

From: Melnykovych, Andrew (PSC)
To: ["James Porter"](#)
Subject: your comments in case number 2017-00343 - Bright's Bottle Gas rate case
Date: Tuesday, January 30, 2018 11:04:00 AM

Dear Mr. Porter:

Thank you for your comments on the application of Bright's Bottle Gas for an adjustment in rates.

Your comments in the above-referenced matter have been received and will be placed into the case file for the Commission's consideration.

As you noted, the case number in this matter is 2017-00343. It would be helpful if you would please refer to it in any further correspondence.

The application and other documents in this case are available at http://psc.ky.gov/PSC_WebNet/ViewCaseFilings.aspx?case=2017-00343.

Thank you for your interest in this matter.

Andrew Melnykovych

Director of Communications
Kentucky Public Service Commission
502-782-2564 (direct) or 502-564-3940 (switchboard)
502-330-5981 (cell)
Andrew.Melnykovych@ky.gov

RECEIVED

By Kentucky PSC at 11:17 am, Jan 30, 2018

From: James Porter [REDACTED]
Sent: Saturday, January 06, 2018 5:04 PM
To: PSC - Public Information Officer <PSC.Info@ky.gov>
Cc: [REDACTED]
[REDACTED]
Subject: Case Related Statement 2017-00343

Commercial Propane Service LLC (CPS, LLC) supplies Propane gas service to approximately 60 customers in Old Bridge Subdivision in Danville, Kentucky

CPS, LLC acquired this business from AmeriGas who acquired it from Heritage Propane who acquired it from Brights Bottled Gas over the years

Evidently the rate structure currently used was established by the PSC as much as 30 years ago. The rate structure provides for a specified margin above the cost of propane to the supplier. The rate may be adjusted quarterly based on calculations which reflect the suppliers acquisition cost from the wholesale market.

CPS, LLC maintains that these rates are not sufficient to allow them to provide service to Old Bridge customers and to realize sufficient (or any) operating profit. I received my latest bill today and I am being billed \$183.45 for 4,030 cubic feet of gas which works out to \$1.642 per gallon.

I understand that this is well below the retail price of propane and, due to the small customer base, is not adequate to provide a fair rate of return for CPS, LLC.

It seems to me that our alternatives for us here in Old Bridge are to allow CPS, LLC to make a rate of return adequate to allow them to continue to provide service, or to be faced with an abandonment of service at some future date.

I therefore request that the PSC work with CPS, LLC to establish a fair and equitable rate structure both for the utility and the Old Bridge Customer base.

I further request that the PLS accomplish this task under the auspices of 807 KAR 5:076 which authorizes the Commission to direct Commission Staff to prepare a report containing its findings and recommendations regarding the rates contained in an application for rate adjustment using alternative rate filing procedures filed under that regulation. I realize that the Commission decided earlier not to follow that procedure and I hereby request that the Commission reconsider that decision. This is a small “mom & pop utility” and the PSC should make this process as easy and painless as possible.

Given the reality of the situation and the fact that CPS, LLC is located some 55 miles from Old Bridge it seems to me that we here in Old Bridge should do everything in our power to reduce the expense associated with providing service to our subdivision. For example we used to read our own meters and mail the results into Brights when they provided service. I think we should be willing to resume doing that if it would save CPS, LLC a trip or two per month to Danville.

Jim Porter
155 Old Bridge Road
Danville, KY
40422



*Adrian N Roberts
Commercial Propane Service, LLC d/b/a Bright's
160 Sulphur Springs Road
Lebanon, KY 40033

*Duncan W Crosby
Stoll, Keenon, Ogden PLLC
2000 PNC Plaza, 500 West Jefferson St
, 40202-2828

*Gerald E Wuetcher
Attorney at Law
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801

*Joseph T Mandlehr
Stoll Keenon Ogden, PLLC
2000 PNC Plaza
500 W Jefferson Street
Louisville, KENTUCKY 40202-2828

*Commercial Propane Service, LLC d/b/a Bright's
160 Sulphur Springs Road
Lebanon, KY 40033