

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF HERITAGE PROPANE) CASE NO. 2011-00006
D/B/A BRIGHT'S PROPANE SERVICE)

O R D E R

On February 15, 1991, in Case No. 1990-00091,¹ the Commission approved rates for Bright's Propane Service, Inc. and provided for their further adjustment on a quarterly basis in accordance with Bright's Propane Service's Gas Cost Adjustment ("GCA") clause. On March 5, 2008, Heritage Operating, LP acquired the assets of Bright's Propane Service, adopted the tariff of Bright's Propane Service, and shortly thereafter began providing service to the public as Bright's Propane Service.²

On January 5, 2011, Heritage Operating LP doing business as Bright's Propane Service ("Bright's Propane") filed its proposed GCA to be effective February 1, 2011.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Bright's Propane's notice includes revised rates designed to pass on to its customers its expected change in wholesale propane costs.

¹ Case No. 1990-00091, Jurisdictional Status of Brights Propane Service, Inc.'s Propane Distribution System (Ky. PSC Feb. 15, 1991).

² Case No. 2007-00494, Joint Application of Heritage Operating L.P. and Bright's Propane Service Inc. for Approval of Transfer and Acquisition of Assets and Certificates of Public Convenience (Ky. PSC Feb. 27, 2008).

2. Bright's Propane's notice sets out an Average Gas Cost ("AGC") component of \$.03950 per cubic foot, which is a \$.00061 increase from the previous AGC of \$.03889 per cubic foot.

3. Bright's Propane's notice sets out a current quarter Actual Adjustment ("AA") of \$.000386 per cubic foot. Bright's incorrectly calculated its Total Difference amount, which should have been \$20.12 instead of (\$472.84). Correcting for this error produces a current quarter AA of \$.0000304 per cubic foot. Bright's Propane's total AA is \$.012024 per cubic foot, which is an increase of \$.000030 per cubic foot from the previous total AA of \$.011994 per cubic foot.

4. Bright's Propane's notice sets out \$.015 per cubic foot to recover overhead operating costs as approved in its tariff.

5. Bright's Propane's GCA is \$.06652 per cubic foot, which is an increase of \$.00064 per cubic foot from the previous rate of \$.06588 per cubic foot.

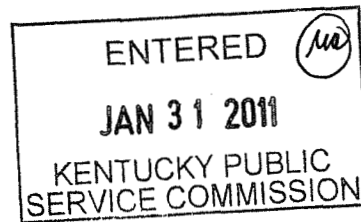
6. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Bright's Propane on and after February 4, 2011. Bright's Propane did not give the 30 days' notice required for its increase in rates to be effective February 1, 2011.

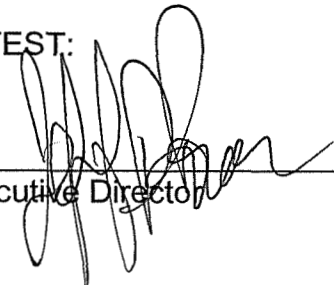
IT IS THEREFORE ORDERED that:

1. Bright's Propane's proposed rates are denied.
2. The rates in the Appendix attached hereto and incorporated herein are approved for final meter readings on and after February 4, 2011.

3. Within 20 days of the date of this Order, Bright's Propane shall file revised tariff sheets with this Commission setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission



ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00006 DATED JAN 31 2011

The following rates and charges are prescribed for the customers in the area served by Heritage Operating LP D/B/A Bright's Propane Service, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATES: Monthly

All Propane	\$.06652 per cubic foot
Minimum Bill (First 400 Cubic feet or less)	\$ 26.61

Kathy Caton
Heritage Propane dba Brights Propane
P.O. Box 321
Burgin, KY 40310