

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF KENTUCKY RURAL WATER	)	
ASSOCIATION FOR APPROVAL OF	)	CASE NO.
COMMISSIONER TRAINING AND CONTINUING	)	2019-00401
EDUCATION CREDIT	)	

ORDER

On November 4, 2019, Kentucky Rural Water Association (KRWA) filed an application for approval and accreditation of a training program to be offered on December 3, 2019, entitled "Continuing Education Training for McCreary Co. Water District" (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). 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), which approval KRWA did not request.

DESCRIPTION OF TRAINING PROGRAM

The Training Program was scheduled to take place at the McCreary County Water District office in Whitley County, Kentucky. The Training Program was supposed to consist of four sessions ranging in length from one hour to two hours. The sessions may generally be described as follows:

1. What's So Great About Kentucky?: This program will explore various factors that have allowed Kentucky Utilities to operate more efficiently and serve greater areas than utilities in other states, including adequate financing allowing utilities to manage their capacity development and regulation by the United States

Environmental Protection Agency, the Kentucky Division of Water, and the Public Service Commission.

2. **Water Loss Evaluation: Percentage vs. Cost:** This presentation compares different methods of evaluating water loss with three different utilities utilizing cost parameters against traditional volumetric measures and discusses the cost of lost water with respect to each utility.
3. **Ethics and Responsibilities for Board Members and Operators:** This program will cover general responsibilities and ethics for operators and board members of utilities. It discusses the requirements of a public officer to work in the interest of the public, and the obligation of water districts to ensure the availability of reliable water and, if applicable, wastewater service. It also provides guidance on fostering a positive work environment to promote high level, ethical performance.
4. **Introduction to Asset Management:** This program will cover the core components of asset management and the challenges and benefits for planning for the future, including discussions of the need to plan for aging infrastructure and why doing so can save money, reduce the risk of system failure, and enable systems to comply with federal financing requirements.

The Training Program consists of a total of six possible credit hours. The presenters for the sessions include three employees of KRWA, Andy Lange, Gary Larimore, and Joe Burns, each having at least 25 years of experience working with water districts.

#### 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>1</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

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

districts, and other subjects as determined appropriate by the Commission within 12 months of the commissioners' initial appointment.<sup>2</sup> 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.

KRWA indicated that it is seeking to have the Training Program approved to satisfy the six hours of annual training necessary for water district commissioners to satisfy KRS 74.020(6) and (7) but is not seeking to have it approved to satisfy the initial training requirements of 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>3</sup> However, third parties applying for approval of a proposed water district commissioner training program must file their applications, including a detailed description of the program, a description of the qualifications of any presenters and a copy of the written materials to be distributed at the program, among other things, 30 days prior to the first date on which the program is to be offered.<sup>4</sup>

Here, the Training Program covers topics that will be relevant and useful to water district commissioners. Moreover, the presenters appear to have knowledge of the topics

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

<sup>3</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").

<sup>4</sup> Water Training Order at 4–5.

they intend to discuss, and the Training Program appears to be well developed and of a suitable quality. Thus, the Commission finds that KRWA's Training Program will provide water district commissioners relevant and useful knowledge that will enhance the quality, management, operation, or maintenance of the water systems they operate.

IT IS THEREFORE ORDERED that:

1. KRWA's Training Program that took place on December 3, 2019, is hereby conditionally approved and accredited for up to six hours of annual water district management training for water district commissioners seeking to satisfy the training requirements set forth in in KRS 74.020 (6) and (7).

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 from the date of this Order, 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 sessions 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.

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By the Commission

ENTERED  
JAN 28 2020  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
Executive Director

Case No. 2019-00401

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