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David L. Armstrong
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James W. Gardner
Vice Chairman

November 19, 2013

PARTIES OF RECORD

Re: Case No. 2013-00332
An Investigation of the Proposed Abandonment by AmeriGas Partners, L.P. and AmeriGas Propane, L.P. of Utility Service by Bright's Propane Service, Inc. in Old Bridge Subdivision, Boyle County, Kentucky

Attached is a copy of the memorandum which is being filed in the record of the above-referenced case. If you have any comments you would like to make regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Staff Attorney Virginia Gregg at 502-782-2584.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen
Executive Director

VG/kar
Attachment

INTRA-AGENCY MEMORANDUM

KENTUCKY PUBLIC SERVICE COMMISSION

TO: Case File

FROM: Virginia Gregg, Staff Attorney *VB*

DATE: November 18, 2013

RE: Case No. 2013-00332
An Investigation of the Proposed Abandonment by AmeriGas Partners, L.P. and AmeriGas Propane, L.P. of Utility Service by Bright's Propane Service, Inc. in Old Bridge Subdivision, Boyle County, Kentucky

On November 14, 2013, an informal conference attended by representatives of AmeriGas Partners, L.P. and AmeriGas Propane, L.P. ("AmeriGas") and members of Commission Staff ("Staff") was conducted at the Commission offices in Frankfort, Kentucky. A list of the attendees is attached hereto.

The purpose of the conference was to discuss several issues in the above case. Staff began the conference by requesting that AmeriGas address the following: (1) the public comments submitted by customers opposing abandonment of the pipeline system operated by Bright's Propane Service, Inc. ("Bright's Propane") in the Old Bridge subdivision ("Old Bridge") in Boyle County, Kentucky; (2) the steps that AmeriGas intends to take to address the customers' comments; (3) the efforts, if any, AmeriGas has made to determine whether underground propane tanks can be placed on the customers' properties in Old Bridge; and (4) whether AmeriGas has knowledge of any deed restrictions that may be applicable to placing propane tanks in Old Bridge .

There was discussion regarding the public comments submitted by customers opposing abandonment of the pipeline system. Counsel for AmeriGas and an AmeriGas representative both stated that AmeriGas had not received any comments or communications directly from its customers, but that it had seen and reviewed the comments that have been filed with the Commission. AmeriGas's counsel stated that an AmeriGas employee had driven through Old Bridge and saw firsthand approximately 15 above ground propane tanks or above ground stems attached to buried propane tanks currently being used by residents of Old Bridge. AmeriGas's counsel stated that it was his understanding that both AmeriGas affiliates and non-affiliated bottled propane companies are currently providing propane to customers in Old Bridge who have individual tanks.

There was also discussion regarding AmeriGas's cost of providing propane to Old Bridge through the pipeline system compared to providing it to customer's individual tanks, including the actual commodity cost and the allocation of AmeriGas employees'

time. AmeriGas stated that it had offered to provide current Old Bridge customers individual propane tanks and to bury these tanks on the customer's property if requested at no cost to the customer. Also discussed were comments made by customers regarding the underground septic systems, other buried utilities and mature landscaping throughout Old Bridge and the feasibility of placing individual propane tanks. There was also discussion of what AmeriGas would do with the propane tank that currently supplies the pipeline system, should the Commission approve its request to abandon the pipeline system.

Finally, there was discussion regarding deed restrictions that might prohibit the placement of propane tanks on individual customer's properties, either above ground or buried. AmeriGas stated its intention to research this issue further, to gather additional information regarding the four concerns identified earlier in this memorandum and to file a written response with the Commission.

The conference was then adjourned.

Attachment

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION OF THE PROPOSED)
ABANDONMENT BY AMERIGAS PARTNERS,)
L.P. AND AMERIGAS PROPANE, L.P OF) CASE NO.
UTILITY SERVICE BY BRIGHT'S PROPANE) 2013-00332
SERVICE, INC. IN OLD BRIDGE SUBDIVISION,)
BOYLE COUNTY, KENTUCKY)

November 14, 2013

Please sign in:

NAME	REPRESENTING
<u>Michael Errie</u>	<u>Amerigas</u>
<u>Duncan Crosby</u>	<u>SKO for Amerigas</u>
<u>Matthew Buer</u>	<u>PSC - FA</u>
<u>Leah Faulkner</u>	<u>PSC - FA</u>
<u>JEFF SHAW</u>	<u>PSC - FA</u>
<u>Virginia Gregg</u>	<u>PSC - Legal</u>
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