COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

* * * * *

In the Matter of:

NOTICE OF PENDLETON COUNTY WATER) DISTRICT GAS DIVISION, TO INCREASE) BASIC GAS RATES, TO IMPOSE A) CASE NO. 8568 TEMPORARY GAS SURCHARGE TO PAY ITS) SUPPLIERS AND MOTION FOR INTERIM RATES)

ORDER DENYING REHEARING

On Januarv 15, J.986, Columbia Gas Transmission (referred Corporation anđ Columbia LNG Corporation to collectively as "Columbia") filed a petition for rehearing of the Commission's December 26, 1985, Order denying Columbia's motion for recharacterization of surcharge accounts. Pendleton County Water District, Gas Division, ("Pendleton") filed a response to the petition for rehearing on January 20, 1986, and requested the Commission deny Columbia's petition.

Having reviewed the pleadings, the evidence of record and being advised, the Commission HEREBY FINDS that no new evidence or argument has been raised by the petition for rehearing.

IT IS THEREFORE ORDERED that Columbia's petition for rehearing be and it is hereby denied.

Done at Frankfort, Kentucky, this 4th day of February, 1986.

PUBLIC SERVICE COMMISSION

Rechard D. Heman Vice Chairman

MUllend J mmissioner

ATTEST:

Secretary

A Y

Þ