

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.
WATER DISTRICT COMMISSIONER TRAINING)	2018-00137
PROGRAM)	

ORDER

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.¹ The Commission must provide, or have a third party provide, the 12 hours of initial training required by KRS 74.020(8)(b).² 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," which should be of high quality and enhance the water district commissioners' understanding of their responsibilities and duties.

To fulfill its obligations pursuant to KRS 74.020(8), the Commission developed and offers a course of instruction at various times and in various places throughout the year for newly appointed water district commissioners from which they can earn their

¹ KRS 74.020(8)(b) (discussing the training requirements for new water district commissioners).

² See 74.020(8)(a) (stating that the Commission "shall provide or cause to be conducted" the training program "[a]t least once annually").

required 12 hours of initial training.³ Moreover, to ensure the adequacy and consistency of training for newly appointed water district commissioners, the Commission determined that water district commissioners may only satisfy their initial training obligations by attending one of the initial training sessions offered by the Commission and completing the 12 hours of core courses offer at that session.⁴ Water district commissioners who are not serving in their first year may also satisfy their six hours of training pursuant to KRS 74.020(6) and (7), or a portion thereof, by attending training sessions offered by the Commission.⁵

On April 17, 2018, and April 18, 2018, the Commission conducted its course of instruction, entitled 2018 Water Personnel Training Seminar, at Jenny Wiley State Resort Park in Prestonsburg, Kentucky at which it offered its 12 hours of core courses. The 2018 Water Personnel Training Seminar in Prestonsburg, Kentucky, the syllabus for which is attached hereto as an Appendix, met the criteria for approval and accreditation for training for newly appointed water district commissioners pursuant to KRS 74.020(8) and for water district commissioners serving in subsequent years pursuant to KRS 74.020(6) and (7).

IT IS THEREFORE ORDERED that:

1. The 2018 Water Personnel Training Seminar, which the Commission conducted at Jenny Wiley State Resort Park in Prestonsburg, Kentucky on April 17–18, 2018, is approved for a maximum of 12 credit hours of initial training required by KRS 74.020(8) for newly appointed water district commissioners.

³ 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”).

⁴ *Id.* at 3, 5.

⁵ *Id.* at 5.

2. The 2018 Water Personnel Training Seminar conducted on April 17–18, 2018, is also hereby approved and accredited for a maximum of six credit hours of training for water district commissioners seeking to satisfy the training requirements set forth in KRS 74.020(6) and (7).

3. Within 20 days of the date of this Order, Commission Staff shall file into the post case correspondence file for this case a list of the name of each attendee, his or her water district, and the number of hours that he or she attended the training program.

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By the Commission

ENTERED
APR 30 2018
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2018-00137

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2018-00137 DATED **APR 30 2018**

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2018 Water Training Seminar
Presented by the Public Service Commission
Jenny Wiley State Resort Park
April 17-18, 2018

Day One

7:30 – 8:00 **Registration and Breakfast**

8:00 – 8:10 **Welcome and Logistics**

8:10 – 9:40 **New and Annual Commissioner Training**

PSC Regulatory Requirements – Andrew Bowker, Kyle Melloan (PSC staff)

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. The importance of seeking advance PSC approval of financing or for deviations from PSC regulations will be emphasized, as will the criteria which the PSC uses to evaluate such requests. Legal requirements for filings, including the necessity of representation by an attorney, also will be addressed.

9:50 – 11:20 **New and Annual Commissioner Training**

Ratemaking Basics – Ariel Miller, Sam Reid (PSC staff)

PSC staff will discuss ratemaking issues of current interest, including recent changes in Commission treatment of depreciation, 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 (PWA) applications. The ratemaking consequences of excessive water loss will be covered.

11:20 – 1:00 **Lunch – On Your Own**

1:00 – 2:30 **New and Annual Commissioner Training**

Inspections, Water Loss and Physical Asset Management – John Lyons, Sam Reid (PSC staff); Kim Padgett (Rural Community Assistance Partnership); Joe Burns, Clem Wethington (KRWA)

This session will explain how the PSC conducts and follows up on inspection results. The PSC also is placing a greater emphasis on reducing unaccounted-for water loss. This will be a point of emphasis during inspections. The financial consequences of excessive water loss to a utility and to its customers also will be addressed. The session also will cover best practices in managing utility physical assets.

2:45 – 4:15 **New and Annual Commissioner Training**
Emergency Management, A Panel Discussion – Kimberly Hall, John Hunt (KY Department for Public Health, Division of Epidemiology and Health Planning), Steven Bruckwicki (KY Division of Emergency Management), and Joe Burns (on behalf of KY Warn)
In this presentation, the Division of Epidemiology and Health Planning emphasizes the need for an emergency response plan in order to assist medical and healthcare facilities, etc. Kentucky Emergency Management (KEM), whose role includes coordination between water utilities and KEM, will discuss the need for and the basic issues of emergency planning for water utilities, as well as the legal aspects of emergency planning and management. And Kentucky WARN will discuss their program, which provides water and wastewater utilities a Mutual Aid Agreement and process for sharing emergency resources statewide, along with a mutual assistance program consistent with other statewide mutual aid and assistance programs.

Day Two

7:30 – 8:00 **Registration and Breakfast**

8:00 – 9:30 **New and Annual Commissioner Training**
Commissioner Board Meetings, Open Records, and Open Meetings – Gordon Slone (KY AG’s Office)
This presentation addresses the rules and procedures that should be followed at the meetings of a water district's board of commissioners. The 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 principal provisions of the Open Records Act and Open Meetings Act will be reviewed. 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 are discussed.

9:40 – 10:40 **New and Annual Commissioner Training**
Consumer Services – Andrew Melnykovich (PSC staff)
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. The 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.

10:50 – 11:50 **New and Annual Commissioner Training**
Cybersecurity – David Carter (Commonwealth Office of Technology)
This presentation looks at the emerging threats to utilities posed by hacking or other intrusions into utility computer systems. The presentation will focus on

preventing such intrusions, particularly into the outward-facing portions of a utility's system, such as customer service portals or e-mail. Topics covered will include a review of hacking methods such as phishing or spoofing, and what policies should be in place to prevent them.

11:50 – 1:00 **Lunch – On Your Own**

1:00 – 2:30 **New and Annual Commissioner Training**
The Importance of Facility Compliance with Respect to Operator Certification Training – Amanda Lefevre (KY Division of Compliance Assistance)

This will be an overview of the importance of proper licensing and training requirements concerning certified operators. This training will also focus on the requirements, job duties, and other functions required by operator certification, as well as the importance of the role of elected officials in this process. The relationship between elected officials and operators will also be discussed.

2:40 – 3:40 **New and Annual Commissioner Training**
Ethics: A Practical Exercise – Andrew Bowker, Kyle Melloan (PSC staff)

This presentation is a review of ethics laws and principles that affect water utility policy makers and managers. The presentation covers the statutory provisions addressing the standards of conduct for water district commissioners and employees as well as directors and officers of nonprofit water associations.

