COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)
FILING OF HERITAGE PROPANE) CASE NO. 2010-00157
D/B/A BRIGHT'S PROPANE SERVICE)

ORDER

On February 15, 1991, in Case No. 1990-00091, the Commission approved rates for Bright's Propane Service, Inc. ("Bright's Propane") and provided for their further adjustment on a quarterly basis in accordance with Bright's Propane's Gas Cost Adjustment ("GCA") clause. On March 5, 2008, Heritage Propane acquired the assets of the former Bright's Propane and adopted Bright's Propane's tariffs.

On April 15, 2010, Bright's Propane filed its proposed GCA to be effective February 1, 2010. Although the application contained no proposed effective date, Bright's Propane's GCA clause provides for a calendar quarter beginning May 1, 2010.

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 Bright's Propane Service, Inc.'s Propane Distribution System (Ky. PSC Feb. 15, 1991).

- 2. Bright's Propane's notice sets out an Average Gas Cost ("AGC") component of \$.03707 per cubic foot, which is an increase of \$.01295 per cubic foot from the previous AGC of \$.02412 per cubic foot.
- 3. Bright's Propane's notice sets out a current quarter Actual Adjustment ("AA") of \$.004879 per cubic foot. Bright's total AA is (\$.001800) per cubic foot, which is an increase of \$.011662 per cubic foot from the previous total AA of (\$.013462) per cubic foot.
 - 4. Bright's Propane's notice sets out no Balancing Adjustment.
- 5. Bright's Propane's notice sets out \$.015 per cubic foot to recover overhead operating costs as approved in its tariff.
- 6. Bright's Propane's GCA is \$.05027 per cubic foot, which is an increase of \$.02461 per cubic foot from the previous rate of \$.02566 per cubic foot.
- 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 Propane on and after May 15, 2010. Bright's Propane's notice was not received within the 30 days required for its increase in rates to be effective May 1, 2010.
- 8. 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 May 15, 2010.

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 May 15, 2010.

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

By the Commission

ENTERED

MAY 11 2010

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST

Executive

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2010-00157 DATED MAY 1 1 2010

The following rates and charges are prescribed for the customers in the area served by Heritage Operating L/P 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 \$.05027 per cubic foot

Minimum Bill \$ 20.12

(First 400 Cubic feet or less)

Kathy Caton Heritage Operating, LP dba Bright's Propane P. O. Box 321 Burgin, KY 40310