

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TAYLOR COUNTY RURAL ELECTRIC)	
COOPERATIVE CORPORATION)	
_____)	
ALLEGED FAILURE TO COMPLY WITH)	CASE NO.
ADMINISTRATIVE REGULATION 807 KAR 5:041,)	2002-00019
SECTION 3)	

ORDER

On February 22, 2002, the Commission directed Taylor County Rural Electric Cooperative Corporation (Taylor County RECC) to appear at a hearing to show cause why it should not be penalized pursuant to KRS 278.990(1) for its alleged violation of Administrative Regulation 807 KAR 5:041, Section 3.

Following the commencement of this proceeding, Taylor County RECC and Commission Staff entered into negotiations to resolve all outstanding issues. On July 2, 2002, they executed a Settlement Agreement, which is appended hereto.

Upon consideration of the circumstances surrounding the August 28, 2001 incident and review of the Settlement Agreement, 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 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. Within 10 days after entry of an Order approving this Settlement Agreement, Taylor County RECC shall pay to the Commonwealth of Kentucky the sum of One Thousand Seven Hundred Fifty Dollars (\$1,750). 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 the Office of General Counsel, Public Service Commission, 211 Sower Boulevard, Post Office Box 615, Frankfort, Kentucky 40602.

4. Upon payment of the assessed penalty as described above, the case shall be removed from the Commission s docket without further Order.

Done at Frankfort, Kentucky, this 24th day of July, 2002.

By the Commission

ATTEST:

A handwritten signature in black ink, appearing to read "Chambers", written over a horizontal line.

Executive Director

COMMONWEALTH OF KENTUCKY
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ALLEGED FAILURE TO COMPLY WITH)
ADMINISTRATIVE REGULATION 807 KAR 5:041,)
SECTION 3)

CASE NO.
2002-00019

SETTLEMENT AGREEMENT

This Settlement Agreement is made and entered into on this 2nd day of ~~June~~^{July}, 2002, between TAYLOR COUNTY RURAL ELECTRIC COOPERATIVE CORPORATION ("TAYLOR COUNTY RECC") and the STAFF OF THE PUBLIC SERVICE COMMISSION ("Commission Staff").

WITNESSETH:

WHEREAS, Taylor County RECC is an electric distribution cooperative corporation formed pursuant to KRS 279.010 to 279.220. It engages in the distribution of electricity to the public for compensation for lights, heat, power, and other uses, and is a utility subject to Commission jurisdiction. KRS 278.010; KRS 279.210; and

WHEREAS, on August 28, 2001 Scott Cochran was injured while he was attempting to restore electric service to a Taylor County customer in the Forest Hills Subdivision in Campbellsville, Kentucky; and

WHEREAS, at the time of the incident, Scott Cochran was an employee of Taylor County RECC and was acting within the scope of his employment; and

WHEREAS, Commission Staff investigated the incident and issued a Utility Accident Investigation Report ("Investigation Report") dated October 18, 2001; and

WHEREAS, in its Utility Accident Investigation Report, Commission Staff found that Scott Cochran had violated certain provisions of the National Electric Safety Code (1990 edition ("NESC")); and

WHEREAS, on February 22, 2002, the Public Service Commission ("Commission") entered an Order establishing this case and directing Taylor County RECC to show cause why it should not be subject to the penalties of KRS 278.990(1) for its alleged violation; and

WHEREAS, on March 6, 2002, Taylor County RECC, by counsel, filed its response to the Commission's Order of February 22, 2002; and

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

NOW, THEREFORE, Taylor County RECC and Commission Staff agree that:

1. Within 10 days after entry of an Order approving this Settlement Agreement, Taylor County RECC shall pay to the Commonwealth of Kentucky the sum of One Thousand Seven Hundred Fifty Dollars (\$1,750). 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 the Office of General Counsel, Public Service Commission, 211 Sower Boulevard, Post Office Box 615, Frankfort, Kentucky 40601.

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 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 Commission.

4. Commission Staff shall recommend to the Commission that this Settlement Agreement be accepted and approved.

5. If the Commission fails to accept and approve this Settlement Agreement in its entirety, this proceeding shall go forward and neither the terms of the Settlement Agreement nor any matters raised during settlement negotiations shall be binding on any of the signatories.

6. If the Commission accepts and adopts this Settlement Agreement in its entirety and enters an Order in this proceeding to that effect, Taylor County RECC shall not apply for a rehearing in this matter nor bring legal action for judicial review of that Order.

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

TAYLOR COUNTY RURAL ELECTRIC
COOPERATIVE CORPORATION

BY: Danny L. Myers

TITLE: Manager

DATE: 6/24/2002

PUBLIC SERVICE COMMISSION
OF KENTUCKY

BY: Quita J. Mitchell

TITLE: Staff Attorney

DATE: 7/2/02