



Delta Natural Gas Company, Inc.

3617 Lexington Road
Winchester, Kentucky 40391-9797



www.deltagas.com

PHONE: 859-744-6171

FAX: 859-744-3623

June 18, 2012

RECEIVED

JUN 18 2012

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) to be effective with the first billing cycle of August 2012 which includes meters read on and after July 23, 2012.

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.

Sincerely,

Connie King

Connie King
Manager – Corporate & Employee Services

RECEIVED

JUN 18 2012

PUBLIC SERVICE
COMMISSION

GAS COST

RECOVERY RATE CALCULATION

Date Filed 06/19/12

Date to be Effective 07/23/12

GAS COST RECOVERY CALCULATION

COST RECOVERY RATE EFFECTIVE JULY 23, 2012		
PARTICULARS	UNIT	AMOUNT
EXPECTED GAS COST (EGC)	\$/MCF	5.2759
SUPPLIER REFUND (RA)	\$/MCF	(0.1294)
ACTUAL ADJUSTMENT (AA)	\$/MCF	1.1193
BALANCE ADJUSTMENT (BA)	\$/MCF	1.8514
GAS COST RECOVERY RATE (GCR)	\$/MCF	<u>8.1172</u>

EXPECTED GAS COST SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
PRIMARY GAS SUPPLIERS (SCHEDULE II)	\$	1,474,059
UTILITY PRODUCTION	\$	-
INCLUDABLE PROPANE	\$	-
UNCOLLECTIBLE GAS COSTS	\$	<u>5,922</u>
	\$	1,479,981
TOTAL ESTIMATED SALES FOR QUARTER	MCF	<u>280,515</u>
EXPECTED GAS COST (EGC) RATE	\$/MCF	<u>5.2759</u>

SUPPLIER REFUND ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE III)	\$/MCF	(0.0785)
PREVIOUS QUARTER	\$/MCF	(0.0205)
SECOND PREVIOUS QUARTER	\$/MCF	(0.0152)
THIRD PREVIOUS QUARTER	\$/MCF	<u>(0.0152)</u>
SUPPLIER REFUND ADJUSTMENT (RA)	\$/MCF	<u>(0.1294)</u>

ACTUAL ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
CURRENT QUARTER (SCHEDULE IV)	\$/MCF	(0.6271)
PREVIOUS QUARTER	\$/MCF	0.4885
SECOND PREVIOUS QUARTER	\$/MCF	1.3028
THIRD PREVIOUS QUARTER	\$/MCF	<u>(0.0449)</u>
ACTUAL ADJUSTMENT (AA)	\$/MCF	<u>1.1193</u>

BALANCE ADJUSTMENT SUMMARY CALCULATION

PARTICULARS	UNIT	AMOUNT
BALANCE ADJUSTMENT AMOUNT (SCHEDULE V)	\$	519,338
ESTIMATED SALES FOR QUARTER	MCF	<u>280,515</u>
BALANCE ADJUSTMENT (BA)	\$/MCF	<u>1.8514</u>

MCF PURCHASES FOR THREE MONTHS BEGINNING
August 1, 2012
AT SUPPLIERS COSTS EFFECTIVE
August 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)				\$542,495	
ATMOS ENERGY MARKETING COLUMBIA GAS TRANSMISSION PIPELINE (SCH II, PAGE 2 OF 2)	92,510	1.012	2.3258	217,742	R
ATMOS ENERGY MARKETING COLUMBIA GULF TRANSMISSION	43,557	1.018	2.3257	103,124	R
M&B GAS SERVICES KENTUCKY PRODUCERS	142,558	1.238	2.8863	509,398	R
VINLAND STORAGE	1,890		2.8648	5,415	R
	-			-	
TOTAL	<u>280,515</u>			<u>1,474,059</u>	
 COMPANY USAGE	 4,208				

ESTIMATED UNCOLLECTIBLE GAS COSTS
FOR THE THREE MONTHS ENDED
October 31, 2012

TWELVE MONTH AVERAGE % OF PURCHASED GAS TO RECORDED REVENUE	42.00%	N
ESTIMATED BAD DEBT EXPENSE	\$14,100	I
% OF PURCHASED GAS TO BILLED REVENUE UNCOLLECTIBLE GAS COSTS	5,922	I

TENNESSEE GAS PIPELINE RATES EFFECTIVE 8/01/12

		DTH VOLUMES	FIXED OR VARIABLE		RATES	QUARTELY COST
FT-G RESERVATION RATE - ZONE 0-2	1.	8,371	F	2.	\$16.341	\$136,778
FT-G RESERVATION RATE - ZONE 1-2	3.	22,511	F	4.	\$11.133	\$250,610
FT-G COMMODITY RATE - ZONE 0-2	5.	(9,253)	V	6.	\$0.0213	(\$197)
FT-G COMMODITY RATE - ZONE 1-2	7.	(24,877)	V	8.	\$0.0183	(\$455)
FT-A RESERVATION RATE - ZONE 0-2	9.	705	F	10.	\$16.341	\$11,520
FT-A RESERVATION RATE - ZONE 1-2	11.	3,024	F	12.	\$11.133	\$33,666
FT-A RESERVATION RATE - ZONE 3-2	13.	471	F	14.	\$5.755	\$2,711
FT-A COMMODITY RATE - ZONE 0-2	15.	21,444	V	16.	\$0.0213	\$457
FT-A COMMODITY RATE - ZONE 1-2	17.	91,980	V	18.	\$0.0183	\$1,683
FT-A COMMODITY RATE - ZONE 3-2	19.	14,326	V	20.	\$0.0062	\$89
FUEL & RETENTION - ZONE 0-2	21.	12,191	V	22.	\$0.0491	\$598
FUEL & RETENTION - ZONE 1-2	23.	67,103	V	24.	\$0.0419	\$2,809
FUEL & RETENTION - ZONE 3-2	25.	14,326	V	26.	\$0.0121	\$173
SUB-TOTAL						\$440,442
FS-PA DELIVERABILITY RATE	27.	4,572	F	28.	\$2.81	\$12,847
FS-PA INJECTION RATE	29.	46,689	V	30.	\$0.0073	\$341
FS-PA WITHDRAWAL RATE	31.	46,689	V	32.	\$0.0073	\$341
FS-PA SPACE RATE	33.	560,271	F	34.	\$0.0286	\$16,024
FS-PA RETENTION	35.	46,689	V	36.	\$0.0444	\$2,074
SUB-TOTAL						\$31,627
FS-MA DELIVERABILITY RATE	37.	25,908	F	38.	\$1.54	\$39,898
FS-MA INJECTION RATE	39.	96,906	V	40.	\$0.0087	\$843
FS-MA WITHDRAWAL RATE	41.	96,906	V	42.	\$0.0087	\$843
FS-MA SPACE RATE	43.	1,162,866	F	44.	\$0.0211	\$24,536
FS-MA RETENTION	45.	96,906	V	46.	\$0.0444	\$4,305
SUB-TOTAL						\$70,426
TOTAL TENNESSEE GAS PIPELINE CHARGES						<u>\$542,495</u>
COLUMBIA GAS TRANSMISSION RATES EFFECTIVE 8/01/12						
GTS COMMODITY RATE	47.	44,341	V	48.	\$0.7954	\$35,269
FUEL & RETENTION	49.	44,341	V	50.	\$0.0829	\$3,677
TOTAL COLUMBIA GAS TRANSMISSION CHARGES						<u>\$38,946</u>
COLUMBIA GULF CORPORATION RATES EFFECTIVE 8/01/12						
FTS-1 RESERVATION RATE	51.	13,134	F	52.	\$4.2917	\$56,367
FTS-1 COMMODITY RATE	53.	44,341	V	54.	\$0.0127	\$563
FUEL & RETENTION	55.	44,341	V	56.	\$0.0002	\$9
TOTAL COLUMBIA GULF CORPORATION CHARGES						<u>\$56,939</u>
TOTAL PIPELINE CHARGES						<u>\$638,380</u>

SUPPLIER REFUND ADJUSTMENT
 DETAIL FOR THE THREE MONTHS ENDED
 April 30, 2012

Particulars	Unit	Amount
SUPPLIERS REFUNDS RECEIVED (1)	\$	(195,386)
INTEREST FACTOR (2)		0.998155
REFUND ADJUSTMENT INCLUDING INTEREST	\$	(195,025)
SALES TWELVE MONTHS ENDED April 30, 2012	MCF	2,484,472
CURRENT SUPPLIER REFUND ADJUSTMENT	\$/MCF	(0.0785)

(1) Suppliers Refunds Received	Date Received	Amount
Columbia Gulf Rate Case Refund	3/27/2012	32,132.39
Tennessee Gas Rate Case Adjustment Refund	3/31/2012	115,021.38
PCB Refund from TGP	4/2/2012	48,231.88
Total		195,385.65

(2) Interest Factor			
RESULT OF PRESENT VALUE	0.1707690	-0.5 =	(0.329231)

**ACTUAL ADJUSTMENT
DETAIL FOR THE THREE MONTHS ENDED
April 30, 2012**

Particulars	Unit	For the Month Ended		
		Feb-12	Mar-12	Apr-12
SUPPLY VOLUME PER BOOKS				
PRIMARY GAS SUPPLIERS	MCF	545,892	417,283	203,092
UTILITY PRODUCTION	MCF	-	-	-
INCLUDABLE PROPANE	MCF	-	-	-
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	545,892	417,283	203,092
SUPPLY COST PER BOOKS				
PRIMARY GAS SUPPLIERS	\$	1,888,226	1,333,551	534,816
UTILITY PRODUCTION	\$	-	-	-
INCLUDABLE PROPANE	\$	-	-	-
UNCOLLECTIBLE GAS COSTS	\$	30,895	45,286	12,133
OTHER COST (SPECIFY)	\$	-	-	-
TOTAL	\$	1,919,121	1,378,837	546,949
SALES VOLUME				
JURISDICTIONAL	MCF	486,685	516,676	130,854
OTHER VOLUMES (SPECIFY)	MCF	-	-	-
TOTAL	MCF	486,685	516,676	130,854
UNIT BOOK COST OF GAS				
EGC IN EFFECT FOR MONTH	\$	3.9433	2.6687	4.1798
RATE DIFFERENCE	\$	4.7636	4.7636	4.7636
MONTHLY SALES	MCF	(0.8203)	(2.0949)	(0.5838)
MONTHLY COST DIFFERENCE	\$	486,685	516,676	130,854
	\$	(399,228)	(1,082,385)	(76,393)
				Three Month
				Period
COST DIFFERENCE FOR THE THREE MONTHS				
TWELVE MONTHS SALES FOR PERIOD ENDED				(1,558,006)
CURRENT QUARTERLY ACTUAL ADJUSTMENT				2,484,472
				<u>(0.6271)</u>

DELTA NATURAL GAS COMPANY, INC.

SCHEDULE V

EXPECTED GAS COST BALANCE ADJUSTMENT
 DETAIL FOR THE THREE MONTHS ENDED
 April 30, 2012

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	\$	2,110,112
LESS: DOLLAR AMOUNT RESULTING FROM THE AA OF 0.6372 \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT FOUR QUARTERS PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL SALES OF 2,484,472 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	\$	<u>1,583,106</u>
BALANCE ADJUSTMENT FOR THE AA	\$	<u>527,006</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	\$	(48,162)
LESS: DOLLAR AMOUNT RESULTING FROM THE UNIT RATE FOR SUPPLIER REFUND ADJUSTMENT OF (0.0145) \$/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 2,484,472	\$	(36,025)
BALANCE ADJUSTMENT FOR THE RA	\$	(12,137)
DOLLAR AMOUNT OF BALANCE ADJUSTMENT AS USED TO COMPUTE BA OF THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR	\$	(76,174)
LESS: DOLLAR AMOUNT RESULTING FROM THE BA OF (0.0711) \$/MCF AS USED TO COMPUTE THE GCR IN EFFECT ONE QUARTER PRIOR TO THE CURRENTLY EFFECTIVE GCR TIMES THE JURISDICTIONAL MCF SALES OF 1,134,215 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	\$	<u>(80,643)</u>
BALANCE ADJUSTMENT FOR THE BA	\$	<u>4,469</u>
TOTAL BALANCE ADJUSTMENT AMOUNT	\$	<u>519,338</u>

COMPUTATION OF VINLAND PRICE EFFECTIVE 8/01/12 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR AUGUST 2012 THROUGH OCTOBER 2012

WEIGHTED AVERAGE PRICE W/ ADD-ON \$2.8648 per MCF

COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 8/01/12 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR AUGUST 2012 THROUGH OCTOBER 2012 (TGP)

WEIGHTED AVERAGE PRICE W/ ADD-ON \$2.3258 per MMBtu dry

COMPUTATION OF ATMOS ENERGY MARKETING PRICE EFFECTIVE 8/01/12 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR AUGUST 2012 THROUGH OCTOBER 2012 (TCO)

WEIGHTED AVERAGE PRICE W/ ADD-ON \$2.3257 per MMBtu dry

COMPUTATION OF M&B PRICE EFFECTIVE 8/01/12 BASED ON WEIGHTED
AVERAGE NYMEX FUTURES PRICES FOR AUGUST 2012 THROUGH OCTOBER 2012

WEIGHTED AVERAGE PRICE W/ ADD-ON \$2.8863 per MMBtu dry

TGP SUPPLIED AREAS PURCHASE PROFILE:

6/12/2012

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
August 2012	17,320	17,528	\$2.293	(\$0.060)	\$39,139.40
September	23,962	24,249	\$2.337	(\$0.060)	\$55,215.10
October	<u>51,229</u>	<u>51,844</u>	\$2.440	(\$0.060)	<u>\$123,387.87</u>
	92,510	93,620			\$217,742.37
Fixed Price ____		0	\$0.000		\$0.00
Fixed Price ____		0	\$0.000		\$0.00
Total Dth		93,620			
WEIGHTED AVERAGE PRICE PER DTH:				<u><u>\$2.3258</u></u>	

COLUMBIA SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
August 2012	6,966	7,091	\$2.293	(\$0.07)	\$15,763.39
September	8,797	8,956	\$2.337	(\$0.07)	\$20,302.70
October	<u>27,794</u>	<u>28,294</u>	\$2.440	(\$0.07)	<u>\$67,057.48</u>
	43,557	44,341			\$103,123.57
Fixed Price ____		0	\$0.000		\$0.00
Fixed Price ____		0	\$0.000		\$0.00
Total Dth		44,341			
WEIGHTED AVERAGE PRICE PER DTH:				<u><u>\$2.3257</u></u>	

VINLAND SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	NYMEX \$ PER DTH	ADD-ON PER DTH	BTU ADJUSTMENT	TOTAL
August 2012	365	\$2.293	\$0.00	1.2	\$1,004.33
September	445	\$2.337	\$0.00	1.2	\$1,247.96
October	<u>1,080</u>	\$2.440	\$0.00	1.2	<u>\$3,162.24</u>
	1,890				\$5,414.53
WEIGHTED AVERAGE PRICE PER MCF:					<u><u>\$2.8648</u></u>

COLUMBIA GULF SUPPLIED AREAS PURCHASE PROFILE:

MONTH	VOLUMES MCF	VOLUMES DTH	NYMEX \$ PER DTH	ADD-ON PER DTH	TOTAL
August 2012	27,027	33,459	\$2.293	\$0.50	\$93,451.69
September	35,713	44,213	\$2.337	\$0.50	\$125,431.34
October	<u>79,818</u>	<u>98,815</u>	\$2.440	\$0.50	<u>\$290,514.80</u>
	142,558	176,486			\$509,397.83
FIXED PRICE		0			\$0.00
WEIGHTED AVERAGE PRICE PER DTH:				<u><u>\$2.8863</u></u>	

**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 *	\$ 20.90000				\$ 20.90000
All Ccf ***	\$ 0.43185		\$ 0.81172		\$ 1.24357 /Ccf

(R)

* 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.

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: June 18, 2012

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

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

**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>	+	<u>Gas Cost Recovery Rate (GCR) **</u>	=	<u>Total Rate</u>
Customer Charge	\$ 31.20000				\$ 31.20000
All Ccf ***	\$ 0.43185		\$ 0.81172		\$ 1.24357 /Ccf

(R)

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.

Small Non-Residential rates are also subject to a Pipe Replacement Program charge of \$0.40 as determined in accordance with the Pipe Replacement Program Rider as set forth on Sheet 43 of this tariff.

DATE OF ISSUE: June 18, 2012

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

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

**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 <u>(GCR) **</u>	=	<u>Total Rate</u>
Customer Charge	\$ 131.00000				\$ 131.00000
1 - 2,000 Ccf	\$ 0.43185		\$ 0.81172		\$ 1.24357 /Ccf
2,001 - 10,000 Ccf	\$ 0.26696		\$ 0.81172		\$ 1.07868 /Ccf
10,001 - 50,000 Ccf	\$ 0.18735		\$ 0.81172		\$ 0.99907 /Ccf
50,001 - 100,000 Ccf	\$ 0.14735		\$ 0.81172		\$ 0.95907 /Ccf
Over 100,000 Ccf	\$ 0.12735		\$ 0.81172		\$ 0.93907 /Ccf

(R)
(R)
(R)
(R)
(R)

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.

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: June 18, 2012

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

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

**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 <u>(GCR) **</u>	=	<u>Total Rate</u>
Customer Charge	\$ 250.00000				\$ 250.00000
1 - 10,000 Ccf	\$ 0.16000		\$ 0.81172		\$ 0.97172 /Ccf
10,001 - 50,000 Ccf	\$ 0.12000		\$ 0.81172		\$ 0.93172 /Ccf
50,001 - 100,000 Ccf	\$ 0.08000		\$ 0.81172		\$ 0.89172 /Ccf
Over 100,000 Ccf	\$ 0.06000		\$ 0.81172		\$ 0.87172 /Ccf

(R)
(R)
(R)
(R)

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.

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.

** 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.

DATE OF ISSUE: June 18, 2012

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

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