplement, you should rely on the most recent document, prospectus or prospectus supplement.

## **PART II**

## INFORMATION NOT REQUIRED IN PROSPECTUS

## ITEM 14. Other Expenses of Issuance and Distribution

The following table sets forth an estimate of the costs and expenses payable by the Registrant in connection with the issuance and distribution of the securities being registered, other than underwriting discounts and commissions.

SEC registration fee	\$ *
Legal fees and expenses	**
Accounting fees and expenses	**
Transfer Agent and Registrar, Trustee and Depository fees	**
Printing fees	**
Rating agencies' fees	**
Miscellaneous	**
Total	\$ **

- \* Under SEC Rules 456(b) and 457(r), the SEC registration fee will be paid at the time of any particular offering of securities under this registration statement and is therefore not currently determinable.
- \*\* Because an indeterminate amount of securities is being registered, the expenses in connection with the issuance and distribution of the securities are not currently determinable. An estimate of these expenses for each offering under this registration statement will be reflected in the prospectus supplement relating thereto.

## ITEM 15. Indemnification of Directors and Officers

The Registrant is a Pennsylvania corporation. Sections 1741 and 1742 of the Pennsylvania Business Corporation Law of 1988, as amended, or the PBCL, provide that, unless otherwise restricted in its bylaws, a business corporation may indemnify directors and officers against liabilities they may incur as such, provided that the particular person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. In general, the power to indemnify under these sections does not exist in the case of actions against a director or officer by or in the right of the corporation if the person otherwise entitled to indemnification shall have been adjudged to be liable to the corporation unless it is judicially determined that, despite the adjudication of liability but in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnification for specified expenses. Section 1743 of the PBCL requires a business corporation to indemnify directors and officers against expenses they may incur in defending actions against them in such capacities if they are successful on the merits or otherwise in the defense of such actions.

Section 1713 of the PBCL permits the shareholders to adopt a bylaw provision relieving a director (but not an officer) of personal liability for monetary damages except where (i) the director has breached or failed to perform the duties of directorship in accordance with the applicable standard of care, and (ii) such conduct constitutes self-dealing, willful misconduct or recklessness. Section 1713 also provides that a director may not be relieved of liability for the payment of taxes pursuant to any federal, state or local law or of liability or responsibility under a criminal statute. Section 4.01 of the Registrant's bylaws limits the liability of any director of the Registrant to the fullest extent permitted by Section 1713 of the PBCL.

Section 1746 of the PBCL grants a corporation broad authority to indemnify its directors, officers and other agents for liabilities and expenses incurred in such capacity, except in circumstances where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness. Article VII of the Registrant's bylaws provides indemnification of directors, officers and other agents of the Registrant, which is broader than the indemnification permitted by Section 1741 of the PBCL and pursuant to the authority of Section 1746 of the PBCL.

Article VII of the Registrant's bylaws provides, except as expressly prohibited by law, an unconditional right to indemnification for expenses and any liability paid or incurred by any director or officer of the Registrant, or any other person designated by the board of directors as an indemnified representative, in connection with any actual or threatened claim, action, suit or proceeding (including derivative suits) in which he or she may be involved by reason of being or having been a director, officer, employee or agent of the Registrant or, at the request of the Registrant, of another corporation, partnership, joint venture, trust, employee benefit plan or other entity. The bylaws specifically authorize indemnification against both judgments and amounts paid in settlement of derivative suits, unlike Section 1742 of the PBCL which authorizes indemnification only of expenses incurred in defending and in settlement of a

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derivative action. In addition, Article VII of the bylaws also allows indemnification for punitive damages and liabilities incurred under the federal securities laws.

Unlike the provisions of PBCL Sections 1741 and 1742, Article VII does not require the Registrant to determine the availability of indemnification by the procedures or the standard of conduct specified in Sections 1741 or 1742 of the PBCL. A person who has incurred an indemnifiable expense or liability has a right to be indemnified independent of any procedures or determinations that would otherwise be required, and that right is enforceable against the Registrant as long as indemnification is not prohibited by law. To the extent indemnification is permitted only for a portion of a liability, the bylaw provisions require the Registrant to indemnify such portion. If the indemnification provided for in Article VII is unavailable for any reason in respect of any liability or portion thereof, the bylaws require the Registrant to make a contribution toward the liability. Indemnification rights under the bylaws do not depend upon the approval of any future board of directors.

Section 7.04 of the Registrant's bylaws also authorizes the Registrant to further effect or secure its indemnification obligations by entering into indemnification agreements, maintaining insurance, creating a trust fund, granting a security interest in its assets or property, establishing a letter of credit, or using any other means that may be available from time to time. Section 1747 of the PBCL also enables a business corporation to purchase and maintain insurance on behalf of a person who is or was serving as a representative of the corporation or is or was serving at the request of the corporation as a representative of another entity against any liability asserted against that representative in his capacity as such, whether or not the corporation would have the power to indemnify him against that liability under the PBCL. The Registrant maintains, on behalf of its directors and officers, insurance protection against certain liabilities arising out of the discharge of their duties, as well as insurance covering the Registrant for indemnification payments made to its directors and officers for certain liabilities. The premiums for such insurance are paid by the Registrant.

ITEM	16	<b>Exhibits</b>
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Exhibit No.	Description	
1.1**	Form of Underwriting Agreement.	
4.1	Amended and Restated Articles of Incorporation (filed as Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on May 18, 2020 and incorporated herein by reference).	
4.2	Amended and Restated Bylaws, effective as of December 23, 2020 (filed as Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on December 28, 2020 and incorporated herein by reference).	
4.3	Senior Securities Indenture, dated as of April 23, 2019, between the Registrant and U.S. Bank N.A., as trustee (filed as Exhibit 4.4 to the Registrant's Current Report on Form 8-K filed on April 23, 2019 and incorporated herein by reference).	
4.4	First Supplemental Indenture, dated as of April 23, 2019, between the Registrant and U.S. Bank N.A., as trustee (filed as Exhibit 4.5 to the Registrant's Current Report on Form 8-K filed on April 23, 2019 and incorporated herein by reference).	
4.5	Form of Senior Debt Security (included in Exhibit 4.3).	
4.6*	Form of Subordinated Debt Indenture	
4.7*	Form of Subordinated Debt Security (included in Exhibit 4.6).	
4.8**	Form of Certificate of Designation.	
4.9**	Form of Stock Purchase Contract Agreement.	
4.10**	Form of Warrant Agreement.	
4.11**	Form of Warrant.	
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- 4.12\*\* Form of Unit Certificate.
- 4.13\*\* Form of Depository Agreement.
- 4.14\*\* Form of Depository Receipt.
- 5.1\* Opinion of Ballard Spahr LLP.
- 5.2\* Opinion of Simpson Thacher & Bartlett LLP.
- 23.1\* Consent of PricewaterhouseCoopers LLP.
- 23.2\* Consent of Deloitte & Touche LLP.
- 23.3\* Consent of Ballard Spahr LLP (included in Exhibit 5.1).
- 23.4\* Consent of Simpson Thacher & Bartlett LLP (included in Exhibit 5.2).
- 24.1\* Power of Attorney (See page II-6 of this Registration Statement).
- 25.1\* Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939, as amended, of U.S. Bank National Association for Senior Securities Indenture.
- 25.2\* Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939, as amended, of U.S. Bank National Association for Subordinated Debt Indenture.
- \* Filed herewith.
- \*\* To be filed, if necessary, as an exhibit to a post-effective amendment to this registration statement or as an exhibit to a Current Report on Form 8-K and incorporated herein by reference.

### ITEM 17. Undertakings

- (a) The undersigned Registrant hereby undertakes:
  - (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
    - (i) to include any prospectus required by Section 10(a)(3) of the Securities Act;
    - (ii) to reflect in the prospectus any facts or events arising after the effective date of this registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;
    - (iii) to include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to such information in this registration statement:

provided, however, that: paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) of this section do not apply if the registration statement is on Form S-3 and the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the Registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act that are incorporated by reference in this registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

- (2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (4) That, for the purpose of determining liability under the Securities Act to any purchaser:
  - (A) Each prospectus filed by the Registrant pursuant to Rule 424(b)(3) shall be deemed to be part of this registration statement as of the date the filed prospectus was deemed part of and included in this registration statement; and
  - (B) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act shall be deemed to be part of and included in this registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of this registration statement relating to the securities in this registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof. Provided, however, that no statement made in a registration statement or a prospectus that is part of this registration statement or made in a document incorporated or deemed incorporated by reference into this registration statement or prospectus that is part of this registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in this registration statement or prospectus that was part of this registration statement or made in any such document immediately prior to such effective date.
- (5) That, for the purpose of determining liability of the Registrant under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned Registrant undertakes that in a primary offering of securities of the undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:
  - (i) Any preliminary prospectus or prospectus of the undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;
  - (ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned Registrant or used or referred to by the undersigned Registrant;
  - (iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned Registrant or its securities provided by or on behalf of the undersigned Registrant; and
  - (iv) Any other communication that is an offer in the offering made by the undersigned Registrant to the purchaser.

- (b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act) that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

## **SIGNATURES**

Pursuant to the requirements of the Securities Act, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Bryn Mawr, Commonwealth of Pennsylvania, on this 15<sup>th</sup> day of April, 2021.

## ESSENTIAL UTILITIES, INC.

By: /s/ Christopher H. Franklin
Christopher H. Franklin
Chairman, President and Chief Executive Officer

## **POWER OF ATTORNEY**

Each person whose signature appears below hereby appoints Daniel J. Schuller, Chief Financial Officer of Registrant, and Christopher P. Luning, Executive Vice President, General Counsel and Corporate Secretary of Registrant, and each of them acting individually, as his or her true and lawful attorneys-in-fact, with full power of substitution and resubstitution, with the authority to execute in the name of each such person, and to file with the Securities and Exchange Commission, together with any exhibits thereto and other documents therewith, any and all amendments to this registration statement (including post-effective amendments and all other related documents) necessary or advisable to enable the registrant to comply with the Securities Act of 1933, and any rules, regulations and requirements of the Securities and Exchange Commission in respect thereof, which amendments may make such changes in the registration statement as the aforesaid attorney-in-fact executing the same deems appropriate. Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Christopher H. Franklin Christopher H. Franklin	President, Chief Executive Officer and Chairman (Principal Executive Officer)	April 15, 2021
/s/ Daniel J. Schuller Daniel J. Schuller	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	April 15, 2021
/s/ Robert A. Rubin Robert A. Rubin	Senior Vice President, Controller and Chief Accounting Officer (Principal Accounting Officer)	April 15, 2021
/s/ Elizabeth B. Amato Elizabeth B. Amato	Director	April 15, 2021
/s/ Nicholas DeBenedictis Nicholas DeBenedictis	Director	April 15, 2021
/s/ Wendy A. Franks Wendy A. Franks	Director	April 15, 2021
/s/ Daniel J. Hilferty Daniel J. Hilferty	Director	April 15, 2021
/s/ Francis O. Idehen Francis O. Idehen	Director	April 15, 2021
/s/ Ellen T. Ruff Ellen T. Ruff	Director	April 15, 2021
/s/ Lee C. Stewart Lee C. Stewart	Director	April 15, 2021
/s/ Christopher C. Womack	Director	April 15, 2021

## DELTA NATURAL GAS COMPANY, INC., PROMISSORY NOTE

Date: November 30, 2017

\$50,499,999.95

FOR VALUE RECEIVED, the undersigned, DELTA NATURAL GAS COMPANY, INC., a corporation formed under the laws of the Commonwealth of Kentucky (the "Borrower"), hereby promises to pay to the order of PNG COMPANIES LLC, a limited liability company organized and existing under the laws of the State of Delaware (the "Lender"), or registered assigns, the principal sum of 50,499,999.95 DOLLARS or, if less, the then unpaid principal amount of the loans made by the Lender to the Borrower as set forth in Schedule 1 attached hereto. This note shall be payable in the amounts and on the maturity dates set forth in Schedule 2 attached hereto, and may be prepaid in whole at any time or in part from time to time together with any prepayment premiums as set forth in the Third Supplement to Note Purchase Agreement (the "Third Supplement") dated as of September 20, 2017 between the Lender and the purchaser(s) of the notes issued thereunder (the "Series 2017-B Notes").

This note shall bear interest at a rate per annum equal to the rate applicable to the Series 2017-B Notes (4.26%), but in no event in excess of the maximum rate permitted by law. Interest accruing on this note shall be computed on the basis of a 360-day year of twelve 30-day months and shall be payable quarterly, on the 20th day of March, June, September and December in each year, commencing with the March, June, September or December next succeeding the date hereof, until the principal hereof shall have become due and payable.

The Company will make required prepayments of principal on the dates and in the amounts specified in the Third Supplement. This Note is also subject to optional prepayment, in whole or from time to time in part, at the times and on the terms specified in the Third Supplement and/or the Note Purchase Agreement, but not otherwise.

If an Event of Default occurs and is continuing, the principal of this Note may be declared or otherwise become due and payable in the manner, at the price (including any applicable Make-Whole Amount) and with the effect provided in the Note Purchase Agreement.

All loans made by the Lender and all repayments of the principal thereof shall be recorded by the Lender on Schedule 1 attached hereto, or on a continuation of such schedule attached to and made a part hereof; provided that the failure of the Lender to make any such recordation shall not limit or otherwise affect the obligations of the Borrower hereunder.

All payments hereof shall be made in lawful money of the United States of America and in immediately available funds.

This note, together with all accrued interest hereon, shall become immediately and automatically due and payable, without demand, presentment, protest or notice of any kind, upon the insolvency, general assignment, receivership, bankruptcy or dissolution of the Borrower (or the filing of any petition by or against the Borrower with respect to any of the foregoing). The

Borrower does hereby forever waive presentment, demand, protest, notice of protest and notice of nonpayment or dishonor of this note.

The Borrower hereby agrees to pay all reasonable costs and expenses incurred by the Lender incidental to or in any way relating to the Lender's enforcement of the obligations of the Borrower hereunder or the protection of the Lender's rights hereunder, including but not limited to, reasonable attorneys' fees and expenses incurred by the Lender (whether or not a proceeding has been commenced).

No failure on the part of the Lender to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the Lender of any right, remedy or power hereunder preclude any other or future exercise thereof or the exercise of any other right, remedy or power.

Each and every right, remedy and power hereby granted to the Lender or allowed it by law or other agreement shall be cumulative and not exclusive the one of any other, and may be exercised by the Lender from time to time.

Every provision of this note is intended to be severable; if any term or provision of this note shall be invalid, illegal or unenforceable for any reason whatsoever, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.

THE BORROWER WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF, BASED UPON, OR IN ANY WAY CONNECTED TO, THIS NOTE.

This Note shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice of law principles of the law of such State that would require the application of the laws of a jurisdiction other than such State.

DELTA NATURAL GAS COMPANY, INC.

Name: John B. Brown

Title: President, Treasurer and Secretary

## Schedule 1

## LOANS AND PAYMENTS OF PRINCIPAL

Date	Amount of Loan	Amount of Principal Repaid	Notation Made By
11/30/2017	\$ <u>50,499,999.95</u>		

## Schedule 2

## AMOUNTS / MATURITY DATES

Amount <u>Maturity Date</u>

\$50,499,999.95 December 20, 2031

# (FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the Under	ersigned hereby unconditionally sells, assigns and
transfers unto	(Assignee(s))
the within note and all rights thereunder.	
Dated:	
	NOTICE: The signature to this assignment
	must correspond with the name as it appears upon the face of the within note in every particular, without alteration or enlargement or any change whatever.