

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ACCREDITATION AND APPROVAL OF A	)	
PUBLIC SERVICE COMMISSION WATER	)	
PERSONNEL TRAINING SEMINAR AS A	)	CASE NO. 2014-00427
WATER DISTRICT COMMISSIONER TRAINING	)	
PROGRAM	)	

ORDER

KRS 74.020(7) requires that this Commission “encourage and promote the offering of high quality water district management training programs that enhance a water district commissioner’s understanding of his or her responsibilities and duties.” KRS 74.020(8) requires the Commission to conduct a program of instruction “to train newly appointed commissioners in the laws governing the management and operation of water districts and other subjects that the Public Service Commission deems appropriate.”

Pursuant to these statutory mandates, the Commission conducted a training seminar at its offices in Frankfort, Kentucky, on December 10-11, 2014. This seminar included instruction regarding trends in applicable laws and regulations, risk management, and utility administration.<sup>1</sup>

Based upon a review of the course curriculum, the Commission finds that:

1. The course of instruction provided at this seminar will enhance a water district commissioner’s understanding of his or her duties.

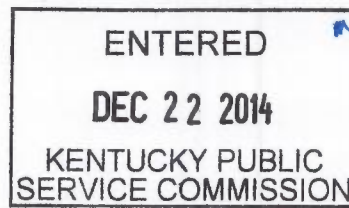
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<sup>1</sup> A course syllabus for the training seminar is appended to this Order.

2. The seminar conducted at the Commission's offices in Frankfort, Kentucky, on December 10-11, 2014, should be approved for 12 credit hours of water district management training and for 12 hours of new water district commissioner training.

IT IS HEREBY ORDERED that the 2014 Water Training Seminar, which the Commission conducted at Frankfort, Kentucky, on December 10-11, 2014, is approved for a maximum of 12 credit hours of water district management training and for a maximum of 12 credit hours of new water district commissioner training.

By the Commission



ATTEST:

  
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Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2014-00427 DATED **DEC 22 2014**

2014 Water Training Seminar  
Presented by the Public Service Commission  
Offices of the Public Service Commission – December 10-11, 2014

Wednesday, December 10, 2014

- 7:30 – 8:00 Registration and Breakfast – HR 2
- 8:00 – 8:10 Welcome and Program Overview – HR 1
- 8:10 – 9:10 *Annual Training* – HR 1  
Recent Developments in Utility Regulation – Ann Ramser  
This presentation is a review of the recent developments in public utility law and regulation. Recent changes in Kentucky statutes affecting the operation of water utilities will be discussed. Recent changes to Public Service Commission regulations will also be discussed.
- 8:10 – 9:25 *New Commissioner Training* – CR 1  
Operation of WD/WA – Legal Aspects – Gerald Wuetcher  
This presentation is a review of the provisions of Chapter 74 involving the creation, management, operation, and dissolution of water districts. Other statutory provisions, such as the Whistle Blowers Act, Claims against Local Government Act, Bidding Requirements provision of KRS Chapter 424, Eminent Domain, Local Model Procurement Law, and general laws related to special districts, will also be discussed. Presenter will also provide a comparison with legal requirements for water associations.
- 9:20 – 10:20 *Annual Training* – HR 1  
Preparing for Audits/Interpreting the Results – Charlene Daniels  
Most water districts undergo a financial audit annually. The Deputy Executive Director of the State Auditor's Office of Financial Audits will discuss preparing for an audit, management conduct during the audit, and interpreting and acting upon an audit's results.
- 9:35 – 10:50 *New Commissioner Training* – CR 1  
Commissioner Board Meetings – Damon Talley  
This presentation addresses the rules and procedures that should be followed at the meetings of a water district's board of commissioners. Presenter will also discuss how board members should prepare for meetings, the roles of board members and district management at board meetings, and frequently recurring problems at such meetings and how to address them. The requirements of the Open Meetings Act will also be briefly discussed.
- 10:30 – 11:30 *Annual Training* – HR 1  
Ethics for Board Members of Public and Non-Profit Boards– Brian Lykins  
In recent years, the Auditor for Public Accounts (APA) has uncovered numerous instances where members of public and non-profit boards have failed to perform their legal duties. The Director of the APA's Office of Technology and Special Audits will discuss recurring ethical lapses that APA investigations have found and the rules and procedures that boards should implement to prevent such lapses.



- 11:00 – 12:00 *New Commissioner Training – CR 1*  
 Open Records/Open Meetings Acts – Todd Osterloh  
 This presentation reviews the principal provisions of the Open Records Act and Open Meetings Act. Also, handling a request for information under the Open Records Act and the effect of the Open Meetings Act on meetings of the board of water district commissioners is discussed.
- 11:30 – 12:00 *Annual Training – HR 1*  
 The PSC Inspection Process and Updates – George Wakim  
 This presentation is an introduction and overview of the PSC Inspection Process. The session will explain the purpose of the inspection, what a utility can expect from the inspection, and the utilities involvement with the inspection process.
- 12:00 – 1:00 Lunch – on your own
- 1:15 – 1:30 *Annual Training and New Commissioner Training – HR 1*  
 Comments by Chairman David Armstrong
- 1:30 – 3:00 *Annual Training and New Commissioner Training – HR 1*  
 House Bill 1: A Panel Discussion – Damon Talley for Kentucky Rural Water Association, Annette DuPont-Ewing for Kentucky Municipal Utilities Association, and Russell Salsman/Darren Sammons for the Kentucky Infrastructure Authority – Moderated by Gerald Wuetcher  
 In its 2013 Annual Session, the General Assembly enacted House Bill 1 that made sweeping changes to reporting and organization requirements for special purpose governmental entities, such as water districts and municipal water and sewer bodies. A panel composed of representatives from the Department of Local Government, Kentucky Rural Water Association, and Kentucky Municipal Utility Association will provide their perspective on the need for House Bill 1, how it should be implemented, the challenges of implementing House Bill 1, and whether greater control by elected local officials over the operation and management of water districts and municipal water utilities is needed or desirable.
- 3:10 – 4:10 *Annual Training – HR 1*  
 All You Will Ever Need to Know About Credit Cards – Robert Mohon  
 This presentation delivers answers to current issues related to credit and debit card acceptance in the utility office environment. Fraud prevention, cost containment, best practices, PCI Compliance, and your own questions will be covered. Bring your office staff's questions about this topic, too. You'll enjoy a discussion-style conversation complete with takeaways for the folks back home.
- New Commissioner Training – CR 1*  
 Drinking System Basics – Russell Neal  
 This presentation provides an overview of treatment and distribution, focusing on the major processes, why the processes are important in terms of public health and safety, and terms used in the industry.
- Special Session – HR 2*  
 Consumer Services, One-on-One Discussion – Ginny Smith  
 This is a question and answer session for utility customer representatives with the Director of the Commission's Consumer Services Division. The requirements of the Commission's regulation on customer relations will be examined in detail.

## Thursday, December 11, 2014

7:30 – 8:00 Registration and Breakfast

8:00 – 9:00 *Annual Training and New Commissioner Training – HR 1*

Ethics: A Practical Exercise – David Spenard

This presentation is a review of ethics laws and principles that affect water utility policy makers and managers.

9:10 – 10:10 *Annual Training – HR 1*

Kentucky Division of Water Update – Brian Chitti

This is a presentation on recent developments and activities at Kentucky Division of Water. It includes a brief overview of revisions to the agency's administrative regulations and proposed revisions to federal drinking water laws and regulations.

*New Commissioner Training – CR 1*

Internal Controls – Scott Lawless

This presentation explains the need for, and purpose of, internal controls and identifies common controls that every water district should consider. The Auditor of Public Accounts' recommendations for public and non-profit boards will also be reviewed and discussed.

10:20 – 11:30 *Annual Training – HR 1*

Public Relation and Social Media – Andrew Melnykovych

In the age of instant communication, how do you make sure that your message gets out their first and reaches the audiences that matter to you? In addition to basic principles of public communication and media relations, the session will cover the pros and cons of tools such as Twitter and Facebook.

*New Commissioner Training – CR 1*

Budgeting and Asset Management – Kim Padgett

As a new commissioner, one of your most important responsibilities is to ensure your system brings in sufficient revenue to cover the cost of delivering a safe and adequate supply of drinking water to your customers. In this session, we will discuss budget requirements and financial tools that a system can use to establish asset rehabilitation, prioritize maintenance needs, and have sufficient funds for repairs and improvements.

11:30 – 12:45 Lunch – on your own

12:45 – 1:50 *Annual Training – HR 1*

Hot Topics in Ratemaking – Scott Lawless, Sam Reid, and Greg Dutton

Members of the Staff of the Public Service Commission and the Office of the Attorney General will discuss ratemaking issues of current interest, including recent changes in Commission treatment of depreciation, use of inflation adjustment mechanisms, purchased power/fuel adjustment mechanisms, infrastructure replacement riders, Alternative Rate Filing (ARF) and methods for establishing a utility's revenue requirements. Attention will also be given to recurring problems with rate adjustment filings and purchased water adjustment applications. Asst. Attorney General Dutton will provide the consumer advocate's prospective on these issues as well as discuss issues that are of particular concern to the AG's office.

*New Commissioner Training – CR 1*

Water Quality Law – Brian Chitti

This presentation will cover the primary regulations dealing with the Safe Drinking Water Act and the Clean Water Act.

2:00 – 3:30 *Annual Training – HR 1*

Consumer Relations – Ginny Smith

This presentation will focus on the regulatory aspects of customer relations. Topics include the Customer Bill of Rights, customer billing disputes, installation and termination of utility service, and the Commission's informal and formal complaint processes. Presenter will also address landlord-tenant utility service issues, imputation of utility bills to family members, and the importance of tariffs and water user agreements.

*New Commissioner Training – CR 1*

PSC Regulatory Requirements – Nancy Vinsel

This presentation is a review of the Public Service Commission's jurisdiction over water districts and the statutory and regulatory requirements that are imposed upon water districts as a result of their status as public utilities.

