

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST)	
ADJUSTMENT FILING OF)	CASE NO. 2005-00292
BRIGHT'S PROPANE SERVICE, INC.)	

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. ("Bright's") and provided for their further adjustment on a quarterly basis in accordance with Bright's gas cost adjustment ("GCA") clause.

On July 12, 2005, Bright's filed its proposed GCA to be effective August 1, 2005.

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 notice sets out an Average Gas Cost component ("AGC") of 2.63 cents per cubic foot. Bright's used an incorrect beginning inventory to calculate its AGC. Correcting for this error produces an AGC of 2.636 cents per cubic foot, which is an increase of .061 cent per cubic foot from the previous AGC of 2.575.
3. Bright's notice sets out a current quarter actual adjustment ("AA") of .008 cent per cubic foot. Bright's notice sets out a total AA of .048 cent per cubic foot, which is a decrease of .031 cent per cubic foot from the previous total AA.
4. Bright's notice sets out no balancing adjustment.

¹ Case No. 1990-00091, Jurisdictional Status of Bright's Propane Service, Inc.'s Propane Distribution System, Order dated February 15, 1991.

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 gas cost adjustment ("GCA") is 4.184 cents per cubic foot, which is an increase of .03 cent per cubic foot from the previous rate of 4.154.

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 11, 2005. Bright's did not provide sufficient notice for rates to be effective August 1, 2005.

IT IS THEREFORE ORDERED that:

1. Bright'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 August 11, 2005.
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 2nd day of August, 2005.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00292 DATED August 2, 2005

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	\$.04184 per cubic foot
Minimum Bill (First 400 Cubic feet or less)	\$ 16.74