

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)	2018-00237
CONTINUING EDUCATION CREDIT)	

ORDER

On July 9, 2018, Kentucky Rural Water Association (KRWA) filed an application for approval and accreditation for a training program it intends to offer from August 27, 2018, through August 29, 2018 (hereinafter the Training Program). Having carefully considered KRWA's request, the Commission approves the program to satisfy the six hours of training described by KRS 74.020(6) and KRS 74.020(7), subject to the conditions set forth below. However, the Training Program is not approved to satisfy any of the 12 hours of initial training for water district commissioners required by KRS 74.020(8).

DESCRIPTION OF TRAINING PROGRAM

The Training Program will consist of 20 sessions ranging in length from 30 minutes to 2 hours. Some of the sessions will take place concurrently such that attendees will have the opportunity to earn six hours of credit on August 27, 2018, three hours of credit on August 28, 2018, and three hours of credit on August 29, 2018. The sessions offered as part of the Training Program vary in their focus and include sessions on specific technologies and products, sessions on the legal obligations of water districts and

regulatory trends, and sessions on broad trends related to water districts. Examples of sessions to be offered are:

1. Utilizing App Technology for Asset and Maintenance Management: This session will demonstrate how to use the capabilities of an Asset and Maintenance Management application that can be used to account for assets and maintenance in real time.
2. When the Meteor Strikes, Will Your Project Go Extinct?: This session will discuss challenges that might arise in construction projects as they move through planning, design, and construction, and the best ways to handle those challenges with references to case studies and the presenter's past experience with construction management.
3. Utility Legislative Update: This session will provide information on the pressing regulatory and legal issues facing water and wastewater utilities in Kentucky, including 911 emergency call center funding for counties and municipalities, changes to KY 811 (Call Before You Dig), and territorial protection.
4. Water, THE Natural Resource: A Message from the Appalachian Regional Commission: This session will provide information about the Appalachian Regional Commission, how it impacts communities within the Appalachian region, and what resources it can bring to Kentucky water and wastewater utilities.
5. River to Faucet, A tour of Louisville Water Company's Treatment Facilities: The tour, which will include a look at an 1860 pumping station and the Crescent Hill Water Treatment Plant, combines the history of the Louisville Water Company with the current operations to highlight how Louisville Water Company produces 117 million gallons of drinking water a day. Louisville Water Company's staff of engineers and scientist will be available for questions during the tour.

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.¹ KRS 74.020(8)

¹ See KRS 74.020(1)

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.² KRS 74.020(6) and (7) encourage water district commissioners to complete six instructional hours of "water district management training approved by the Public Service Commission" in each additional calendar year by allowing the commissioners to receive a raise if they complete that training each year.³

KRWA does not state whether it is seeking to have its Training Program approved to satisfy the initial training requirements of KRS 74.020(8) or to satisfy the training requirements of KRS 74.020(6) and (7). However, "to ensure the adequacy and consistency of training for newly appointed water district commissioners, the Commission has determined that water district 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.⁴ Moreover, the Commission is only permitted to approve a program to satisfy the initial water district training requirements if

² KRS 74.020(8)(b) (discussing the training requirements for new water district commissioners).

³ The Commission observes that KRWA requested that the Training Program be approved for 12 hours credit. However, training conducted to satisfy the requirements of KRS 74.020 (6) and (7) is conducted on a calendar year running from January 1 through December 31. A commissioner only has to complete 6 hours of training to satisfy those requirements, and there is no provision for carrying hours over to the next calendar year. KRS 74.020(6).

⁴ 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.").

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.”⁵ KRWA’s Training Program is not equivalent to the Commission’s program of instruction.⁶ Thus, the Commission is not able to approve KRWA’s Training Program 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.”⁷ 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 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 See 74.020(8)(a) (stating that the Commission “shall provide or cause to be conducted” the training program “[a]t least once annually”).

⁶ See Water Training Order at 5, Appendix (describing the Commissions program).

⁷ 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”).

- (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 in 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.⁸

Here, the training sessions offered as part of Concurrent Session C on August 28, 2018—Utility Legislative Updates, Rates Across Kentucky, and PSC Related Utility Issues—most directly address the responsibilities and duties of water district commissions based on the material provided. Conversely, the other sessions are focused more on the responsibilities of water district operators or specific products and services that water districts might choose to utilize to fulfill their service obligations. While those sessions might inform the decisions of water district commissioners in making broader decisions, the Commission fails to see how those sessions, taken alone, will enhance water district commissioners understanding of their duties and responsibilities. However, the Commission does find that those sessions will be beneficial to water district commissioners if they are taken in conjunction with the sessions offered as part of Concurrent Session C on August 28, 2018. Thus, the Commission will conditionally approve and accredit the Training Program for six hours of annual water district management training for water district commissioners seeking to satisfy the training

⁸ Water Training Order 4-5; 807 KAR 5:070, Section 1.

requirements set forth in KRS 74.020(6) and (7) provided that water district commissioners seeking to claim credit for any portion of the training attend the three sessions scheduled to take place during Concurrent Session C on August 28, 2018.

KRWA indicated that it did not intend to provide materials regarding each session to attendees but rather that it would make the materials, which KRWA provided to the Commission, available on its website, and would direct water district commissioners to the website to review or print them. The Commission finds that simply placing the materials on the website will affect the usefulness of the Training Program because water district commissioners are unlikely to search for and review the materials after the fact.⁹ However, the Commission does recognize the potential expense of printing and binding 300 pages of documents on the scale referenced by the KRWA. Thus, the Commission finds that KRWA's Training Program should be approved as discussed above, provided that the PowerPoint presentations for the three sessions offered as part of Concurrent Session C on August 28, 2018, are provided in hard copy and all of the materials regarding each session are provided on a USB drive to water district commissioners attending the Training Program.

IT IS THEREFORE ORDERED that:

1. KRWA's Training Program scheduled to take place between August 27, 2018, through August 29, 2018, is hereby conditionally approved and accredited for six hours of annual water district management training for water district commissioners

⁹ The Commission believes that water district commissioners should be provided materials at water district training, in large part, because it will provide them a quick reference for what was covered in the session in the event a similar issue arises in their management of the district. Without such materials, particularly in this case, the technical and legal knowledge covered during these sessions with commissioners, who often have little previous experience, will be difficult to recall and put into practice.

seeking to satisfy the training requirements set forth in KRS 74.020(6) and (7), provided that materials regarding the sessions are distributed to water district commissioners as discussed above, and water district commissioners seeking credit attend the three sessions offered as part of Concurrent Session C on August 28, 2018.

2. KRWA's Training Program may not be used by water district commissioners seeking to satisfy any portion of the initial training requirement for water district commissioners required by KRS 74.020(8).

3. KRWA shall retain a record of all water district commissioners attending the Training Program.

4. No later than 30 days after the scheduled training program, KRWA shall file with the Commission:

a. A sworn statement attesting that the accredited instruction was performed, including a statement that the materials regarding each session were distributed as required by the Commission herein;

b. A description of any changes in the presenters or purposed curriculum that occurred after the application;

c. The name of each attending water district commissioner, his or her water district, and the number of hours that he or she attended; and

d. A copy of any written material given to water district commissioners attending the sessions that was not previously provided to the Commission.

5. Upon receipt of the materials identified in Paragraph 4 and provided there are no material changes to the program, the Commission shall issue a final order approving and accrediting the Training Program.

6. KRWA shall permit a representative of the Commission to attend the Training Program at the Commission's discretion, without charge, to assess compliance with this Order or the quality of instruction or for any other purpose deemed necessary by the Commission.

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By the Commission

ENTERED
AUG 03 2018
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:


Executive Director

Case No. 2018-00237

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