



Steven L. Beshear
Governor

Leonard K. Peters
Secretary
Energy and Environment Cabinet

Commonwealth of Kentucky
Public Service Commission
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David L. Armstrong
Chairman

James W. Gardner
Vice Chairman

Linda Breathitt
Commissioner

October 21, 2013

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

Re: Case No. 2013-00337
*AmeriGas Partners, L.P., AmeriGas Propane, L.P., and Energy Transfer
Partners, L.P. Alleged Failure to Comply with KRS 278.020*

Dear Mr. Derouen:

Attached hereto is the Stipulation of Facts and Settlement Agreement entered into by AmeriGas Partners, L.P., AmeriGas Propane, L.P., Energy Transfer Partners, L.P. and Commission Staff. Please bring this document to the Commission's attention for its review and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "AAC", with a long horizontal flourish extending to the right.

Aaron Ann Cole
Staff Attorney

Enclosure

cc: Parties of Record



STOLL
KEENON
OGDEN

RECEIVED

OCT 18 2013

PUBLIC SERVICE
COMMISSION

2000 PNC PLAZA
500 WEST JEFFERSON STREET
LOUISVILLE, KY 40202-2828
MAIN: (502) 333-6000
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W. DUNCAN CROSBY III
DIRECT DIAL: (502) 560-4263
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duncan.crosby@skofirm.com

October 18, 2013

Aaron A. Cole
Staff Attorney
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, KY 40601

RE: *AmeriGas Partners, L.P., AmeriGas Propane, L.P. and Energy Transfer Partners, L.P. Alleged Failure to Comply with KRS 278.020*
Case No. 2013-00337

Dear Aaron:

Enclosed please find the Stipulation and Settlement Agreement ("Agreement") in the above-referenced matter. The Agreement has been signed by James Wright, Deputy General Counsel of Energy Transfer, L.P. and Michael Ertle, Associate Counsel for AmeriGas Partners, L.P. and AmeriGas Propane, L.P.

Sincerely,

W. Duncan Crosby III

WDC/ec
Enclosure

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WHEREAS, Energy Transfer sold and transferred the utility assets of Heritage Operating, L.P. d/b/a Bright's Propane Service Inc. to AmeriGas in a transaction that closed in January of 2012;

WHEREAS, approval of the Commission for the transfer and acquisition was not sought prior to the closing of the transaction;

WHEREAS, the Commission notified AmeriGas by letter dated May 7, 2013, that KRS 278.020(5) and (6) require prior Commission approval of the transfer and acquisition of a utility and requested that an application for approval of the transfer be filed;

WHEREAS, AmeriGas filed an application for approval of the transfer on June 21, 2013, noting that its failure to obtain prior approval had been inadvertent;

WHEREAS, the Commission issued its Order establishing this proceeding to investigate whether it should assess a civil penalty pursuant to KRS 278.990 for the apparent violations of KRS 278.020(5) and (6); and

WHEREAS, Energy Transfer, AmeriGas and Commission Staff desire to settle the issues raised in this proceeding and have therefore entered into this Stipulation,

NOW, THEREFORE, Energy Transfer, AmeriGas and Commission Staff agree that:

1. The transfer of the utility assets of Heritage Operating, L.P. d/b/a Bright's Propane Service Inc. by Energy Transfer to AmeriGas required the prior approval of the Commission under KRS 278.020(5) and (6).
2. Within 10 days after the entry of an Order approving this Stipulation, Energy Transfer and AmeriGas shall collectively pay to the Commonwealth of Kentucky the sum of \$7,500 in satisfaction and resolution of all issues that involve Energy Transfer and AmeriGas, their respective affiliates, employees, and agents and that arise out of

AmeriGas's acquisition of Heritage Operating, L.P. d/b/a Bright's Propane Service, Inc. from Energy Transfer. This payment shall be in the form of a cashier's or certified check made payable to "Treasurer,

Commonwealth of Kentucky" and shall be mailed or delivered to: Office of General Counsel, Public Service Commission of Kentucky, 211 Sower Boulevard, Frankfort, Kentucky, 40602.

3. Nothing contained herein shall be construed as an admission of a willful violation of any statute or administrative regulation, nor shall the Commission's acceptance of this Stipulation be construed as a finding of a willful violation of any statute or administrative regulation.

4. This Stipulation is subject to the acceptance of and approval by the Commission.

4. If the Commission fails to accept and approve this Stipulation in its entirety, this proceeding shall go forward and neither the terms of this Stipulation nor any matters raised during settlement negotiations shall be binding on either signatory or be construed against either eEnergy Transfer, AmeriGas or Commission Staff.

5. Commission Staff shall recommend to the Commission that the Stipulation be accepted and approved.

6. If the Commission accepts and adopts this Stipulation in its entirety and enters an Order in this proceeding to that effect, neither Energy Transfer nor AmeriGas shall apply for rehearing in this matter or bring any action for judicial review of that Order.

IN WITNESS WHEREOF, Energy Transfer, AmeriGas, and Commission Staff have executed this Stipulation the day and year first above written by and through their duly authorized attorneys.

STAFF OF PUBLIC SERVICE COMMISSION
OF KENTUCKY

BY: _____

TITLE: _____

AMERIGAS PARTNERS, L.P. AND AMERIGAS
PROPANE, L.P.

BY: 

TITLE: Associate Counsel

ENERGY TRANSFER, L.P.

BY: _____

TITLE: _____

STAFF OF PUBLIC SERVICE COMMISSION
OF KENTUCKY

BY: _____

TITLE: _____

AMERIGAS PARTNERS, L.P. AND AMERIGAS
PROPANE, L.P.

BY: _____

TITLE: _____

ENERGY TRANSFER, L.P.

BY:  _____

TITLE: Deputy General Counsel