

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY UTILITIES COMPANY)	
_____)	CASE NO. 2003-00215
)	
ALLEGED FAILURE TO COMPLY WITH)	
ADMINISTRATIVE REGULATIONS)	

O R D E R

On July 23, 2003, the Commission issued an Order requiring Kentucky Utilities Company (KU) to appear at the Commission s offices on August 28, 2003 and to show cause why it should not be subject to penalties pursuant to KRS 278.990(1) for its alleged failure to comply with 807 KAR 5:041, Section 3.

On August 13, 2003, KU responded to the allegation. On August 21, 2003, KU and Commission Staff executed a Settlement Agreement, appended hereto, and jointly moved for Commission approval of that agreement.

After reviewing the Settlement Agreement and in consideration of KU s response concerning the incident in question, 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 of the Settlement Agreement are adopted and approved.

3. Within 10 days of the date of this Order, KU shall pay to the Commonwealth of Kentucky the sum of \$2,500. This payment shall be in the form of a cashier s 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, this case shall be removed from the Commission s docket without further Order.

Done at Frankfort, Kentucky, this 29th day of August, 2003.

By the Commission

ATTEST:


Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2003-00215 DATED August 29, 2003

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KENTUCKY UTILITIES COMPANY)
_____))
ALLEGED FAILURE TO COMPLY WITH)
ADMINISTRATIVE REGULATIONS)

CASE NO. 2003-0021

SETTLEMENT AGREEMENT

THIS AGREEMENT is made and entered into this 21st day of August, 2003, by and between the STAFF OF THE PUBLIC SERVICE COMMISSION OF KENTUCKY ("Commission Staff") and KENTUCKY UTILITIES COMPANY ("KU").

WITNESSETH:

WHEREAS, KU is an electric utility subject to Public Service Commission jurisdiction pursuant to KRS 278.040 and KRS 278.280; and

WHEREAS, on April 7, 2003, Toby Slone was injured while setting a KU meter on an underground meter pedestal; and

WHEREAS, on May 22, 2003, Commission Staff issued an Electric Utility Incident Report regarding this incident; and

WHEREAS, on July 23, 2003, the Commission issued a show cause Order to KU for the alleged violation of 807 KAR 5:041, Section 3, and directed KU to show cause why it should not be subject to the penalties of KRS 278.990(1) for this alleged violation; 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 this 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 \$2,500. This payment shall be in the form of a cashier's check made payable to "Treasurer, Commonwealth of Kentucky" and shall be mailed or delivered to the Office of General Counsel, Public Service Commission of Kentucky, 211 Sower Boulevard, 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 National Electrical Safety Code ("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. Commission Staff shall recommend to the Public Service Commission that this Settlement Agreement be accepted and approved.
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 or be construed against either KU or Commission Staff.

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 in Franklin Circuit Court for review of the Order.

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: Angela H. Cury
Staff Attorney

KENTUCKY UTILITIES COMPANY

BY: Jinda S. Patrauk

TITLE: Attorney