

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT APPLICATION) CASE NO. 2009-00260
FOR HERITAGE PROPANE D/B/A)
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 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 6, 2009, Bright's Propane filed its proposed GCA to be effective August 1, 2009. Bright's Propane's tariff does not require 30 days' notice for a quarterly GCA to be effective. It is therefore reasonable for Bright's Propane's decrease in rates to take effect August 1, 2009.

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 \$.02735 per cubic foot, which is a decrease of \$.0023 per cubic foot from the previous AGC of \$.02966 per cubic foot.

3. Bright's Propane's notice sets out a current quarter Actual Adjustment ("AA") of (\$.0009713) per cubic foot. Bright's Propane's calculation used an Expected Gas Cost in effect for February, March, and April 2009 of \$29.66 per Mcf instead of the \$44.63 per Mcf which was actually in effect. Correcting for this error produced a current AA of (\$.0062942) per cubic foot. Bright's total AA is (\$.013076) per cubic foot, which is a decrease of \$.008386 per cubic foot from the previous total AA of (\$.00469) per cubic foot.

4. Bright's Propane's notice sets out no Balance 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 \$.02927 per cubic foot, which is a decrease of \$.01070 per cubic foot from the previous rate of \$.03997 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 August 1, 2009.

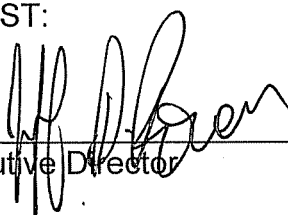
IT IS THEREFORE ORDERED that:

1. Bright's Propane's proposed rates are denied.
2. The rates in the Appendix, attached hereto and incorporated herein, are approved for final meter readings on and after August 1, 2009.
3. Within 20 days of the date of this Order, Bright's Propane shall file with the Commission its revised tariffs setting out the rates authorized herein.

By the Commission

ENTERED *aw*
JUL 21 2009
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2009-00260 DATED JUL 21 2009

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	\$.02927 per cubic foot
Minimum Bill (First 400 Cubic feet or less)	\$ 11.71

Kathy Caton
Heritage Propane
P. O. Box 321
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