

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GREEN RIVER ELECTRIC CORPORATION)	
)	
_____)	CASE NO.
)	96-169
ALLEGED VIOLATION OF COMMISSION)	
REGULATION 807 KAR 5:041, SECTION 3(1))	

O R D E R

On April 29, 1996, the Commission ordered Green River Electric Corporation ("Green River") to show cause why it should not be subject to the penalties of KRS 278.990 for an alleged violation of Commission Regulation 807 KAR 5:041, Section 3(1).

Following the commencement of this proceeding, Green River and Commission Staff entered into negotiations to resolve all disputed issues. On September 3, 1996, they executed a Settlement Agreement, which is appended hereto, and subsequently submitted it for Commission approval.

In reviewing this Settlement Agreement, the Commission has considered, inter alia, the seriousness of the violations and Green River's willingness to remedy the violations.

After reviewing the Settlement Agreement and being otherwise sufficiently advised, 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. Green River is assessed a penalty of Seven Hundred (\$700) Dollars.

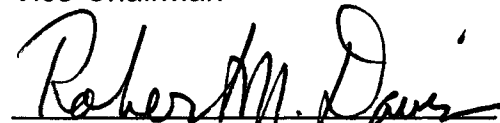
4. Green River shall pay the assessed penalty within 10 days of the date of this Order by check made payable to Treasurer, Commonwealth of Kentucky. Said check shall be mailed or delivered to the Office of General Counsel, Public Service Commission of Kentucky, 730 Schenkel Lane, P. O. Box 615, Frankfort, Kentucky 40602.

Done at Frankfort, Kentucky, this 11th day of September, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN
CASE NO. 96-169 DATED SEPTEMBER 11, 1996

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

GREEN RIVER ELECTRIC CORPORATION)
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 ALLEGED VIOLATION OF COMMISSION)
 REGULATION 807 KAR 5:041, SECTION 3(1))

CASE NO.
96-169

SETTLEMENT AGREEMENT

THIS AGREEMENT is made and entered this 3rd day of ^{September}~~August~~ 1996, by and
between the STAFF OF THE PUBLIC SERVICE COMMISSION OF KENTUCKY
("Commission Staff") and GREEN RIVER ELECTRIC CORPORATION ("Green River").

WITNESSETH:

THAT, WHEREAS, the Commission Staff issued an Electrical Utility Accident
Investigation Report dated January 23, 1996 ("Investigation Report") detailing its
investigation of an incident which occurred on November 13, 1995 involving Green River
facilities in Daviess County, Kentucky; and,

WHEREAS, Commission Staff in its Investigation Report found that Green River
employees had failed to comply with National Electrical Safety Code ("NESC") Rule
420C4 and that this failure constituted a probable violation of Public Service Commission
Regulation 807 KAR 5:041, Section 3(1); and,

WHEREAS, on April 29, 1996, the Public Service Commission found that prima facie evidence existed that certain Green River employees had failed to comply with Public Service Commission Regulation 807 KAR 5:041, Section 3(1); and,

WHEREAS, on April 29, 1996, the Public Service Commission ordered Green River to show cause why it should not be subject to the penalties of KRS 278.990 for its alleged violation of Commission Regulation 807 KAR 5:041, Section 3(1); and,

WHEREAS, Green River and Commission Staff stipulate that:

1. On November 13, 1995, Michael Barnes, Jerry Langdon, and Eddy Maden were members of a Green River work crew assigned to clearing utility right-of-way Daviess County, Kentucky. This crew was equipped with a bucket truck and chipper.
2. On or about 12:15 p.m., Eastern Standard Time, on November 13, 1995, Langdon was preparing to remove tree limbs which were within four feet of an energized 7200 volt conductor. He positioned the top of the bucket level with and within 12 inches of the neutral conductor. While Langdon attempted to attach the truck ground cable to the system neutral, the ground became entangled with a side rail on the truck. While Langdon tried to free this cable, it came into contact with the 7200 volt line and the truck and the attached chipper became energized.
3. At the time of the incident, Barnes was in contact with or in close proximity to the chipper and suffered burns.
4. At the time of the incident, Barnes and Langdon were employees of Green River and acting within the scope of their employment.
5. At the time of the incident, Barnes was in charge of the work crew.
6. When installing the truck ground cable, Langdon failed to consider the effects of his actions on the safety of others. Langdon's failure is a violation of NESC Rule 420C4 which

requires employees who work on or in the vicinity of energized lines to consider all of the effects of their actions and to take into account their own safety as well as the safety of other employees on the job site.

7. Barnes failed to see that all safety and operating procedures were observed by those under his direction. His failure is a violation of NESC Rule 421A which requires a person in charge to adopt such precautions as are within his authority to prevent accidents and to see that all safety rules and operating procedures are observed by those under his direction.
8. Barnes' failure to properly supervise Langdon's installation of the truck ground cable is a violation of NESC Rule 410C1 which requires the person in charge of the operation of equipment and lines to be responsible for their safe operation.
9. Green River has taken disciplinary action against Barnes and Langdon as a result of the incident. It suspended Barnes for three days without pay and Langdon for two days without pay.
10. Green River work rules prohibit unnecessary personnel from coming into contact with aerial lift devices, such as a bucket truck, when such devices are in use near energized lines and are not grounded. Green River strictly enforces these rules.

WHEREAS, Green River and Commission Staff desire to settle the issues raised by this proceeding.

NOW, THEREFORE, Green River and Commission Staff agree that:

1. Within 10 days after the entry of an Order approving this Settlement Agreement, Green River shall pay to the Commonwealth of Kentucky the sum of Seven Hundred (\$700) Dollars. This payment shall be in the form of check made payable to "Treasurer, Commonwealth of Kentucky" and shall be mailed or delivered to: Office of

General Counsel, Public Service Commission of Kentucky, 730 Schenkel Lane, Post Office Box 615, Frankfort, Kentucky 40602.

2. This Settlement Agreement resolves all issues arising out of the November 13, 1995 incident.

3. Nothing contained herein shall be construed as an admission of a violation of any Public Service Commission regulation by Green River 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 by Green River.

4. This Agreement is subject to the acceptance of and approval by the Public Service Commission.

5. 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 either signatory.

6. If the Public Service Commission accepts and adopts this Settlement Agreement in its entirety and enters an order in this proceeding to that effect, Green River shall not apply for rehearing in this proceeding nor bring an action for review of that order.

IN WITNESS WHEREOF, Green River 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: David B. White

TITLE: Staff Attorney

GREEN RIVER ELECTRIC CORPORATION

BY: Frank H. King

TITLE: Attorney