COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED GAS ADJUSTMENT)	
FILING OF HERITAGE PROPANE)	CASE NO. 2013-00289
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 July 12, 2013, Bright's Propane filed its proposed GCA to be effective August 1, 2013.

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

- 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 \$.03013 per cubic foot. Correcting the February 2013 Beginning Month Inventory to reflect the correct Ending Month Inventory for January 2013 which was contained in

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

Bright's Propane's last application results in an AGC of \$.03043 per cubic foot, which represents an increase of \$.00101 per cubic foot from the previous AGC of \$.02942 per cubic foot.

- 3. Bright's Propane's notice sets out a current quarter Actual Adjustment ("AA") of \$.001016 per cubic foot. Correcting the AA to reflect the AGC of \$.03043 and correcting several spread sheet errors results in an AA of (\$.002798) per cubic foot. Bright's Propane's total AA is (\$.00696) per cubic foot, which is a decrease of \$.00304 per cubic foot from the previous total AA of (\$.00392) per cubic foot.
- 4. Bright's Propane's notice sets out a charge of \$.015 per cubic foot to recover overhead operating costs as approved in its tariff.
- 5. Bright's Propane's GCA is \$.03847 per cubic foot, which is a decrease of \$.00203 per cubic foot from the previous rate of \$.04050 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 on and after August 1, 2013.

IT IS THEREFORE ORDERED that:

- 1. The rates proposed by Bright's Propane are denied.
- 2. The rates in the Appendix, attached hereto and incorporated herein, are approved for final meter readings on and after August 1, 2013.
- 3. Within 20 days from the date of this Order, Bright's Propane shall file with this Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets setting out the rates approved herein and reflecting that they were approved pursuant to this Order.

By the Commission

ENTERED

JUL 3 0 2013

KENTUCKY PUBLIC SERVICE COMMISSION

ATTEST

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00289 DATED JUL 3 0 2013

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

\$.03847 per cubic foot

Minimum Bill

\$ 15.39

(First 400 Cubic feet or less)

Kathy Caton Heritage Propane dba Brights Propane P.O. Box 321 Burgin, KENTUCKY 40310