



**STOLL  
KEENON  
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OCT 10 2012

PUBLIC SERVICE  
COMMISSION

**ROBERT M. WATT, III**  
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robert.watt@skofirm.com

October 9, 2012

***HAND DELIVERED***

Hon. Jeff Derouen  
Executive Director  
Public Service Commission  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, KY 40601

Re: Delta Natural Gas Company, Inc.  
Case No. 2012-00423

Dear Mr. Derouen:

We enclose for filing an original and six (6) copies of the response of Delta Natural Gas Company, Inc. to the Commission Staff's First Request for Information in the above-captioned case. Please place these documents with the other papers in that case. In addition, please file stamp the additional copy of the response for Delta's records. Thank you in advance for your assistance.

Sincerely,

Robert M. Watt, III

rmw:rmw  
Enclosure  
cc: Mr. John Brown (w/o encl.)

005522.005777/4085478.1

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COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE  
COMMISSION

In the Matter of:

APPLICATION OF DELTA NATURAL )  
GAS COMPANY, INC. FOR AN ORDER ) CASE NO. 2012-00426  
AUTHORIZING THE ISSUANCE OF 79,099 )  
SHARES OF ITS COMMON STOCK )

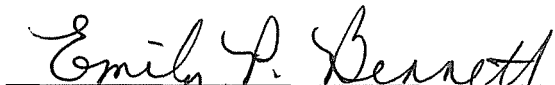
VERIFICATION

The undersigned, **John B. Brown**, being duly sworn, deposes and states that he is Chief Financial Officer, Treasurer and Secretary of Delta Natural Gas Company, Inc. and that he has personal knowledge of the matters set forth in the responses for which he is identified as the witness, and the answers contained therein are true and correct to the best of his information, knowledge and belief.

  
John B. Brown

STATE OF KENTUCKY )  
  )  
COUNTY OF CLARK )

Subscribed and sworn to before me, a Notary Public in and before said County and State, this 9<sup>th</sup> day of October, 2012

 (SEAL)  
Notary Public

My Commission Expires:

6/20/16





**DELTA NATURAL GAS COMPANY, INC.  
CASE NO. 2012-00423**

**FIRST PSC DATA REQUEST  
DATED OCTOBER 4, 2012**

1. Refer to paragraph 7 of the Application. This paragraph refers to an Amended and Restated Dividend Reinvestment Plan being attached as Exhibit C. Exhibit C is dated December 14, 2005 and is not identified as being amended or restated. Confirm that Exhibit C is the Amended and Restated Dividend Reinvestment Plan (“DRIP”) referred to in this paragraph.

Response:

- a. Yes. They are one and the same.

Sponsoring Witness:

John B. Brown



**DELTA NATURAL GAS COMPANY, INC.  
CASE NO. 2012-00423**

**FIRST PSC DATA REQUEST  
DATED OCTOBER 4, 2012**

2. Beginning with the most current month available, provide the market price for Delta's common stock as of the first business date of each month for the past 12 months.

Response:

See attached.

Sponsoring Witness:

John B. Brown

**Delta Natural Gas Company, Inc.**  
**Common Stock Market Prices**

<u>date</u>		<u>closing price</u>
10/1/2012	\$	19.89
9/4/2012	\$	19.69
8/1/2012	\$	20.05
7/2/2012	\$	22.50
6/1/2012	\$	19.35
5/1/2012	\$	21.30
4/2/2012	\$	19.00 *
3/1/2012	\$	19.10 *
2/1/2012	\$	17.01 *
1/3/2012	\$	16.96 *
12/1/2011	\$	16.57 *
11/1/2011	\$	16.03 *

\* These per share amounts have been adjusted to reflect two-for-one stock split distributed May 1, 2012.





**DELTA NATURAL GAS COMPANY, INC.  
CASE NO. 2012-00423**

**FIRST PSC DATA REQUEST  
DATED OCTOBER 4, 2012**

3. Provide the estimated amount of funds to be generated by the issuance of the 158,198 shares.

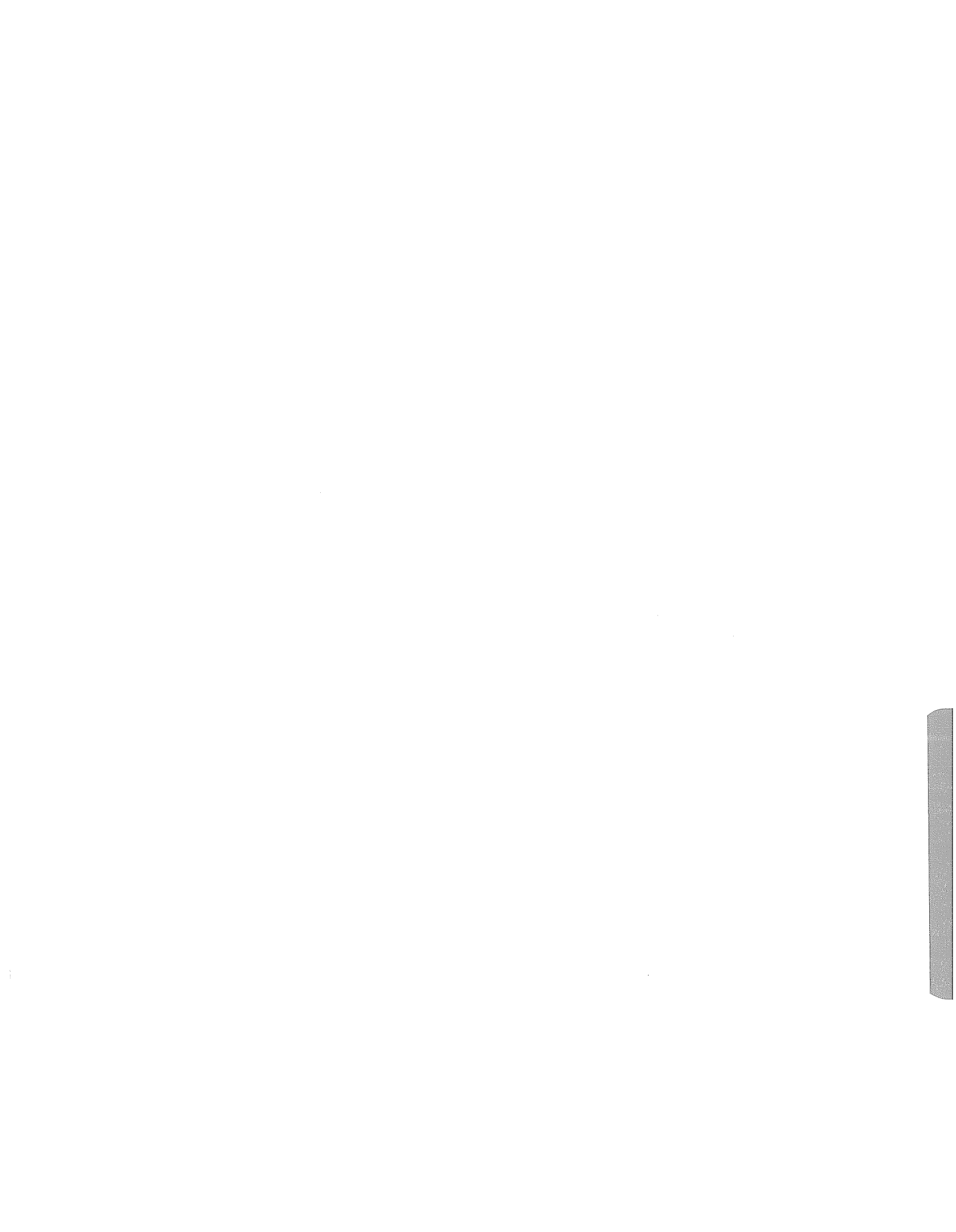
Response:

Approximately \$3.1 million

(158,198 shares multiplied by \$19.89 recent share price)

Sponsoring Witness:

John B. Brown



**DELTA NATURAL GAS COMPANY, INC.  
CASE NO. 2012-00423**

**FIRST PSC DATA REQUEST  
DATED OCTOBER 4, 2012**

4. Provide the time frame that Delta estimates will be necessary to issue the shares.

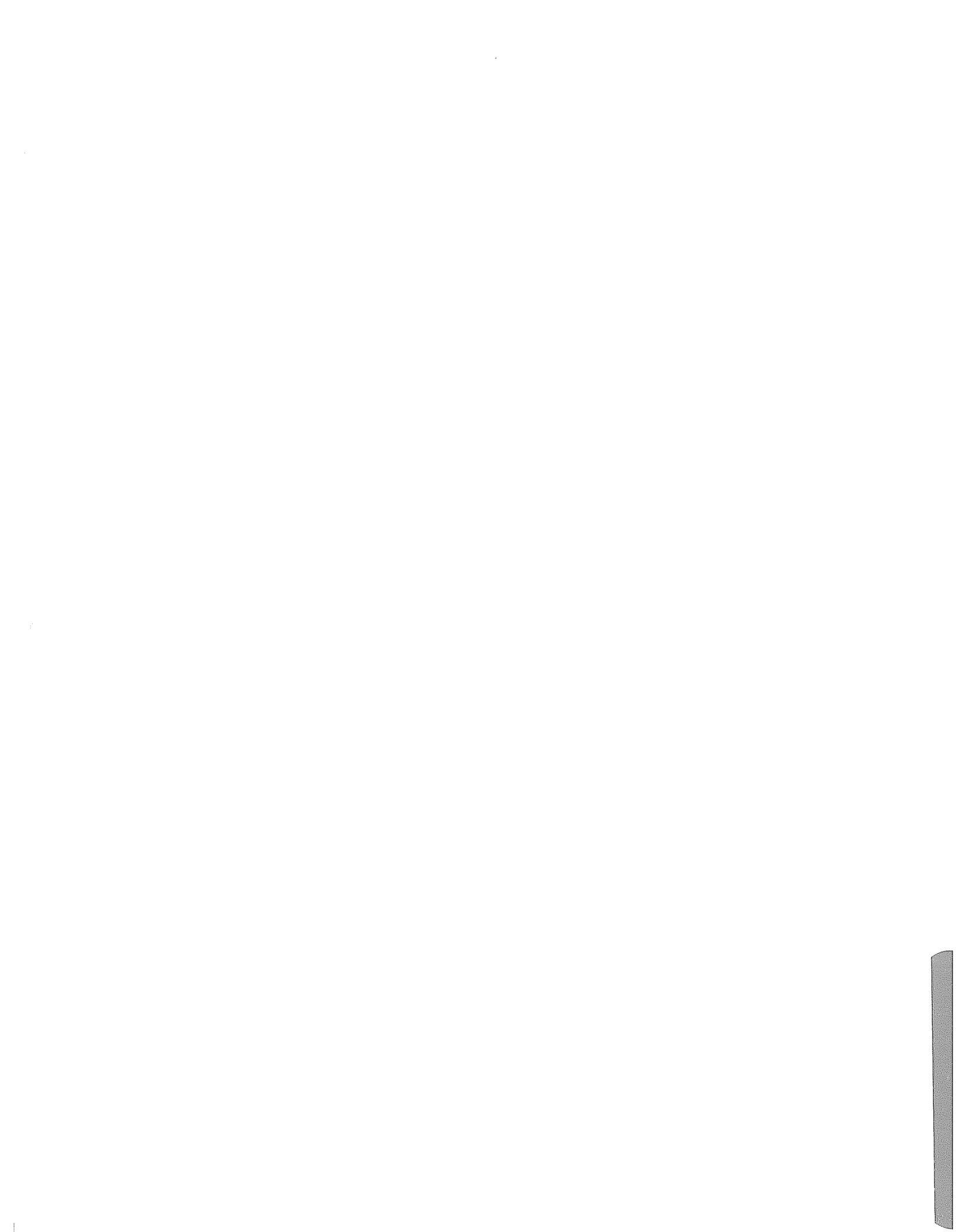
Response:

Approximately 4 years

(158,198 shares divided by approximately 38,900 shares issued under DRIP during fiscal 2012)

Sponsoring Witness:

John B. Brown



**DELTA NATURAL GAS COMPANY, INC.  
CASE NO. 2012-00423**

**FIRST PSC DATA REQUEST  
DATED OCTOBER 4, 2012**

5. Provide all costs and expenses that are anticipated as a result of the issuance and distribution of the additional 158,198 common shares. Identify separately and briefly describe the reason for each known or estimated cost or expense.

Response:

On August 29, 2012, the Company filed post-effective amendment No. 1 to Form S-3 Registration Statement under the Securities Act of 1933 to register the additional 79,099 split shares. We expect to pay Stoll, Keenon, Ogden approximately \$4,000 in attorney fees and Deloitte & Touche approximately \$5,000 for providing a consent in conjunction with the registration of these shares.

The customary expenses associated with issuing equity do not apply in this case with the shares being issued under the DRIP. Computershare, our stock transfer agent, does not charge the Company separately for issuing shares under the DRIP. DRIP issuance and recordkeeping is included in the fixed monthly \$1,512.15 administration and registration fee Computershare charges the Company. There will be some minor incremental expenses associated with sending transaction statements to investors.

Sponsoring Witness:

John B. Brown