

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AMERICAN ELECTRIC POWER)	
AND)	
BELLSOUTH TELECOMMUNICATIONS, INC.)	
_____)	CASE NO. 2000-207
)	
ALLEGED FAILURE TO COMPLY WITH)	
ADMINISTRATIVE REGULATIONS)	

O R D E R

American Electric Power (“AEP”) is an investor-owned electric utility which engages in the distribution of electricity to the public for compensation for lights, heat, power, and other uses, and is subject to the Commission’s jurisdiction.

BellSouth Telecommunications, Inc. (“BellSouth”), which engages in the transmission or conveyance over wire of messages by telephone for the public for compensation, is a utility under the jurisdiction of the Commission. Both AEP and BellSouth are subject to the Commission’s jurisdiction pursuant to KRS 278.040.

On April 6, 2000, Commission Staff submitted to the Commission a Utility Accident Investigation Report, in which Commission Staff alleges that both AEP and BellSouth violated 807 KAR 5:041, Section 3(1)(c), and that BellSouth violated 807 KAR 5:006, Section 26(a). On May 9, 2000, the Commission issued a show-cause Order to which both AEP and BellSouth responded, requesting an informal conference with Commission Staff. At the informal conference on June 8, 2000, AEP, BellSouth, and Commission Staff entered into negotiations to resolve all outstanding issues in this proceeding. On

March 12, 2001, they executed a Settlement Agreement, appended hereto, and jointly moved for Commission approval of that Agreement.

In reviewing the Settlement Agreement, the Commission has considered, *inter alia*, the circumstances surrounding the March 24, 2000 incident, the parties' efforts to comply with the Commission's safety regulations, and the parties' willingness to improve and enhance existing safety training programs. The Commission finds that the Settlement Agreement is in accordance with the law, does not violate any regulatory principle, results in a reasonable resolution of this case, and is in the public interest.

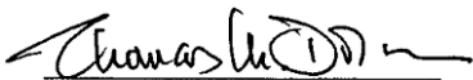
IT IS THEREFORE ORDERED that:

1. The Settlement Agreement, appended hereto, is incorporated into this Order as if fully set forth herein.
2. The terms and conditions set forth in the Settlement Agreement are adopted and approved.
3. On or before November 1, 2001, AEP and BellSouth shall file with the Commission a report of their evaluation by Associated General Contractors of Kentucky, Inc.
4. This case is closed and shall be removed from the Commission's docket.

Done at Frankfort, Kentucky, this 16th day of March, 2001.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Charles H. [unclear]", written over a horizontal line.

Executive Director

APPENDIX TO AN ORDER OF THE
KENTUCKY PUBLIC SERVICE COMMISSION

IN CASE NO. 2000-207

DATED March 16, 2001

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AMERICAN ELECTRIC POWER)
and)
BELLSOUTH TELECOMMUNICATIONS, INC.)
) CASE NO. 2000-207.
ALLEGED VIOLATION OF COMMISSION)
REGULATIONS 807 KAR 5:041, SECTION 3)
AND 807 KAR 5:061, SECTION 3, AND)
807 KAR 5:006, SECTION 26(a))

SETTLEMENT AGREEMENT

THIS AGREEMENT is made and entered this 12th day of
MARCH, 2001, by and between the STAFF OF THE PUBLIC
SERVICE COMMISSION OF KENTUCKY ("Commission Staff"), AMERICAN
ELECTRIC POWER ("AEP") and BELLSOUTH TELECOMMUNICATIONS, INC.
("BellSouth").

WITNESSETH:

THAT WHEREAS, the Commission Staff issued an Accident
Investigation Report dated April 6, 2000, ("Investigation
Report") detailing its investigation of an incident which
occurred on March 24, 2000, in Whitesburg, Kentucky; and

WHEREAS, on May 9, 2000, the Public Service Commission
ordered AEP to show cause why it should not be subject to the

penalties of KRS 278.990(1) for its alleged violation of 807 KAR 5:041, § 3(1)(c); and,

WHEREAS, on May 9, 2000, the Public Service Commission ordered BellSouth to show cause why it should not be subject to the penalties of KRS 278.990(1) for its alleged violation of 807 KAR 5:041, § 3(1)(c), and 807 KAR 5:006 § 26(a); and,

WHEREAS, AEP, BellSouth, and Commission Staff desire to settle the issues raised by this proceeding.

NOW, THEREFORE, AEP, BellSouth, and Commission Staff agree that:

Through Associated General Contractors of Kentucky, Inc. ("AGC") the parties will provide for training purposes copies of a fifteen (15) minute video presentation, "Contractor Beware", containing illustrations of the possible results of an accident involving power lines and also will make available a video on workplace safety titled "Electricity: A Powerful Force". AGC will be provided with safety brochures and AEP and BellSouth will work with AGC to provide safety bulletins. AGC has advised the parties that it will include an item on safety in the newsletter that AGC sends to its over 2000 members and associates each week. AEP and BellSouth also will meet with AGC to evaluate the effectiveness of the materials and approach within the next year.

This Settlement Agreement resolves all issues arising out of the March 24, 2000 incident. This Agreement is subject to the acceptance of and approval by the Public Service Commission. If the Public Service Commission fails to accept and approve this Settlement Agreement in its entirety, this proceeding shall go forward and neither the terms of this Settlement Agreement nor any matters raised during settlement negotiations shall be binding on any signatory.

BellSouth and AEP admit no liability as a result of this proposed Settlement Agreement, regardless of whether it is accepted and approved by the Public Service Commission or not. This Settlement Agreement and the statements contained herein may not be cited as precedent in any other matter or proceeding.

If the Public Service Commission accepts and adopts this Settlement Agreement in its entirety and enters an order in this proceeding to that effect, BellSouth and AEP shall not apply for rehearing in this proceeding nor bring an action for review of that order. Nothing contained herein shall be construed as an admission of a violation of any Public Service Commission regulation nor an admission of liability nor shall the Public Service Commission's acceptance of this agreement be construed as a finding of a violation of a Public Service Commission regulation.

IN WITNESS WHEREOF, BellSouth, AEP, and Commission Staff
have executed this Settlement Agreement the day and year first
above written by and through their duly authorized attorneys.

STAFF OF PUBLIC SERVICE COMMISSION
OF KENTUCKY

BY: James R. Goff
TITLE: Staff Attorney

BELLSOUTH TELECOMMUNICATIONS, INC.

BY: Dorothy K. K. K.
TITLE: General Attorney

AMERICAN ELECTRIC POWER

BY: Thomas H. W. W.
TITLE: Attorney