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PUBLIC SERVICE  
COMMISSION

Dr. Talina R Mathews  
Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40601

August 18, 2016

RE: In the matter of Louisville Gas and Electric Company Alleged Failure to  
Comply with KRS 278.042  
Case No. 2016-00264

Louisville Gas & Electric Company  
Corporate Law  
220 W. Main Street  
Louisville, Ky 40232  
[www.lge-ku.com](http://www.lge-ku.com)

Sara Veeneman  
Corporate Attorney  
T 502-627-4850  
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[Sara.Veeneman@lge-ku.com](mailto:Sara.Veeneman@lge-ku.com)

Dear Dr. Mathews:

Enclosed please find and accept for filing the original and ten (10) copies of Louisville Gas and Electric Company's Response to the Commission's Order of July 29, 2016 and Motion to Suspend Hearing and Schedule Informal Conference in the above-referenced matter. Please confirm your receipt of same by placing the stamp of your Office with the date received on the two additional copies provided and return them to me in the enclosed self-addressed stamped envelope.

Should you require anything further, please contact me at your convenience.

Sincerely,

A handwritten signature in blue ink that reads 'Sara Veeneman'. The signature is written in a cursive style with a large, sweeping 'S' and a long, horizontal tail.

Sara Veeneman

cc: Molly Katen  
Nancy Vinsel

**COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION**

**In the Matter of:**

<b>LOUISVILLE GAS AND ELECTRIC COMPANY</b>	)	
	)	
_____	)	<b>CASE NO. 2016-00264</b>
	)	
<b>ALLEGED FAILURE TO COMPLY WITH KRS 278.042</b>	)	

**RESPONSE OF LOUISVILLE GAS AND ELECTRIC COMPANY  
TO THE COMMISSION'S ORDER OF JULY 29, 2016  
AND MOTION TO SUSPEND HEARING AND  
SCHEDULE INFORMAL CONFERENCE**

On July 29, 2016, the Kentucky Public Service Commission ("Commission") issued an Order directing Louisville Gas and Electric Company ("LG&E") to file a written response to the allegations contained in the Accident Investigation Staff Report ("Report") prepared by the Commission Staff dated June 19, 2014. For its Response to the Commission's Order, LG&E states as follows:

- 1) LG&E admits the information contained in the sections of the Report titled "Utility," "Reported By," "Accident Occurred," "Utility Discovered," "Victim Hospitalized," "PSC Notified," "Summary Report Received," and "PSC On-Site Investigations," are accurate.
- 2) LG&E admits the factual information contained in the section of the Report titled "Accident Description" is accurate, but denies the conclusion that "it appears that adequate testing was not performed to determine the existing conditions of the equipment being worked on and indicating devices were solely relied on for existing conditions of the equipment;" and clarifies

that the contractor who performed the arc hazard analysis for LG&E concluded that 19 calcs was the maximum possible exposure.

3) LG&E admits, based on information and belief, that the information contained in the sections of that Report titled "Victim," "Witness," "Information From" and "Temp & Weather" are accurate.

4) With regard to the section of the Report titled "FINDINGS" LG&E denies that it committed any willful violation of KRS 278.042, the National Electric Safety Code or its Safety Manual.

#### FIRST AFFIRMATIVE DEFENSE

With regard to numerical violation Nos. 1 (a) and (d) alleging that an LG&E employee failed to perform a voltage test to ensure the equipment was de-energized in violation of the NESC at Part 4, Section 42, Rule 420.D and the LG&E Health & Safety Manual at B.18.1.b, LG&E notes that the work process the employee was performing does not involve contact with any energized or even potentially energized equipment. Thus, there is no need to perform a voltage test and the portion of NESC, Part 4, Section 42, Rule 420.D stating that, "[o]perating voltages of equipment and lines should be known before working on or in the vicinity of energized parts" (as noted in footnote 1 on page 5 of the Commission's Order) does not apply to this situation. Nor does Section B.18.1.b of the LG&E Safety Manual, which likewise requires a voltage test. In fact, this equipment does not have the capability to be voltage tested. With respect to the portion of NESC, Part 4, Section 42, Rule 420.D that states "[b]efore starting work, employees shall perform preliminary inspections or tests to determine existing conditions," the employee here did perform a preliminary inspection when he noted the position of the breaker and the open/close indicator. He rightfully relied upon the equipment which indicated it was in the open position.

SECOND AFFIRMATIVE DEFENSE

With regard to numerical violation Nos. 1 (b) and (c) alleging that a job briefing was not performed in violation of the NESC at Part 4, Section 42, Rule 421.A.6 and LG&E Health & Safety Manual at A.3.2.a., b., c., d., and e., LG&E asserts that these job briefing requirements are not applicable to the task that was performed. The two employees on-site did not have a supervisory/employee relationship and the task of racking a breaker is a one-man task that is routinely performed, multiple times per hour, and does not require a documented job briefing.

**NOW THEREFORE,** LG&E requests that this case be dismissed or, in the alternative, that the hearing date set for October 11, 2016 be suspended and that an informal conference be scheduled with the Commission Staff for the purposes of discussing settlement and expediting resolution of this proceeding. LG&E's willingness to discuss settlement is not, and should not be construed as, an admission of liability or fault on its part.

Dated: August 18, 2016

Respectfully Submitted,



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*Counsel for Louisville Gas and Electric  
Company*

**CERTIFICATE OF SERVICE**

I hereby certify a true and accurate copy of the foregoing was sent via U.S. First Class mail to the below person on the 18<sup>th</sup> day of August, 2016.

Molly Katen  
Staff Counsel  
Kentucky Public Service Commission  
211 Sower Blvd.  
Frankfort, KY 40601

Nancy Vinsel  
Staff Counsel  
Kentucky Public Service Commission  
211 Sower Blvd.  
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SARA VEENEMAN