

CLASSIFICATION OF SERVICE  
RATE SCHEDULESPIPE REPLACEMENT PROGRAM ("PRP") RIDERAPPLICABILITY

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.

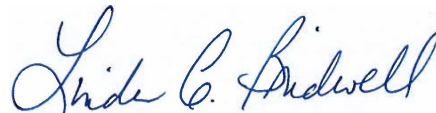
The PRP Rider will be updated annually in order to reflect the expected impact on the Company's revenue requirements of forecasted net plant additions and subsequently adjusted to true up the actual costs with the projected costs. A filing to update the projected costs for the upcoming calendar year 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.

**CANCELLED**

July 1, 2025

**KENTUCKY PUBLIC  
SERVICE COMMISSION**

DATE OF ISSUE: January 12, 2022  
 DATE EFFECTIVE: January 4, 2022  
 ISSUED BY: /s/ John B. Brown  
 John B. Brown, President

**KENTUCKY  
PUBLIC SERVICE COMMISSION****Linda C. Bridwell**  
Executive Director

EFFECTIVE

**1/4/2022**

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

Issued by Authority of an Order of the Public Service Commission of KY in  
 Case No. 2021-00185 dated January 3, 2022.