COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST)ADJUSTMENT FILING OF)CASE NO. 2004-00258BRIGHT'S PROPANE SERVICE, INC.)

<u>ORDER</u>

On February 15, 1991, in Case No. 1990-00091, 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 23, 2004, Bright's filed its proposed GCA to be effective August 1, 2004.

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 change in wholesale propane costs.

2. Bright's Average Gas Cost component ("AGC") is 2.278 cents per cubic foot, which is an increase of .196 cent per cubic foot from the previous AGC.

3. Bright's notice sets out a current quarter actual adjustment ("AA") of .039 cent per cubic foot. Bright's notice sets out a total AA of .105 cent per cubic foot, which is a decrease of .178 cent per cubic foot from the previous total AA.

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

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

6. Bright's GCA is 3.883 cents per cubic foot, which is an increase of .018 cent per cubic foot from the previous rate of 3.865.

7. The rates in the Appendix to this Order are fair, just, and reasonable, and should be approved for final meter readings by Bright's on and after August 1, 2004.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix, attached hereto and incorporated herein, are approved for final meter readings on and after August 1, 2004.

2. 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 20th day of July, 2004.

By the Commission

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2004-00258 DATED JULY 20, 2004

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 effective date of this Order.

RATES: Monthly

All Propane	\$.03883 per cubic foot
Minimum Bill (First 400 Cubic feet or less)	\$ 15.53