

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION OF HERITAGE)
OPERATING L.P. AND BRIGHT'S PROPANE)
SERVICE, INC. FOR APPROVAL OF TRANSFER) CASE NO. 2007-00494
AND ACQUISITION OF ASSETS AND)
CERTIFICATES OF PUBLIC CONVENIENCE)

COMMISSION STAFF'S FIRST DATA REQUEST TO
BRIGHT'S PROPANE SERVICE, INC. AND
HERITAGE OPERATING LIMITED PARTNERSHIP

Bright's Propane Service, Inc. ("Bright's Propane") and Heritage Operating Limited Partnership ("Heritage") (collectively "Joint Applicants"), pursuant to 807 KAR 5:001, are to file with the Commission the original and 8 copies of the following information, with a copy to all parties of record. The information requested herein is due on or before December 21, 2007. Responses to requests for information shall be appropriately bound, tabbed and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Joint Applicants shall make timely amendment to any prior responses if it obtains information which indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect. For any requests to which Joint Applicants fail or refuse to furnish all or part of the requested information, Joint Applicants shall provide a written explanation of the specific grounds for their failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. When the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Paragraph 5 of the application states that the purchase price of the assets of Bright's Propane is \$250,000 based on "assets used in operation and estimated current assets excluding cash as well as consideration for the non-compete agreement." The application includes no purchase/sales agreement governing the proposed transaction and, likewise, does not include the referenced non-compete agreement.

- a. Does a written agreement exist which governs the terms of the proposed sale?
- b. Is there a written non-compete agreement?
- c. If either such agreement exists, provide it.
- d. If no such agreements exist, provide the terms of the proposed transaction and explain how such terms were negotiated and agreed upon.

2. Provide current financial statements (at a minimum, a balance sheet and income statement for a period ending not more than 90 days prior to the application date) for Bright's Propane and provide the calculation of any gas plant acquisition adjustment that will result from the proposed sale.

3. Paragraph 6 of the application states that Heritage will adopt Bright's Propane's currently approved rates and tariffs. If the transaction is approved, does Heritage plan to file for approval of a rate adjustment during its first year of operation?

4. State whether Heritage has any ownership interest or experience in operating distribution and/or pipeline systems. If yes, state where the operations are located and explain whether the operations are under the jurisdiction of any regulatory agency.



Beth O'Donnell
Executive Director
Public Service Commission
P. O. Box 615
Frankfort, KY 40602

DATED: December 7, 2007

cc: Parties of Record