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Chairman

James W. Gardner  
Vice Chairman

Charles R. Borders  
Commissioner

February 4, 2010

## PARTIES OF RECORD

Re: Case Nos. 2009-00430 and 2009-00431

Attached is a copy of the memorandum which is being filed in the record of the above-referenced cases. If you have any comments you would like to make regarding the contents of the informal conference memorandum, please do so within five days of receipt of this letter. If you have any questions, please contact Rick Bertelson at 502/564-3940, Extension 260.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Derouen".

Jeff Derouen  
Executive Director

RB/ew

Attachment

## INTRA-AGENCY MEMORANDUM

### KENTUCKY PUBLIC SERVICE COMMISSION

**TO:** Case Files

**FROM:** Rick Bertelson, Team Leader

**DATE:** February 4, 2010

**RE:** Case Nos. 2009-00430 and 2009-00431  
Kenergy Corporation – Alleged Failure to Comply with  
KRS 278.042

Pursuant to the Commission's January 13, 2010 Orders in Case Nos. 2009-00430 and 2009-00431, an informal conference ("IC") was held in this matter on January 27, 2010. A copy of the conference attendance list is attached. In addition to Commission Staff, representatives and counsel for Kenergy Corporation ("Kenergy") were in attendance.

The purpose of the IC was to discuss issues related to the Show Cause Orders issued by the Commission on December 8, 2009. In Case No. 2009-00430, the Commission alleged eight violations of the National Electrical Safety Code ("NESC") and 11 violations of 807 KAR 5006, Section 24(1), stemming from an incident on February 27, 2009 in which a Kenergy employee working on an energized Kenergy facility was injured. In Case No. 2009-00431, the Commission alleged three violations of the NESC stemming from an incident on February 13, 2009 in which a contract worker was injured while working at a Kenergy construction site.

As a result of the discussions between Commission Staff and Kenergy, proposed settlements were verbally agreed to for each case and will be memorialized in joint stipulations of facts and settlement agreements for each case. The proposed settlement in each case requires Kenergy to pay a civil penalty and adopt certain remedial measures: performing monthly safety audits on each of Kenergy's construction crews—both Kenergy employees and contract workers—and requiring its employee crews and contractor crews to maintain written documentation of their daily job briefings.

Commission Staff will draft the proposed settlement agreements and will send them to Kenergy's counsel for review. Once the settlement agreements are completed and signed, they will be sent to the Commission for review. If approved by the Commission, a final order will be issued in each case stating that the Commission adopts the settlement agreement.

The IC was then adjourned.

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CASE NOS. 2009-00430 AND 2009-00431

KENERGY CORPORATION ALLEGED FAILURE TO COMPLY WITH KRS  
278.042

SIGN IN

January 27, 2010

PERSON

REPRESENTING

<u>Rick Bertelson</u>	<u>PSC - Legal</u>
<u>Jeff Moore</u>	<u>PSC</u>
<u>STEVE KINGSOLVER</u>	<u>PSC.</u>
<u>Frank N. King, Jr.</u>	<u>Kenergy</u>
<u>SANDY NOVICK</u>	<u>KENERGY</u>
<u>Garry Ford</u>	<u>Kenergy</u>
<u>Downie Phillips</u>	<u>Kenergy</u>
<u>JOHN SHUPP</u>	<u>PSC</u>
<u>Eli Russell</u>	<u>PSC</u>
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