FEC Services, Inc. FEC Development, Inc.

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December 5, 2003

The Missouri Public Service Commission Dale Hardy Roberts, Secretary to the Commission **PO Box 360** Jefferson City, MO 65102

DEC-0-8-2003

RE:

PSC Case No. EX-2003-0368

Dear Sir or Madam:

Farmers' Electric Cooperative is opposed to the proposed PSC Rule that would require rural electric cooperatives to report any incident resulting in an electrical contact resulting in a fatality, injury or property damage in excess of \$10,000.

The rule contains a financial note indicating an aggregate cost would not exceed \$500. This is erroneous. The costs to the private entity reporting this and PSC handling would greatly surpass this projected cost. Then the rules do not explain how these increased costs will be funded. It would not surprise me to see our labor costs alone surpass this \$500 figure, per incident.

What is the rationale for using the information to be reported that does not duplicate work already being done by the cooperative and/or the PSC?

The time requirements of the rule are totally unrealistic. Meeting the demands of this rule will take away from time needed to repair and for remedial purposes just for the sake of doing unnecessary paperwork.

This information the PSC would be requiring will not be used to improve safety. The Commission has already endorsed and adopted the National Electric Safety Code as Missouri law. In addition we, the rural electric cooperatives, are regulated by RUS, required by insurance carriers to meet safety requirements, and our engineers are required to inspect the electric systems for safety issues. Farmers' Electric Cooperative, along with many if not all of our rural electric cooperatives, participates in NRECA's safety accreditation program. Further, we are participants in the Missouri Electric Cooperative Insurance Plan safety audits. We spend many hours taking steps to insure every safety precaution is taken. The information the PSC is requesting will not add to these safety programs.

Lastly this rule will just supply fodder for litigation seeking attorneys to use against cooperatives to enhance damage claims. Again, the PSC has not shown how this reporting requirement will be used to improve safety. Yet it would provide a huge resource for attorneys to use to file suits. The added cost and manpower to deal with this could be extreme.

In conclusion, I find this PSC rule to be an unnecessary, potentially high dollar expense that will do nothing to save a life or bring about a safer environment for our employees and members to work and live.

Sincerely,

Dan Bryan

Executive Vice President/CEO