

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF DELTA NATURAL)	CASE NO. 2010-00254
GAS COMPANY, INC.)	

O R D E R

On October 19, 2007, in Case No. 2007-00089,¹ the Commission approved rates for Delta Natural Gas Company, Inc. ("Delta") and provided for their further adjustment in accordance with Delta's Gas Cost Adjustment ("GCA") clause.

On June 24, 2010, Delta filed its proposed GCA to be effective July 26, 2010.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Delta's notice includes revised rates designed to pass on to its customers its expected change in wholesale gas costs.
2. Delta's notice sets out an Expected Gas Cost ("EGC") of \$6.7499 per Mcf, which is an increase of \$.5467 per Mcf from the previous EGC of \$6.2032 per Mcf.
3. Delta's notice sets out no current quarter Refund Adjustment ("RA"), which is no change from the previous total RA.

¹ Case No. 2007-00089, Application of Delta Natural Gas Company, Inc. for an Adjustment of Rates (Ky. PSC Oct. 19, 2007).

4. Delta's notice sets out a current quarter Actual Adjustment ("AA") of (\$.5276) per Mcf. Delta's total AA is \$.8926 per Mcf, which is an increase of \$.9914 per Mcf from the previous total AA of (\$.0988) per Mcf.

5. Delta's notice sets out a Balance Adjustment ("BA") of (\$.1761) per Mcf, which represents a decrease of \$.3079 per Mcf from the previous BA of \$.1318 per Mcf.

6. Delta's GCA is \$7.4664 per Mcf, which is an increase of \$1.2302 per Mcf from the previous GCA of \$6.2362 per Mcf.

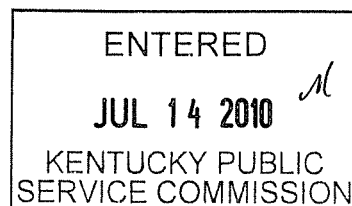
7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Delta on and after July 26, 2010.

IT IS THEREFORE ORDERED that:

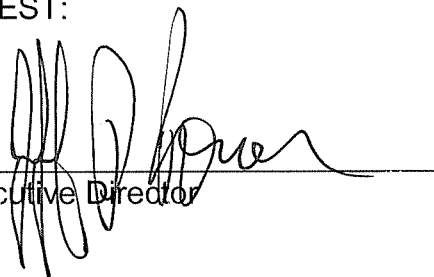
1. The rates in the Appendix to this Order are approved for final meter readings on and after July 26, 2010.

2. Within 20 days of the date of this Order, Delta shall file its revised tariffs with this Commission setting out the rates authorized herein and reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2010-00254 DATED JUL 14 2010

The following rates and charges are prescribed for the customers in the area served by Delta Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATE SCHEDULES

AVAILABILITY

Available for general use by residential, commercial, and industrial customers.

RATES

	<u>Base Rate</u>	plus	<u>Gas Cost Recovery Rate</u>	equals	<u>Total Rate</u>
Residential					
Monthly Service Charge	\$ 15.50				
All Ccf	\$.4158		\$.7466		\$ 1.1624
Small Non-Residential					
Monthly Service Charge	\$ 25.00				
All Ccf	\$.4158		.7466		\$ 1.1624
Large Non-Residential					
Monthly Service Charge	\$ 100.00				
1 – 2,000 Ccf	\$.4158		\$.7466		\$ 1.1624
2001 – 10,000 Ccf	.2509		.7466		.9975
10,001 – 50,000 Ccf	.1713		.7466		.9179
50,001 – 100,000 Ccf	.1313		.7466		.8779
Over 100,000 Ccf	.1113		.7466		.8579

Interruptible

Monthly Service Charge		\$ 250.00		
1 - 10,000	Ccf	\$.16000	\$.7466	\$.9066
10,001 – 50,000	Ccf	.12000	.7466	.8666
50,001 – 100,000	Ccf	.08000	.7466	.8266
Over 100,000	Ccf	.06000	.7466	.8066

Connie King
Mngr. Corporate & Employee Services
Delta Natural Gas Company, Inc.
3617 Lexington Road
Winchester, KY 40391