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June 7, 2013

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JUN 07 2013

PUBLIC SERVICE COMMISSION

## Via Hand-Delivery

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

Re: PSC Case No. 2013-00158, In the Matter of: South Kentucky RECC

Alleged Failure to Comply with KRS 278.042

Dear Mr. Derouen:

Enclosed please find for filing with the Commission in the above-referenced case an original and ten (10) copies of South Kentucky Rural Electric Cooperative Corporation's Response to Incident Investigation Report of December 3, 2012 and Commission Order of May 6, 2013. Please return a file-stamped copy to me.

Do not hesitate to contact me if you have any questions.

Very truly yours,

Mark David Goss

**Enclosures** 

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## COMMONWEALTH OF KENTUCKY

JUN 07 2013

## BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE COMMISSION

In the Matter of:

SOUTH KENTUCKY RECC	)	
	)	
	)	CASE NO.
	)	2013-00158
ALLEGED FAILURE TO COMPLY	)	
WITH KRS 278.042	)	

## RESPONSE OF SOUTH KENTUCKY RURAL ELECTRIC COOPERATIVE CORPORATION TO INCIDENT INVESTIGATION REPORT OF DECEMBER 3, 2012 AND COMMISSION ORDER OF MAY 6, 2013

Comes now South Kentucky Rural Electric Cooperative Corporation ("South Kentucky"), and provides its Response to the <u>Incident Investigation Report</u> of the Kentucky Public Service Commission (the "Commission") dated December 3, 2012, and to the Order of the Commission dated May 6, 2013, as follows:

- I. <u>Factual Summary of Incident</u>. South Kentucky acknowledges, in general, the incident summarized in both the Commission's Order of May 6, 2013 (pp. 2-3), and the "Incident Description" section of the <u>Incident Investigation Report</u> of December 3, 2012, insofar as consistent with the recitation of facts made and contained in South Kentucky's 7-day Investigative Report dated August 2, 2012, provided by Michael Ramsey, Safety and Training Coordinator for South Kentucky, to Mr. Jeff Moore, of the Commission Staff.
- II. <u>Alleged Violations of National Electric Safety Code ("NESC") and of South</u>

  Kentucky's Safety Manual. South Kentucky takes very seriously the safety of all its

<sup>&</sup>lt;sup>1</sup>South Kentucky has adopted the American Public Power Association ("APPA") Safety Manual, 14<sup>th</sup> Edition (2008), as its safety manual. South Kentucky is also currently in the process of updating its safety manual.

employees and customers. This concern is manifested by strict adherence to the NESC and the APPA Safety Manual, as well as the significant and on-going training which all South Kentucky employees must undergo.

Based upon Commission Staff's investigation of this incident, it has cited South Kentucky for violating multiple provisions of the NESC and of its Safety Manual. These violations are contained in the Commission's Order of May 6, 2013 (pp. 3-10). South Kentucky shall address each of the four categories of alleged violations as follows:

1. Failure to perform preliminary inspection to determine existing condition of lines.

Essentially, the various NESC and APPA Safety Manual violations referenced in the Commission's Order involve the duty of all employees, before starting work, to perform preliminary inspections or tests or take adequate steps to determine if equipment or lines which are about to be worked on are energized. South Kentucky denies the allegations contained in this portion of the Commission's Order since from Mr. Parrett's own April 11, 2013 statement, he was treating the transformer as fully energized. Indeed, his statement states:

"At the time I began ascending the transformer pole, I assumed that the transformer was energized. In fact, I had an eight foot long hot stick in the bucket to de-energize the transformer when I reached it. Because I assumed that the transfer was energized, I did not believe it was necessary to confirm whether or not it was."

In fact, the photographs of the accident scene confirm that Mr. Parrett had his hot stick, rubber gloves and sleeves in the aerial bucket with the intention of putting them on when he reached South Kentucky's five foot minimum approach distance. At all

- times prior to the injury, Mr. Parrett assumed that the transformer was energized. Therefore, his failure to test or otherwise check to determine if the transformer was energized is of only marginal importance.
- 2. Failure to take proper safeguarding precautions in the vicinity of energized lines by employees and person in charge. This particular alleged violation goes to the failure of Mr. Parrett and his supervisors to ensure that proper safety precautions were employed in the vicinity of the energized transformer. As stated previously, Mr. Parrett assumed that the transformer in question was energized and considering his 27 years experience as a lineman, neither Mr. Parrett nor South Kentucky had any doubt concerning his ability to perform the work, to understand the work and to take reasonable precautions to safeguard himself and others from injury. Because of the foregoing, South Kentucky denies the alleged violations contained in this section of the Commission's Order.
- 3. Failure to observe minimum approach ("MAD") requirements. The MAD under the NESC is two feet, two inches and under the APPA Safety Manual applicable to South Kentucky and Mr. Parrett at the time of the incident, it is five feet. According to Mr. Parrett's April 11, 2013 statement, he was still ten feet from the transformer at the time of the incident. His statement provides:

"I began ascending the pole and immediately started to pull the vine away from the pole. I pulled the vine until I reached a distance of approximately ten feet below the transformer. At that point, I do not remember anything concerning the contact."

- Because Mr. Parrett was operating under the assumption that the transformer was energized and he was ten feet away from the transformer at the time of the contact, South Kentucky denies that portion of the allegation contained in the Commission's Order charging it with failure to observe the appropriate minimum approach distance.
- 4. Failure to properly utilize personal protective equipment (PPE). The NESC and APPA Safety Manual sections which the Commission alleges South Kentucky violated provide generally that an employee shall use appropriate personal protective equipment at such time as that employee approaches or brings any conductive object within the minimum approach distance of either two feet, two inches (NESC) or five feet (APPA Safety Manual). As stated previously, Mr. Parrett was still at least ten feet away from the transformer at the time of the contact. As the post-incident photographs clearly show, Mr. Parrett had all of the necessary PPE in his aerial device for use and the equipment was inspected prior to entering the aerial device. Mr. Parrett had not yet reached the MAD where the use of rubber gloves and other PPE was required. Therefore, South Kentucky denies the allegations contained in this section of the Commission's Order.
- III. <u>Summary and Request for Relief</u>. South Kentucky requests that the alleged NESC and APPA Safety Manual violations numbered 1-4 (and subparts) found on pages 3-10 of the Commission's Order of May 6, 2013, be resolved by discussion and negotiations with the Commission Staff. South Kentucky denies that it willfully or knowingly committed any violations of the NESC or the APPA Safety Manual, and, further, denies that it has failed to comply with KRS 278.042.

The Commission should in no way take South Kentucky's denial of either the alleged NESC or APPA Safety Manual 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, South Kentucky has every intention of cooperating and assisting the Commission in resolving this matter and ensuring the continued and enhanced safety of South Kentucky's employees and customers.

South Kentucky looks forward to working collaboratively with the Commission to address these very important issues at the informal conference scheduled for June 27, 2013 at 10:00 a.m. at the Commission's offices.

WHEREFORE, South Kentucky respectfully states and requests that:

- 1. The allegations that South Kentucky violated the enumerated sections of the National Electric Safety Code and/or the American Public Power Association Safety Manual, 14<sup>th</sup> Edition (2008) and, further, that it has failed to comply with the provisions of KRS 278.042, is denied by South Kentucky;
- 2. That the parties work collaboratively to address all of these issues at the informal conference scheduled for June 27, 2013 at 10:00 a.m.;
- 3. That a determination regarding the necessity for the scheduled August 27, 2013 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.

Dated: 7, 2013

Respectfully submitted,

Mark David Goss

David S. Samford

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