

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF GAS COST)	
ADJUSTMENT FILING OF)	CASE NO. 2008-00066
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 February 25, 2008, Bright's filed its proposed GCA to be effective May 1, 2008.

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 ("AGC") component of \$.04564 per cubic foot. Bright's carried forward an incorrect beginning balance when calculating the cost of its ending inventory. Correcting for this produces an AGC of \$.04566, which is an increase of \$.00803 per cubic foot from the previous AGC of \$.03763.

3. Bright's notice sets out a current quarter Actual Adjustment ("AA") of \$.0017700 per cubic foot. Because of the error in the AGC, Bright's current quarter AA is miscalculated. Correcting for this produces a current quarter AA of

¹ Case No. 1990-00091, Jurisdictional Status of Bright's Propane Service, Inc.'s Propane Distribution System.

\$.0017751 per cubic foot. Bright's notice sets out a total AA of \$.0022272 per cubic foot. Bright's carried forward incorrect amounts for the previous quarters in calculating its total AA.² Correcting for this error produces a total AA of \$.0022086 per cubic foot, which is an increase of \$.0029802 per cubic foot from the previous total AA.

4. Bright's notice sets out no Balancing Adjustment.

5. Bright's notice sets out \$.015 per cubic foot to recover overhead operating costs as approved in its tariff.

6. Bright's GCA is \$.06287 per cubic foot, which is an increase of \$.01101 per cubic foot from the previous rate of \$.05186.

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 May 1, 2008.

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 1, 2008.

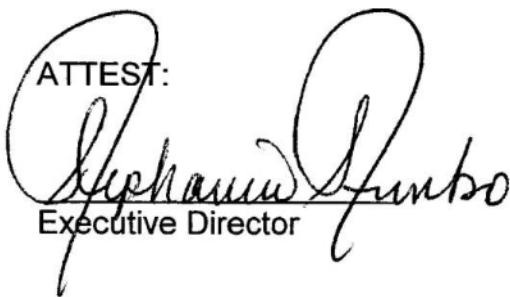
2. Within 20 days of the date of this Order, Bright's shall file with the Commission its revised tariffs setting out the rates authorized herein.

² The correct amounts are: \$.0002593 for the period August, September and October 2007; \$0 for the period May, June and July 2007; and \$.0001742 for the period February, March and April 2007.

Done at Frankfort, Kentucky, this 14th day of April, 2008.

By the Commission

ATTEST:

Handwritten signature of Stephanie Gumbo in cursive script.

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2008-00066 DATED APRIL 14, 2008

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 the Commission prior to the effective date of this Order.

RATES: Monthly

All Propane	\$.06287 per cubic foot
Minimum Bill (First 400 Cubic feet or less)	\$ 25.15