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PUBLIC SERVICE
COMMISSION

IT IS THEREFORE ORDERED that:

1. The Joint Stipulation of Facts and Settlement Agreement is approved in its entirety as a complete resolution of all issues in this case.

2. Kenergy shall pay \$6,500.00 as a civil penalty within 30 days of the date of this Order by cashier's check or money order payable to the Kentucky State Treasurer and mailed or delivered to the Office of General Counsel, Kentucky Public Service Commission, 211 Sower Boulevard, Post Office Box 615, Frankfort, Kentucky 40602.

3. Beginning with the first full calendar month following the date of entry of this Order, each month Kenergy shall perform one safety audit of each Kenergy construction crew working in the vicinity of energized Kenergy facilities.

a. Kenergy shall document each safety audit in writing, using the standardized checklist developed by Kenergy for such purpose, a copy of which is attached as an Appendix to the Settlement Agreement.

b. For a period of 12 months following the institution of the monthly safety audits described in this paragraph, on or before the tenth day of each following month, Kenergy shall file with the Commission a copy of all safety audit checklists completed during the prior month, along with a brief summary report indicating any safety violations identified during the safety audits and any safety measures that Kenergy has undertaken to correct those violations.

4. Following the twelfth monthly safety audit pursuant to ordering paragraph 3 above, Kenergy may revise its Kenergy construction crew safety audit schedule to perform one safety audit of each Kenergy construction crew working in the vicinity of energized Kenergy facilities every three months.