COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST ADJUSTMENT)FILING OF BRIGHT'S PROPANE SERVICE, INC.)CASE NO. 90-091-F

<u>ORDER</u>

On February 15, 1991, in Case No. 90-091, the Commission approved rates for Bright's Propane Service, Inc. ("Bright's") and provided for their further adjustment on a quarterly basis in accordance with Bright's gas cost adjustment ("GCA") clause.

On June 20, 2001, Bright's filed its GCA to be effective August 1, 2001.

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

1. Bright's notice includes revised rates designed to pass on to its customers its expected decrease in wholesale propane costs. Bright's Average Gas Cost component ("AGC") is 1.972 cent per cubic foot, a decrease of .35 cent per cubic foot from its previous AGC of 2.322 cents.

2. Bright's notice sets out a current quarter actual adjustment ("AA") of (.01) cent per cubic foot to return over-recovered propane cost from February, March and April 2001. Bright's notice sets out a total AA of .256 cent per cubic foot. Bright's incorrectly included a previous AA of .079 cent per cubic foot, which expires August 1, 2001, in its total AA. Correcting for this produces a total AA of .177, a decrease of .089 cent per cubic foot from the previous total AA.

3. Bright's notice sets out no balancing adjustment.

4. Bright's notice sets out 1.5 cents per cubic foot to recover overhead operating costs as approved in its tariff.

5. Bright's gas cost adjustment ("GCA") is 3.649 cents per cubic foot, which is .439 cent per cubic foot less than the previous rate of 4.088.

6. The rate in the Appendix to this Order is fair, just, and reasonable, in the public interest, and should be approved for final meter readings by Bright's on and after August 1, 2001.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Bright's are denied.

2. The rates in the Appendix, attached hereto and incorporated herein, are approved for final meter readings on and after August 1, 2001.

3. Within 20 days of the date of this Order, Bright's shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 25th day of July, 2001.

By the Commission

ATTEST:

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APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-091-F DATED JULY 25, 2001

The following rates and charges are prescribed for the customers in the area served by 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 this Commission prior to the date of this Order.

RATES: Monthly

All Propane	\$.03649 per cubic foot
Minimum Bill (First 400 Cubic feet or less)	\$ 14.60