

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY POWER COMPANY D/B/A AMERICAN)	
ELECTRIC POWER)	
_____)	CASE NO. 98-591
)	
ALLEGED FAILURE TO COMPLY WITH)	
COMMISSION ADMINISTRATIVE REGULATION)	
807 KAR 5:006, SECTION 26(1)(a))	

O R D E R

On November 20, 1998, the Commission directed Kentucky Power Company, d/b/a American Electric Power (Kentucky Power), to appear at a hearing to show cause why it should not be penalized pursuant to KRS 278.990 for its alleged violation of Commission regulation 807 KAR 5:006, Section 26(1)(a).

Before the commencement of this proceeding, Kentucky Power and Commission Staff entered into negotiations to resolve all outstanding issues. On April 1, 1999, they executed a Settlement Agreement, which is appended hereto. In reviewing the Settlement Agreement, the Commission has considered, inter alia the circumstances and seriousness surrounding the incident that is the subject of this proceeding and Kentucky Power's efforts to comply with the Commission's safety regulations. After reviewing the Settlement Agreement and being otherwise sufficiently advised, the Commission finds that it 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 is incorporated into this Order as if fully set out herein.

2. The terms and conditions set forth in the Settlement Agreement are hereby adopted and approved.

3. Within ten (10) days of the date of this Order, Kentucky Power shall pay to the Commonwealth of Kentucky the sum of One Hundred Dollars (\$100.00). This payment shall be made in the form of a cashier's or certified check payable to Treasurer, Commonwealth of Kentucky and shall be mailed or delivered to Office of General Counsel, Public Service Commission, 730 Schenkel Lane, P. O. Box 615, Frankfort, Kentucky 40602.

4. This case is closed and shall be removed from the Commission's docket.

Done at Frankfort, Kentucky, this 16th day of April, 1999.

By the Commission

ATTEST:

Executive Director