

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF RATES OF WESTERN) CASE NO. 95-010
KENTUCKY GAS COMPANY)

O R D E R

On July 18, 1995, Western Kentucky Gas and the other parties to this proceeding filed a Joint Stipulation and Recommendation ("Settlement") for the Commission's approval. By Order issued on August 10, 1995, the Commission approved the Settlement with modifications. Objecting to the Commission's modification regarding the appropriate depreciation rates, Western filed a petition for rehearing on August 17, 1995. Rehearing was denied on August 29, 1995, and the Commission extended the time during which parties could withdraw from the Settlement. Two days later Western withdrew.

On September 15, 1995, Western filed a "Motion for the Commission to Reconsider Its Original Order and Its Rehearing Order." Western again asks the Commission to accept the Settlement without the previously ordered modification to its depreciation rates. Several parties have filed responses in support of the motion to reconsider.

The Commission cannot consider a settlement from which a party has withdrawn. Even if it could, the Commission cannot grant rehearing or reconsideration a second time for the same order. The Commission has previously addressed the issue of granting

"rehearing on rehearing." In Case No. 10201,¹ the Commission stated:

Furthermore, Columbia has cited no authority by which the Commission could undertake "rehearing on rehearing." KRS 278.410 provides that when rehearing has been granted, any party or utility affected by an Order of the Commission may, within 20 days after service of the Order, take an appeal to Franklin Circuit Court. Thus, Columbia's remedy in this proceeding lies with the courts.

The Commission has an additional concern that granting the requested reconsideration herein would seriously undermine the finality of Commission Orders and would encourage parties to crowd the Commission's dockets with endless requests to reconsider its actions.

As a result, even if Western were still a signatory to a valid settlement, the Commission could not reconsider its Order a second time. Therefore, the motion of the parties must be denied.

The Commission also has before it motions to reschedule the hearing on Western's original rate request filed by the Attorney General, Shirley Manley, and Kentucky Industrial Utility Customers. Those motions should be granted and the hearing should be reconvened on October 24, 1995. In the interim, should the parties again agree among themselves on a proper disposition of this matter, they remain free to present such an agreement to the Commission for its consideration prior to the scheduled hearing.

IT IS THEREFORE ORDERED that:

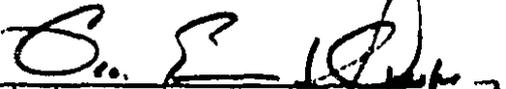
1. Western's request for reconsideration of the Commission's Orders of August 10 and 29, 1995 is denied.

¹ Case No. 10201, An Adjustment of Rates of Columbia Gas of Kentucky, Inc., Order dated September 26, 1989.

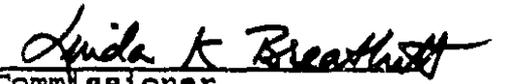
2. The motions to reschedule the hearing are granted. The hearing will reconvene on October 24, 1995 at 10:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 29th day of September, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director