

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY UTILITIES COMPANY

ALLEGED FAILURE TO COMPLY WITH  
ADMINISTRATIVE REGULATION 807 KAR 5:041,  
SECTION 3

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) CASE NO. 1998-054  
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ORDER

On December 5, 2001, the Commission entered an Order in which we approved a settlement agreement between Commission Staff and Kentucky Utilities Company. Finding that a complete copy of that Agreement was not appended to that Order, we HEREBY ORDER, nunc pro tunc, that the Agreement appended to this Order be substituted for the document appended to the Order of December 5, 2001.

Done at Frankfort, Kentucky, this 12<sup>th</sup> day of December, 2001.

By the Commission

ATTEST:

  
Executive Director

APPENDIX A  
AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 1998-054 DATED 12/12/01

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ALLEGED FAILURE TO COMPLY WITH  
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SECTION 3

SETTLEMENT STIPULATIONS

THIS AGREEMENT is made and entered into this 9<sup>th</sup> day of November, 2001, by and between the Staff of the Public Service Commission of Kentucky ("Commission Staff") and Kentucky Utilities Company ("KU").

WITNESSETH:

THAT, WHEREAS KU is a Kentucky corporation that owns and operates facilities used in the distribution of electricity to the public for compensation for light, heat, power, and other uses; and,

WHEREAS, on March 18, 1997, an incident occurred while two employees of Davis H. Elliott Company, Inc. were changing out a three phase double dead end utility pole in Columbia, Kentucky, that KU owned and operated; and,

WHEREAS, at the time of the incident, KU had contracted with Davis H. Elliot, Inc. to construct and install certain utility plant,

WHEREAS, on May 6, 1997, Commission Staff issued a Utility Accident Investigation Report regarding this incident in which Commission Staff found that the two employees of Davis H. Elliott Company, Inc. in question had failed either jointly or severally to comply with certain provisions of the National Electrical Safety Code (1990 edition) ("NESC"); and,

WHEREAS, on February 4, 1998, the Public Service Commission entered an order establishing this case and directing KU to show cause why it should not be subject to the penalties under KRS 278.990(1) relating to this incident; and,

WHEREAS, on February 24, 1998, KU, by counsel, filed its response to the Commission's Order of February 4, 1998; and,

WHEREAS, KU and Commission Staff desire to settle the issues raised by this proceeding and have entered into this Settlement Agreement through compromise to settle the proceeding.

NOW, THEREFORE, KU and Commission Staff agree that:

1. Within 10 days after the entry of an Order approving this Settlement Agreement, KU shall pay to the Commonwealth of Kentucky the sum of Fifty-Two Hundred and Fifty (\$5,250) Dollars. This payment shall be in the form of a cashier's or certified check made payable to "Treasurer, Commonwealth of Kentucky" and shall be mailed or delivered to: Office of General Counsel, Public Service Commission of Kentucky, 211 Sower Blvd, Frankfort, Kentucky 40602.

2. Nothing contained herein shall be construed as an admission of a willful violation of any statute, administrative regulation or any provision of the NESC nor shall the Public Service Commission's acceptance of this agreement be construed as a finding of a willful violation of any statute, administrative regulation or any provision of the NESC.

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

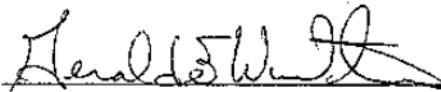
4. If the Public Service Commission fails to accept and approve this Settlement Agreement in its entirety, this proceeding shall go forward and neither the terms of this Settlement Agreement nor any matters raised during settlement negotiations shall be binding on either signatory or be construed against either KU or Commission Staff.

5. Commission Staff shall recommend to the Public Service Commission that this Settlement Agreement be accepted and approved.

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, KU shall not apply for rehearing in this proceeding nor bring an action for review of the Order in Franklin Circuit Court.

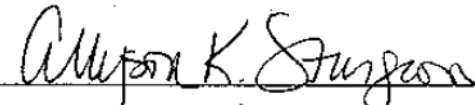
IN WITNESS WHEREOF, KU and Commission Staff have executed this Settlement Agreement the day and year first above written by and through their duly authorized attorneys.

STAFF OF PUBLIC SERVICE COMMISSION  
OF KENTUCKY

BY: 

TITLE: Asst. General Counsel

KENTUCKY UTILITIES COMPANY

BY: 

TITLE: counsel