COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT FILING OF HERITAGE OPERATING, LP D/B/A BRIGHT'S PROPANE SERVICE, INC.

CASE NO. 2011-00386

<u>ORDER</u>

On February 15, 1991, in Case No. 1990-00091,¹ 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 Operating, LP acquired the assets of the former Bright's Propane and adopted Bright's Propane's tariffs.

On September 23, 2011, Bright's Propane filed its proposed GCA to be effective November 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.

2. Bright's Propane's notice sets out an Average Gas Cost ("AGC") component of \$.04200 per cubic foot, which represents no change from the previous AGC.

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

3. Bright's Propane's notice sets no current quarter Actual Adjustment ("AA"). Bright's Propane's total AA is \$.00220 per cubic foot, which is a decrease of \$.00019 per cubic foot from the previous total AA of \$.00239 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 \$.05920 per cubic foot, which is a decrease of\$.00019 per cubic foot from the previous rate of \$.05939 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 November 1, 2011.

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 November 1, 2011.

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

By the Commission

ENTERED PA OCT 14 2011 KENTUCKY PUBLIC SERVICE COMMISSION

ATTES Executive Dire

Case No. 2011-00386

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00386 DATED **OCT 1 4 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	\$.05920 per cubic foot
Minimum Bill (First 400 Cubic feet or less)	\$ 2	23.68

Kathy Caton Heritage Operating, LP dba Bright's Propane 100 W. Brook Street P. O. Box 321 Burgin, KY 40310