

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY POWER COMPANY D/B/A)
AMERICAN ELECTRIC POWER)
)
) CASE NO. 96-597
ALLEGED FAILURE TO COMPLY WITH)
COMMISSION REGULATIONS 807 KAR)
5:006, SECTION 26(1)(A) AND 807 KAR)
5:041, SECTION 3(1))

O R D E R

By Order dated December 19, 1996, the Commission directed Kentucky Power Company d/b/a American Electric Power ("Kentucky Power") to appear at a hearing on February 13, 1997 to show cause why it should not be subject to the penalties provided for under KRS 278.990 for the probable violation of Commission regulation 807 KAR 5:006, Section 26(1)(a), which requires a utility to notify the Commission within two hours following discovery of any utility-related accident which results in death or injury requiring medical treatment, and 807 KAR 5:041, Section 3(1), which requires utility facilities to be maintained in accordance with the National Electric Safety Code, 1990 Edition, which requires the trimming of trees which may interfere with underground supply conductors. The probable violation arose from a July 15, 1996 accident in Weeksbury, Kentucky in which an individual received burns and was hospitalized as a result of contacting a metal clothesline which was attached to a tree which was in contact with 120/240 volt secondary distribution lines.

At Kentucky Power's request, the hearing was held in abeyance and an informal conference was convened to provide an opportunity to discuss the operative facts surrounding the accident. Kentucky Power appeared at the conference and the discussion with Commission Staff resulted in the filing of a Stipulation of Facts and Agreement ("Stipulation") on April 28, 1997. The Stipulation, attached hereto as Appendix A and incorporated herein by reference, sets forth the relevant facts and provides that Kentucky Power: 1) will annually distribute to its personnel designated to notify the Commission of a reportable incident the most current list of Staff authorized to receive such notification; 2) has already trimmed the electric line that contacted the tree; and 3) agrees to pay a civil penalty in the amount of \$1,000 in full satisfaction of the probable violation.

In determining whether the results of the Stipulation are in the public interest and are reasonable, the Commission has taken into consideration the comprehensive nature of the settlement and Kentucky Power's willingness to cooperate to achieve a speedy resolution of this proceeding. Based on the evidence of record, and being otherwise sufficiently advised, the Commission hereby finds that the Stipulation is in accordance with the law and does not violate any regulatory principle. The Stipulation is the product of arms-length negotiations among capable, knowledgeable parties, is in the public interest, and results in a reasonable resolution of all issues in this case.

IT IS THEREFORE ORDERED that:

1. The Stipulation is adopted and approved in its entirety as a complete resolution of all issues in this case.
2. Kentucky Power shall pay \$1,000 as a civil penalty within 30 days of the date of this Order by certified check or money order made payable to the Kentucky State

Treasurer and mailed or delivered to the Office of General Counsel, Public Service Commission, 730 Schenkel Lane, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 9th day of May, 1997.

PUBLIC SERVICE COMMISSION

Linda K. Breathitt
Chairman

Eden J. Hines
Vice Chairman

B. J. Helton
Commissioner

ATTEST:

Don Mills
Executive Director

APPENDIX

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 96-597 DATED MAY 9, 1997

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY POWER COMPANY D/B/A AMERICAN)
ELECTRIC POWER)
)
) CASE NO. 96-597
FAILURE TO COMPLY WITH COMMISSION)
REGULATIONS 807 KAR 5:006, SECTION 26(1)(A))
AND 807 KAR 5:041, SECTION 3(1))
)

STIPULATION OF FACTS AND AGREEMENT

By Order dated December 19, 1996, the Commission initiated this proceeding to determine whether Kentucky Power Company, d/b/a American Electric Power ("Kentucky Power") should be subject to the penalties prescribed in KRS 278.990 for the probable violation of 807 KAR 5:006, Section 26(1)(a), which requires a utility to notify the Commission within two hours following discovery of any utility-related accident which results in death or shock or burn requiring medical treatment, and 807 KAR 5:041, Section 3(1), which requires utility facilities to be maintained in accordance with the National Electrical Safety Code, 1990 Edition, which requires the trimming of trees which may interfere with ungrounded supply conductors.

The Order arose out of an accident on July 15, 1996, in Weeksbury, Kentucky, in which an individual received burns and was hospitalized as a result of contacting a metal clothesline which was attached to a tree which was in contact with 120/240 Volt secondary

distribution lines. Pursuant to Kentucky Power's request, an informal conference with the Commission Staff ("Staff") was held at the Commission's offices on February 11, 1997.

Kentucky Power and the Staff submit the following agreement for the Commission's consideration in rendering its decision in this proceeding:

1. Kentucky Power agrees that the Staff's Utility Accident Investigation Report, appended to the Commission's Order dated December 19, 1996, accurately presents the facts relevant to this proceeding.

2. The electric line in question had been inspected by Kentucky Power in accordance with the Commission's regulations and no contact was noted between the electric line and the tree. It appears that any contact with the electric line was the result of new growth. The tree was trimmed after the accident.

3. Upon learning of the accident, Kentucky Power personnel attempted to notify the Staff but were unable to do so. Kentucky Power subsequently learned that the notification list that it had been using was out dated and had been superseded. Kentucky Power has agreed to annually distribute to its personnel who are designated to notify the Commission of a reportable incident the most current list of Staff names and phone numbers who are authorized to receive such notification.

4. Kentucky Power agrees to pay the amount of one thousand dollars (\$1,000) in full settlement of this proceeding. Neither this payment nor any other agreement contained in this Stipulation of Facts and Agreement shall constitute an admission by Kentucky Power that it has violated any section of the Commission's regulations, nor shall it be used in any civil proceeding relating to this incident.

5. Kentucky Power and Staff agree that if this Stipulation of Facts and Agreement is not adopted in its entirety by the Commission, Kentucky Power and the Staff reserve their rights to withdraw therefrom and require that a hearing be held on any and all matters involved herein. In such event, Kentucky Power and the Staff agree that the contents of this Stipulation of Facts and Agreement shall not be deemed binding upon the parties hereto, and cannot be used as an admission by either party.

6. Kentucky Power and the Staff agree that the foregoing Stipulation of Facts and Agreement is reasonable, is in the public interest, and should be adopted in its entirety by the Commission, and if so adopted, no petition for rehearing or judicial appeal will be filed.

AGREED TO BY:

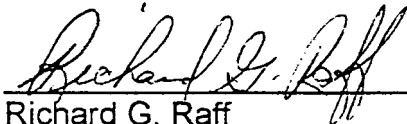


Bruce F. Clark
Stites and Harbison

4-25-97

Date

COUNSEL FOR KENTUCKY POWER



Richard G. Raff

April 28, 1997

Date

COUNSEL FOR COMMISSION STAFF