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October 26, 2010

Via Hand-Delivery

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OCT 26 2010

PUBLIC SERVICE
COMMISSION

Mr. Jeffrey Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602-0615

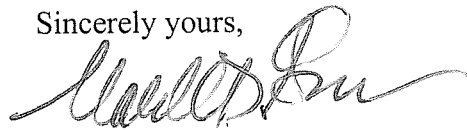
Re: Meade County RECC, PSC Case No. 2010-00375

Dear Mr. Derouen:

Enclosed please find an original and ten (10) copies of Meade County Rural Electric Cooperative Corporation's Response to Incident Report of September 4, 2009 and Commission's Order of October 6, 2010 in the above-referenced matter. Please return a file-stamped copy to me.

Please do not hesitate to let me know if you have any questions.

Sincerely yours,



Mark David Goss

Enclosures

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COMMONWEALTH OF KENTUCKY

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BEFORE THE PUBLIC SERVICE COMMISSION

OCT 26 2010

In the Matter of:

PUBLIC SERVICE
COMMISSION

MEADE COUNTY RURAL ELECTRIC)
COOPERATIVE CORPORATION)

CASE NO. 2010-00375

_____)
ALLEGED FAILURE TO COMPLY WITH)
KRS 278.042)

**RESPONSE OF MEADE COUNTY RURAL ELECTRIC COOPERATIVE
CORPORATION TO INCIDENT REPORT OF SEPTEMBER 4, 2009
AND COMMISSION’S ORDER OF OCTOBER 6, 2010**

Comes now Meade County Rural Electric Cooperative Corporation (“Meade County”), by counsel, and provides its Response to the Incident Investigation – Staff Report of the Kentucky Public Service Commission (the “Commission”) dated September 4, 2009, and to the Order of the Commission dated October 6, 2010, as follows:

I. FACTUAL SUMMARY OF INCIDENT

Meade County acknowledges, in general, the incident summarized in both the Commission’s Order of October 6, 2010 (pages 2-3), and the “Incident Description” section of the Incident Report of September 4, 2009, insofar as consistent with the recitation of facts made on page four, under the heading “Statement”, of Meade County’s 7-day Accident Investigation Report dated August 18, 2009, provided by David R. Poe, Vice President of Operations and Engineering for Meade County to Mr. Steve Kingsolver, of the Commission Staff.

II. ALLEGED NATIONAL ELECTRIC SAFETY CODE (“NESC”) VIOLATIONS

Meade County takes very seriously the safety of all of its employees, as well as non-employees who work for contractors on Meade County construction and right-of-way projects. This concern is manifested by increased safety-related communications, safety-improvement plans/training and other injury mitigation requirements which Meade County has placed upon its contractors.¹ Since 2006, those additional safety-related requirements have specifically included:

- Qualified Bidder Reports which now require a contractor who is bidding to perform some construction or right-of-way work for Meade County to provide information and data from five years worth of OSHA 300 logs in order to determine the contractor’s safety record, it’s compliance plans for the latest OSHA regulations, safety meeting frequency, new hire orientation, and employee training schedules.
- Contract Addenda which now are a part of all contracts with construction and right-of-way contractors describing in detail Meade County’s increased emphasis on safety, the requirement for periodic safety audits, disciplinary actions if safe practices are not observed, pre-job “tailgate” sessions and quarterly meetings with Meade County to discuss accidents and near misses, safety audit deficiencies, violations and concerns, as well as safety program accomplishments.
- Quarterly Contractor Safety Updates where the contractor and Meade County staff actually meet face-to-face to discuss accidents and near misses, deficiencies, violations and other concerns found and/or reported during observations and

¹ It is very important to the facts of this case that on the day of the incident at issue a pre-shift safety meeting was held between the contractor’s job foreman and all of the contractor’s employees working on the project, including the victim. The written log of this meeting clearly indicates that safety rules were reviewed, the condition of trucks and equipment were reviewed and any specific project limitations were discussed (See, Bowlin Energy Services, LLC, Daily Time Log attached with Meade County’s 7-day Report to the Commission).

audits, and safety program accomplishments and updates. It is these meetings that have been added to the contractor's obligations under its construction or right-of-way contract with Meade County.

- Monthly Safety Observations where Meade County staff actually make an in-field observation of the contractor while its crew is performing construction or right-of-way work on a project for Meade County. These observations are recorded in writing in a report and any important or unusual findings are discussed and addressed either immediately or at the quarterly safety update meeting depending upon the severity and immediacy of the observation.

Meade County requests that the alleged NESC violations numbered One (1) through Seven (7) found on pages 4-5 of the Incident Report of September 9, 2009, and on pages 3-5 of the Commission's Order of October 6, 2010, be resolved by discussion and negotiation with the Commission Staff. Meade County denies that it has committed any violations of the NESC, and denies that it has failed to comply with KRS 278.042. The acts giving rise to the injuries were that of Bowlin Energy and its employee(s), not Meade County.

III. COMMISSION'S INVESTIGATION

The Commission should in no way take Meade County's denial of either the alleged NESC violations or failure to comply with KRS 278.042, as a sign that it intends to be uncooperative with the Commission in this investigation. Quite to the contrary, Meade County has every intention of cooperating and assisting the Commission in every reasonable way possible.

Meade County looks forward to working collaboratively with the Commission to address these very important issues and reiterates its request for an Informal Conference with Commission Staff previously made by motion on October 18, 2010.

WHEREFORE, Meade County respectfully states and requests that:

(1) The allegations that Meade County violated the enumerated sections of the National Electric Safety Code and, further, that it has failed to comply with the provisions of KRS 278.042, is denied by Meade County;

(2) That an Informal Conference with the Commission Staff be scheduled as soon as practicable;

(3) That a determination regarding the necessity for the scheduled December 2, 2010 hearing to take place be made following the Informal Conference; and,

(4) That it be granted all other due and proper relief to which it may appear entitled.

This 26th day of October, 2010.

Respectfully submitted,



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Cooperative Corporation