

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY RURAL	)	
WATER ASSOCIATION FOR APPROVAL	)	CASE NO.
OF COMMISSIONER TRAINING AND	)	2018-00126
CONTINUING EDUCATION CREDIT	)	

ORDER

On or about April 6, 2018, Kentucky Rural Water Association (“KRWA”) requested approval and accreditation for three regional training programs it intended to conduct on April 10, 2018, April 12, 2018, and April 19, 2018. On April 9, 2018, Commission Staff contacted KRWA’s representative, advised her that no materials to be provided to water district commissioners at the training sessions had been submitted with the application, and requested that the application be supplemented with materials to be provided to water district commissioners. Commission Staff followed-up on April 10, 2018, with an email requesting that the application be supplemented with materials to be provided and indicated that the Commission wanted commissioners to receive written materials regarding the training at the training sessions. KRWA supplemented its request for approval and accreditation on or about April 12, 2018, by providing materials its representative indicated would be provided to participants of the training session.<sup>1</sup> Having carefully considered the application and materials, the Commission denies KRWA’s request for approval and accreditation.

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<sup>1</sup> These materials were received via email by Commission Staff on April 12, 2018, and filed into the record of the matter on April 16, 2018, when the hard copy of the materials was received by the executive director.

## DESCRIPTION OF TRAINING PROGRAM

Each training program for which KRWA seeks approval and accreditation will consist of two hours of instruction and attendees will receive credit for time they actually attend each training session. The same topic will be covered at the April 10, 2018 training session and the April 19, 2018 training session, which are both titled Asset Management and Water Loss Control. Specifically, KRWA stated that both of those sessions:

[W]ill cover various aspects of asset management with the distribution system. Topics will include water loss control, methods for detecting water loss, methods for tracking water loss, and methods for tracking field repairs and maintenance. Also covered will be the advantages of tracking costs as a way to further manage assets as well as the methods for doing so. The overall purpose is to have a better understanding of the expected service live [sic] of distribution system assets, trouble areas within the distribution system, and having better information for planning for future needs.<sup>2</sup>

The April 12, 2018 session is titled Record Keeping and CCRs, and KRWA stated the session:

[W]ill include a discussion of the recordkeeping process for lab results and will outline a useful program to help maintain compliance throughout the year. Proper recordkeeping is useful when creating the annual Consumer Confidence Report (CCR). Details of what is required to be included in CCRs and changes for this year will be included.<sup>3</sup>

KRWA stated that the presenter at the April 10, 2018, and April 19, 2018 training sessions would be Jeff Merman, President, Automatic Controls, Co., and that the presenter at the April 12, 2018 training session would be Randall Kelley, Kentucky Rural

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<sup>2</sup> Request for Approval at 2.

<sup>3</sup> *Id.*

Water Association. KRWA described Mr. Merman as having 30 years of experience in Kentucky in the industrial instruments and controls business and as holding an associate degree in Industrial Engineering. KRWA indicated that Mr. Kelley has worked for KRWA since 2008 in various capacities, including Waste Water Circuit Rider, ARRA Rider, and Training Specialist, and stated that he previously worked for the University of Louisville's Center for Water Shed Research as a Research Biologist and for the United States Environmental Protection Agency.

In the supplement to the application dated April 20, 2018, KRWA provided a set of documents for distribution at each training session. For the sessions scheduled for April 10, 2018, and April 19, 2018, those documents included a brief outline showing the topics for a presentation entitled *Development, Planning & Set-up of System w/Gis, Portable Flow Meters, Listening Devices and Correlators for Asset Management and Leak Detection-2 PDH* (which appears to another title for the presentation for which approval is requested herein); what appears to be a product and services list for Automatic Controls Company, which is presenting the session; and a handout prepared by Barry Back of KRWA entitled *Components of a Water Loss Prevention Plan*. For the session scheduled for April 12, 2018, the document provided to water district commissioners included an *Outline of Discussion Topics*, which, in substance, stated in its entirety:

This session will offer guidance for utilities in maintaining compliance through proper record keeping. Once analytical results and monitoring have been completed for the year, the data is used to prepare the utility's Consumer Confidence Report (CCR). Topics covered will include:

- > Monthly Operating Reports
- > Public Notifications
- > Monitoring Plans

- > Sampling Schedule
- > Lead and Copper
- > Data tracking
- > Avoiding violations
- > Developing a Consumer Confidence Report (CCR)
  - Date transfer
  - Developing the document
  - Electronic delivery to customers
  - Final information delivered to Division of Water<sup>4</sup>

### DISCUSSION

KRS 74.010 *et. seq.* authorizes the creation of water districts for the purpose of operating drinking water facilities and wastewater treatment and collection facilities. Water districts organized under KRS 74.010, *et. seq.* must be administered by a board of commissioners which shall control and manage the affairs of the district.<sup>5</sup> KRS 74.020(8) requires each newly appointed water district commissioner to complete 12 instructional hours of training regarding the laws governing the management and operation of water districts, and other subjects as determined appropriate by the Commission within 12 months of the commissioners' initial appointment.<sup>6</sup> KRS 74.020(6) and (7) encourage water district commissioners who are not serving in their first year to complete six instructional hours of "water district management training approved by the Public Service Commission" in each additional year by allowing the commissioners to receive a raise if they complete that training each year.

"To ensure the adequacy and consistency of training for newly appointed water district commissioners, the Commission has determined that water district

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<sup>4</sup> Supplement to Application at 8.

<sup>5</sup> See KRS 74.020(1).

<sup>6</sup> KRS 74.020(8)(b) (discussing the training requirements for new water district commissioners).

commissioners may no longer satisfy their initial training obligations by taking training courses offered by third parties,” but rather, must complete the initial training offered by the Commission.<sup>7</sup> Moreover, the Commission is only permitted to approve a program to satisfy the initial water district training requirements if it deems the program “equivalent to its program of instruction,” which is “intended to train newly appointed commissioners in the laws governing the management and operation of water districts and other subjects [the Commission] deems appropriate.”<sup>8</sup> KWRA’s training programs at issue herein, which consist of three separate two-hour presentations, are not equivalent to the Commission’s program of instruction.<sup>9</sup> Thus, the Commission is not able to approve the training programs to satisfy the initial training requirements for water district commissioners as set forth in KRS 74.020(8).

The Commission has discretion in approving “water district management training” offered by third parties to satisfy the six hours of subsequent training described in KRS 74.020(6) and (7) if it determines that the programs are “high quality” and will “enhance a water district commissioner's understanding of his or her responsibilities and duties.”<sup>10</sup> However, consistent with 807 KAR 5:070, Section 1, third parties applying for approval of a proposed water district commissioner training program must file the following

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<sup>7</sup> Case No. 2018-00085, *Review of Training Required and Authorized by KRS 74.020 for the Commissioners of Water Districts* (Ky. PSC Mar. 15, 2018), Order at 3 (“Water Training Order”); see also Water Training Order at 5 (“To satisfy his or her training obligations set forth in KRS 74.020(8), every newly appointed water district commissioner must complete, within the first 12 months following the water district commissioner's appointment, each and every core course described in the Appendix attached hereto, each of which will be offered at each of the Commission's seminars.”).

<sup>8</sup> See 74.020(8)(a).

<sup>9</sup> See Water Training Order at 5, Appendix (describing the Commission's program).

<sup>10</sup> See KRS 74.020(7)(c) (stating that the Commission “shall 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”).

documents and information 30 days prior to the first date on which the course is to be offered:

- (1) The name and address of the applicant;
- (2) The name and sponsor of the program and the subject matter covered by the program;
- (3) A summary of the content of the program in detail sufficient to describe how the program will enhance the management, operation, and maintenance of water treatment and distribution systems;
- (4) The number of credit hours requested for the program;
- (5) The name and relevant qualifications and credentials of each instructor presenting the program.
- (6) A copy of written materials given to water commissioners attending the program; and
- (7) If the program has been certified by an organization that provides training to persons associated with the water industry, the name of the certifying organization and a statement that the certification remains valid.

Moreover, the Commission expects written materials to be provided to water district commissioners, as indicated 807 KAR 5:070, Section 1(6), and that those materials will be provided to the Commission for review as part of the request for approval.<sup>11</sup>

Here, KRWA filed its application only days before the date of the first scheduled training session and then failed to provide all of the materials required by 807 KAR 5:070, Section 1. Commission Staff contacted KRWA to determine if it intended to provide any materials to water district commissioners at the training sessions. Several days later, after one of the training sessions had occurred and on the date that a second was scheduled to take place, KRWA provided the materials identified above and indicated that they would be distributed at the training sessions as described above. Thus, KRWA failed to file the application in a timely manner and failed to provide the required documents with the application.

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<sup>11</sup> Water Training Order 4-5; 807 KAR 5:070, Section 1.

Moreover, KRWA initially provided little information about the sessions from which the Commission could determine their quality or how they would enhance water district commissioners' understanding of their duties and responsibilities. KRWA did supplement its filing with materials to be distributed at the sessions, but those materials also do not appear to have been prepared or organized for distribution at the sessions in question but rather are either descriptions of the courses themselves, product lists from one of the speakers, or materials that appear to have been taken from other sessions and provided herein in an attempt to satisfy the Commission's expectation that materials regarding the training session be provided to water district commissioners at each session. While KRWA has a history of sponsoring quality training sessions, the Commission is unable to determine the quality of the training sessions at issue herein or find that they will enhance water district commissioner training based on the application and supplement presented herein.

IT IS THEREFORE ORDERED that:

1. KRWA's request for approval and accreditation for the three regional training programs scheduled for April 10, 2018, April 12, 2018, and April 19, 2018, is hereby denied.
2. KRWA's training programs scheduled for April 10, 2018, April 12, 2018, and April 19, 2018, may not be used by water district commissioners to satisfy their training obligations pursuant to KRS 74.020(6), KRS 74.020(7), or KRS 74.020(8).
3. Within ten days from the entry of this order, KRWA shall:
  - a. Provide the Commission with a list of water district commissioners who attended the training programs and, if known, their water districts; and

b. Certify to the Commission that a copy of this order was sent to each water district commissioner who attended the training programs.

4. Any document filed pursuant to ordering paragraph 4 of this Order shall reference the number of this case and shall be retained in the post case correspondence file.

5. This case is closed and removed from the Commission's active docket.

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By the Commission

ENTERED  
MAY 04 2018  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

*For [Signature]*  
Executive Director

Case No. 2018-00126

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