



Delta Natural Gas Company, Inc.

3617 Lexington Road
Winchester, Kentucky 40391-9797

www.deltagas.com

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December 20, 2011



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DEC 27 2011

PUBLIC SERVICE
COMMISSION

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
P O Box 615
Frankfort, KY 40602-0615

Dear Mr. Derouen:

Enclosed are the original and ten copies of Delta's Quarterly Report of Gas Cost Recovery Rate Calculation which determines the Gas Cost Recovery Rate (GCR) and the original and ten copies of Delta's Annual Conservation/Efficiency Program Rate Filing which determines the Conservation/Efficiency Program Recovery Rate (CEP). Both the GCR and the CEP are to be effective with the first billing cycle of February 2012 which includes meters read on and after January 23, 2012. The CEP rate has been calculated to be \$0.01173/Ccf,

In compliance with the Order in Case 2009-00066 dated April 27, 2009, Delta hereby notifies the Commission that forward contracts were executed with Atmos Energy Marketing for the 2011-2012 winter heating season for 190,000 Dth at a price of \$3.93 per Dth and for 90,000 Dth at a price of \$3.92 per Dth.

An extra copy of the filing is attached for public files.

Please acknowledge receipt of this filing by stamping the extra copy of the cover letter and returning to Delta in the envelope provided or via email to cking@deltagas.com

Sincerely,

Connie King

Connie King

Manager – Corporate & Employee Services

GAS COST
RECOVERY RATE CALCULATION

Date Filed	12/20/11
Date to be Effective	01/23/12

GAS COST RECOVERY CALCULATION

COST RECOVERY RATE EFFECTIVE JANUARY 23, 2012		
PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	4.7636
SUPPLIER REFUND (RA)	\$/MCF	(0.0604)
ACTUAL ADJUSTMENT (AA)	\$/MCF	1.5667
BALANCE ADJUSTMENT (BA)	\$/MCF	(0.0711)
GAS COST RECOVERY RATE (GCR)	\$/MCF	<u>6.1988</u>

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
PRIMARY GAS SUPPLIERS (SCHEDULE II)	\$	5,064,900
UTILITY PRODUCTION	\$	-
INCLUDABLE PROPANE	\$	-
UNCOLLECTIBLE GAS COSTS	\$	<u>40,272</u>
	\$	5,105,172
TOTAL ESTIMATED SALES FOR QUARTER	MCF	<u>1,071,705</u>
EXPECTED GAS COST (EGC) RATE	\$/MCF	<u>4.7636</u>

SUPPLIER REFUND ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE III)	\$/MCF	(0.0152)
PREVIOUS QUARTER	\$/MCF	(0.0152)
SECOND PREVIOUS QUARTER	\$/MCF	(0.0155)
THIRD PREVIOUS QUARTER	\$/MCF	(0.0145)
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	<u>(0.0604)</u>

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE IV)	\$/MCF	1.3028
PREVIOUS QUARTER	\$/MCF	(0.0449)
SECOND PREVIOUS QUARTER	\$/MCF	(0.3284)
THIRD PREVIOUS QUARTER	\$/MCF	<u>0.6372</u>
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>1.5667</u>

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
BALANCE ADJUSTMENT AMOUNT (SCHEDULE V)	\$	(76,174)
ESTIMATED SALES FOR QUARTER	MCF	<u>1,071,705</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>(0.0711)</u>

MCF PURCHASES FOR THREE MONTHS BEGINNING
February 1, 2012
AT SUPPLIERS COSTS EFFECTIVE
February 1, 2012

Supplier	MCF Purchases	DTH Conv Factor	Rates (\$)	Quarterly Cost	Rate Increase (I)/ Reduction (R)
TENNESSEE GAS PIPELINE PIPELINE (SCH II, PAGE 2 OF 2)				\$573,582	
ATMOS ENERGY MARKETING COLUMBIA GAS TRANSMISSION PIPELINE (SCH II, PAGE 2 OF 2)	388,627	1.005	3.3478	1,307,562	R
ATMOS ENERGY MARKETING COLUMBIA GULF TRANSMISSION M&B GAS SERVICES	175,510	1.019	3.3429	\$225,517 597,853	R
KENTUCKY PRODUCERS VINLAND	87,372	1.268	3.8000	420,995	R
STORAGE	18,898		4.7943	90,602	R
TOTAL	<u>401,297</u>		4.6070	<u>1,848,788</u>	N/C
	<u>1,071,705</u>			<u>5,064,900</u>	
COMPANY USAGE	16,076				

ESTIMATED UNCOLLECTIBLE GAS COSTS
FOR THE THREE MONTHS ENDED
April 30, 2012

TWELVE MONTH AVERAGE % OF PURCHASED GAS TO RECORDED REVENUE	48.00%	N
ESTIMATED BAD DEBT EXPENSE	\$83,900	I
% OF PURCHASED GAS TO BILLED REVENUE UNCOLLECTIBLE GAS COSTS	40,272	I

**SUPPLIER REFUND ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
October 31, 2011**

Particulars	Unit	Amount
SUPPLIERS REFUNDS RECEIVED (1)	\$	(48,232)
INTEREST FACTOR (2)		0.998330
REFUND ADJUSTMENT INCLUDING INTEREST	\$	(48,151)
SALES TWELVE MONTHS ENDED October 31, 2011	MCF	3,170,112
CURRENT SUPPLIER REFUND ADJUSTMENT	\$/MCF	<u>(0.0152)</u>

(1) Suppliers Refunds Received	Date Received	Amount
PCB Refund from TGP	10/3/2011	48,231.88
Total		<u>48,231.88</u>

(2) Interest Factor			
RESULT OF PRESENT VALUE	0.1915380	-0.5 =	(0.308462)

**ACTUAL ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
October 31, 2011**

Particulars	Unit	For the Month Ended		
		Aug-11	Sep-11	Oct-11
SUPPLY VOLUME PER BOOKS				
PRIMARY GAS SUPPLIERS	MCF	485,793	273,010	286,829
UTILITY PRODUCTION	MCF	-	-	-
INCLUDABLE PROPANE	MCF	-	-	-
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	<u>485,793</u>	<u>273,010</u>	<u>286,829</u>
SUPPLY COST PER BOOKS				
PRIMARY GAS SUPPLIERS	\$	2,406,382	1,373,216	1,370,936
UTILITY PRODUCTION	\$	-	-	-
INCLUDABLE PROPANE	\$	-	-	-
UNCOLLECTIBLE GAS COSTS	\$	(22)	83,167	16,282
OTHER COST (SPECIFY)	\$	-	-	-
TOTAL	\$	<u>2,406,360</u>	<u>1,456,383</u>	<u>1,387,218</u>
SALES VOLUME				
JURISDICTIONAL	MCF	50,790	59,283	61,751
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	<u>50,790</u>	<u>59,283</u>	<u>61,751</u>
UNIT BOOK COST OF GAS				
EGC IN EFFECT FOR MONTH	\$	47.3786	24.5666	22.4647
RATE DIFFERENCE	\$	6.5172	6.5172	6.5172
MONTHLY SALES	MCF	40.8614	18.0494	15.9475
MONTHLY COST DIFFERENCE	\$	<u>50,790</u>	<u>59,283</u>	<u>61,751</u>
	\$	<u>2,075,351</u>	<u>1,070,023</u>	<u>984,774</u>
				Three Month Period
COST DIFFERENCE FOR THE THREE MONTHS				\$ 4,130,148
TWELVE MONTHS SALES FOR PERIOD ENDED				<u>3,170,112</u>
CURRENT QUARTERLY ACTUAL ADJUSTMENT				1.3028

**EXPECTED GAS COST BALANCE ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
October 31, 2011**

Particulars	Unit	Amount
COST DIFFERENCE BETWEEN BOOK AND EFFECTIVE EGC AS USED TO COMPUTE AA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	593,617
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF MCF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR IN EFFECT APPROXIMATELY ONE YEAR PRIOR TO THE CURRENT RATE	0.1852 \$	 <u>587,105</u>
BALANCE ADJUSTMENT FOR THE AA	\$	<u>6,512</u>
DOLLAR AMOUNT OF SUPPLIER REFUND ADJUSTMENT AS USED TO COMPUTE RA OF THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	(23,046)
LESS: DOLLAR AMOUNT RESULTING FROM THE UNIT RATE FOR SUPPLIER REFUND ADJUSTMENT OF \$/MCF AS USED TO COMPUTE RA OF THE JURISDICTIONAL SALES FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR RATE IN EFFECT APPROXIMATELY ONE YEAR PRIOR TO THE CURRENT RATE FOR THE MCF TOTAL OF	(0.0072) \$	 (22,825)
BALANCE ADJUSTMENT FOR THE RA	\$	(221)
DOLLAR AMOUNT OF BALANCE ADJUSTMENT AS USED TO COMPUTE BA OF THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	(162,896)
LESS: DOLLAR AMOUNT RESULTING FROM THE BA OF \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL MCF SALES OF FOR THE PERIOD BETWEEN THE EFFECTIVE DATE OF THE CURRENT GCR RATE AND THE EFFECTIVE DATE OF THE GCR RATE IN EFFECT IMMEDIATELY PRIOR TO THE CURRENT RATE	(0.4681) \$	 <u>(80,431)</u>
BALANCE ADJUSTMENT FOR THE BA	\$	<u>(82,465)</u>
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	<u>(76,174)</u>

**COMPUTATION OF VINLAND PRICE EFFECTIVE 2/01/12 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY 2012 THROUGH APRIL 2012**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$4.7943 per MCF

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 2/01/12 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY 2012 THROUGH APRIL 2012 (TGP)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.3478 per MMBtu dry

**COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 2/01/12 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY 2012 THROUGH APRIL 2012 (TCO)**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.3429 per MMBtu dry

**COMPUTATION OF M&B PRICE EFFECTIVE 2/01/12 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR FEBRUARY 2012 THROUGH APRIL 2012**

WEIGHTED AVERAGE PRICE W/ ADD-ON \$3.8000 per MMBtu dry

TGP SUPPLIED AREAS PURCHASE PROFILE:

12/16/2011

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2012	183,911	129,831	\$3.216	(\$0.060)	\$409,746.26
March	135,553	106,231	\$3.247	(\$0.060)	\$338,559.04
April	<u>69,162</u>	<u>69,508</u>	\$3.300	(\$0.060)	<u>\$225,206.77</u>
	388,627	305,570			\$973,512.07
Fixed Price Feb		55,000	\$3.930		\$216,150.00
Fixed Price Mar		<u>30,000</u>	\$3.930		\$117,900.00
Total Dth		390,570			
WEIGHTED AVERAGE PRICE PER DTH:				<u><u>\$3.3478</u></u>	

COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2012	82,238	58,801	\$3.216	(\$0.07)	\$184,987.05
March	60,562	46,713	\$3.247	(\$0.07)	\$148,407.12
April	<u>32,709</u>	<u>33,331</u>	\$3.300	(\$0.07)	<u>\$107,658.42</u>
	175,510	138,844			\$441,052.59
Fixed Price Feb		25,000	\$3.920		\$98,000.00
Fixed Price Mar		<u>15,000</u>	\$3.920		\$58,800.00
Total Dth		178,844			
WEIGHTED AVERAGE PRICE PER DTH:				<u><u>\$3.3429</u></u>	

VINLAND SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	NYMEX \$ PER DTH	ADD-ON PER DTH	BTU ADJUSTMENT	TOTAL
February 2012	8,553	\$3.216	\$0.75	1.2	\$40,705.44
March	5,974	\$3.247	\$0.75	1.2	\$28,653.69
April	<u>4,371</u>	\$3.300	\$0.75	1.2	<u>\$21,243.06</u>
	18,898				\$90,602.19
WEIGHTED AVERAGE PRICE PER MCF:					<u><u>\$4.7943</u></u>

COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
February 2012	0	0	\$3.216	\$0.50	\$0.00
March	0	0	\$3.247	\$0.50	\$0.00
April	<u>87,372</u>	<u>110,788</u>	\$3.300	\$0.50	<u>\$420,995.38</u>
	87,372	110,788			\$420,995.38
FIXED PRICE		0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:				<u><u>\$3.8000</u></u>	

CONSERVATION/EFFICIENCY PROGRAM

RATE CALCULATION

Delta Natural Gas Company, Inc.
 Conservation/Efficiency Program
 Billing Factor Calculation
 Filing Due Date: January 1

Program Year End: October 31, 2011
 Rate Effective: February 1, 2012

CEPCR - Conservation/Efficiency Program Cost Recovery

Program Costs				
Unrecovered CEP Rebates(Schedule A)	AC 1 186 61	\$	147,600	
Unrecovered CEP Rebates - Labor	AC 1 186 611		8,920	
Unrecovered Energy Audits - Material	AC 1 186 62		137	
Unrecovered Energy Audits - Labor	AC 1 186 621		161	
Unrecovered CEP Customer Awareness	AC 1 186 63		15,843	
Unrecovered CEP Admin - Labor	AC 1 186 64		262	
Unrecovered CEP Admin - Labor	AC 1 186 641		448	
Total Program Costs				\$ 173,371
TOTAL CEPCR				\$ 173,371

CEPLS - Conservation/Efficiency Program Lost Sales

Current Year Program Participation (Schedule A)

Rate	# of Participants	CCF Conserved	Distribution Charge	Lost Sales
High Efficiency Heating Savings				
1. High Efficiency Forced Air Furnaces	238	23,804.8	\$ 0.43185	\$ 10,280
2. High Efficiency Dual Fuel Units	48	1,000.8	\$ 0.43185	\$ 432
3. High Efficiency Gas Space Heating	69	1,126.8	\$ 0.43185	\$ 487
4. High Efficiency Gas Logs/Fireplaces	137	7,589.8	\$ 0.43185	\$ 3,278
High Efficiency Water Heating Savings				
1. High Efficiency Holding Tank Models	16	721.8	\$ 0.43185	\$ 312
2. High Efficiency Power Vent Models	4	250.5	\$ 0.43185	\$ 108
3. High Efficiency On-Demand Models	44	4,778.0	\$ 0.43185	\$ 2,063
Energy Audits				
1. Residential Energy Audits	5	150.0	\$ 0.43185	\$ 65
Total Current Year Lost Sales	561	39,422.3		\$ 17,025

Cumulative Prior Years Participation (Schedule B)

Total Prior Year(s) Lost Sales	377	24,467.5	0.43185	\$ 10,566
TOTAL CEPLS	938	63,889.8		\$ 27,591

CEPI - Conservation/Efficiency Program Incentive

Program Benefits (Schedule C)	\$ 157,339
Less: Program Costs	<u>\$ (173,371)</u>
Net Resource Savings	\$ (16,032)
Incentive Percentage	15%
CEPI	\$ -

CEPBA - Conservation/Efficiency Program Balancing Adjustment

Prior year DSMRC recovery amount	\$ 177,369
Projected recovery 11/1/10 through 1/31/11 used in calculation of prior year DSMRC	\$ 63,488
Actual recovery 11/1/10 through 1/31/11 used in calculation of prior year DSMRC	<u>\$ (49,402)</u>
Amounts to be recovered	\$ 191,455
Actual recovery 2/1/11 through 10/31/11	\$ 109,461
Projected recovery 11/1/11 through 1/31/12	<u>\$ 80,000</u>
Amounts recovered	\$ 189,461
CEPBA Under (Over) Recovery	\$ 1,994

CEPRC - Conservation/Efficiency Recovery

Estimated Residential Sales	17,300,000	Ccf
	Recovery Amount	Rate, per Ccf
CEPCR	\$ 173,371	\$ 0.01002 D
CEPLS	\$ 27,591	\$ 0.00159 I
CEPI	\$ -	\$ - N
CEPBA	\$ 1,994	\$ 0.00012 I
TOTAL DSMRC	\$ 202,956	\$ 0.01173

Delta Natural Gas Company, Inc.
 Conservation/Efficiency Program
 Schedule A - Current Year Participation Detail

Program Year End: October 31, 2011

Current Year Program Participation

Program participants 11-1-10 through 10-31-10

Program	(1) CCF Conservation		(1) Rebate	
	Participants	Per Participant	Amount	Total
A. High Efficiency Heating Savings				
1. High Efficiency Forced Air Furnaces	238	100.02	\$ 400	\$ 95,200
2. High Efficiency Dual Fuel Units	48	20.85	300	\$ 14,400
3. High Efficiency Gas Space Heating	69	16.33	100	\$ 6,900
4. High Efficiency Gas Logs/Fireplaces	137	55.40	100	\$ 13,700
B. High Efficiency Water Heating Savings				
1. High Efficiency Holding Tank Models	16	45.11	200	\$ 3,200
2. High Efficiency Power Vent Models	4	62.62	250	\$ 1,000
3. High Efficiency On-Demand Models	44	108.59	300	\$ 13,200
C. Energy Audits				
1. Residential Energy Audits	5	30.00		150.0
Total - A. B. C.	561			147,600

(1) Amounts based on budget and guidelines in CEP program document, as submitted in Case No. 2008-00062

Delta Natural Gas Company, Inc.
 Conservation/Efficiency Program
 Schedule B - Cumulative Prior Years Program Participation

Program Year End: October 31, 2011

2010 Program Year

	Program Participants	CCF Conservation	
		Per Participant	Total
<u>A. High Efficiency Heating Savings</u>			
1. High Efficiency Forced Air Furnaces	141	100.02	14,102.8
2. High Efficiency Dual Fuel Units	40	20.85	834.0
3. High Efficiency Gas Space Heating	25	16.33	408.3
4. High Efficiency Gas Logs/Fireplaces	95	55.40	5,263.0
<u>B. High Efficiency Water Heating Savings</u>			
1. High Efficiency Holding Tank Models	43	45.11	1,939.7
2. High Efficiency Power Vent Models	2	62.62	125.2
3. High Efficiency On-Demand Models	11	108.59	1,194.5
<u>C. Energy Audits</u>			
1. Residential Energy Audits	20	30.00	600.0
Total - A. B. C.	377		24,467.5

Delta Natural Gas Company, Inc.
 Conservation/Efficiency Program
 Schedule C - Calculation of Program Benefits

Program Year End: October 31, 2011

Current Year Conservation (Ccf) 39,422.3 per Schedule A

Year	(2) CCF Conserved	(1) Gas Cost	Commodity Savings
2010	39,422.3	\$ 0.59399	\$ 23,416
2011	39,422.3	\$ 0.59399	\$ 23,416
2012	39,422.3	\$ 0.59399	\$ 23,416
2013	39,422.3	\$ 0.59399	\$ 23,416
2014	39,422.3	\$ 0.59399	\$ 23,416
2015	39,422.3	\$ 0.59399	\$ 23,416
2016	39,422.3	\$ 0.59399	\$ 23,416
2017	39,422.3	\$ 0.59399	\$ 23,416
2018	39,422.3	\$ 0.59399	\$ 23,416
2019	39,422.3	\$ 0.59399	\$ 23,416
Total Commodity Savings	394,223.3		\$ 234,165

Discount Rate 7.9700%

Program Benefits **\$157,339**
 (present value of commodity savings)

(1) Gas Cost is Delta's GCR rate effective at the program year-end (Case No. 2010-00377).

(2) Estimated CCFs conserved and Gas Cost

(3) Delta's weighted average cost of capital per Case No. 2010-00116

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR All Service Areas
P.S.C. NO. 12
Sixth Revised SHEET NO. 2
CANCELLING P.S.C. NO. 12
Fifth 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

	<u>Base Rate</u> +	<u>Gas Cost Recovery Rate (GCR) **</u> =	<u>Total Rate</u>	
Customer Charge *	\$ 20.90		\$ 20.90	
All Ccf ***	\$ 0.43185	\$ 0.61988	\$ 1.05173/Ccf	(I)

* The customer charge includes \$0.20 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 Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

*** Residential rates are also subject to the "Conservation/Efficiency Program Cost Recovery Component (CEPRC)" of \$.01173/Ccf. 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. (I)

(N) Residential rates are also subject to a Pipe Replacement Program charge of \$.21, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE December 20, 2011 DATE EFFECTIVE Jan. 23, 2012 (Final Meter Reads)
ISSUED BY Glenn R. Jennings TITLE Chairman of the Board
Name of Officer President and CEO
Issued by authority of an Order of the Public Service Commission of KY in
CASE NO. _____ DATED _____

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR All Service Areas
P.S.C. NO. 12
Sixth Revised SHEET NO. 3
CANCELLING P.S.C. NO. 12
Fifth 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

	<u>Base Rate</u> +	Gas Cost Recovery Rate (GCR) ** =	<u>Total Rate</u>	
Customer Charge	\$ 31.20		\$ 31.20	
All Ccf	\$ 0.43185	\$ 0.61988	\$ 1.05173/Ccf	(I)

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 Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.

(N) Small Non-Residential rates are also subject to a Pipe Replacement Program charge of \$.40, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE December 20, 2011 DATE EFFECTIVE Jan. 23, 2012 (Final Meter Reads)
ISSUED BY Glenn R. Jennings TITLE Chairman of the Board
Name of Officer President and CEO
Issued by authority of an Order of the Public Service Commission of KY in
CASE NO. _____ DATED _____

	FOR	All Service Areas
<u>DELTA NATURAL GAS COMPANY, INC.</u>	P.S.C. NO.	12
Name of Issuing Corporation	Sixth Revised	SHEET NO. 4
	CANCELLING P.S.C. NO.	12
	Fifth 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

	<u>Base Rate</u> +	Gas Cost Recovery Rate (GCR) ** =	=	<u>Total Rate</u>	
Customer Charge	\$131.00			\$131.00	
1 - 2,000 Ccf	\$ 0.43185	\$ 0.61988		\$ 1.05173/Ccf	(I)
2,001 - 10,000 Ccf	\$ 0.26696	\$ 0.61988		\$ 0.88684/Ccf	
10,001 - 50,000 Ccf	\$ 0.18735	\$ 0.61988		\$ 0.80723/Ccf	
50,001 - 100,000 Ccf	\$ 0.14735	\$ 0.61988		\$ 0.76723/Ccf	
Over 100,000 Ccf	\$ 0.12735	\$ 0.61988		\$ 0.74723/Ccf	

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 Ccf determined in accordance with the "Gas Cost Adjustment Clause" as set forth on Sheets No. 13 and 14 of this tariff.
- (N) Large Non-Residential rates are also subject to a Pipe Replacement Program charge of \$3.12, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE <u>December 20, 2011</u>	DATE EFFECTIVE <u>Jan. 23, 2012 (Final Meter Reads)</u>
ISSUED BY <u>Glenn R. Jennings</u>	TITLE <u>Chairman of the Board</u>
Name of Officer	President and CEO
Issued by authority of an Order of the Public Service Commission of KY in	
CASE NO. _____	DATED _____

DELTA NATURAL GAS COMPANY, INC.
Name of Issuing Corporation

FOR All Service Areas
P.S.C. NO. 12
Sixth Revised SHEET NO. 5
CANCELLING P.S.C. NO. 12
Fifth 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

	<u>Base Rate</u> +	Gas Cost Recovery Rate (GCR) ** =	<u>Total Rate</u>	
Customer Charge	\$250.00		\$250.00	
1 - 10,000 Ccf	\$ 0.1600	\$ 0.61988	\$ 0.77988/Ccf	(I)
10,001 - 50,000 Ccf	\$ 0.1200	\$ 0.61988	\$ 0.73988/Ccf	
50,001 - 100,000 Ccf	\$ 0.0800	\$ 0.61988	\$ 0.69988/Ccf	
Over 100,000 Ccf	\$ 0.0600	\$ 0.61988	\$ 0.67988/Ccf	

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.

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.

(N) Interruptible rates are also subject to a Pipe Replacement Program charge of \$15.58, as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

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

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Name of Officer President and CEO
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