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 WATER DISTRICT COMMISSIONER TRAINING PROGRAM

CASE NO. 2015-00335

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 Lake Barkley State Resort Park in Cadiz, Kentucky, on September 22–23, 2015. This seminar included instruction regarding trends in applicable laws and regulations, risk management, and utility administration.¹

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.

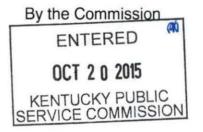
¹ A course syllabus for the training seminar is appended to this Order.

2. The seminar conducted at Lake Barkley State Resort Park in Cadiz, Kentucky, on September 22–23, 2015, 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:

1. The 2015 Water Personnel Training Seminar, which the Commission conducted at Lake Barkley State Resort Park in Cadiz, Kentucky, on September 22–23, 2015, 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.

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



ATTES Executive Director

Case No. 2015-00335

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00335 DATED **OCT 2 0 2015**

2015 Water Training Seminar Presented by the Public Service Commission Lake Barkley State Resort Park – Conference Center September 22-23, 2015

Tuesday, September 22, 2015

7:30 - 8:00 Registration and Breakfast - Cumberland Room

- 8:00 8:15 Welcome Cumberland Room
- 8:15-9:00 Annual Training and New Commissioner Training Cumberland Room Philosophy of Rate Regulation of Monopolies – Jeff DeRouen, PSC Ex. Director A historical overview of the legal and philosophical underpinnings of rate regulation.
- 9:05 10:30 Annual Training Cumberland Room

Funding – Kim Padgett, RCAP, and Vernon Brown, RUS

The keys to obtaining funding from a federal or state agency are hard work, creativity, timing, and perseverance. Know how the funding agencies work, the types of projects they fund, and your responsibilities for eligibility. This presentation provides an overview of federal and state funding opportunities for water and wastewater projects throughout the Commonwealth.

New Commissioner Training - Ohio Room

Commissioner Board Meetings – Damon Talley, KRWA

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.

10:40 – 12:00 Annual Training – Cumberland Room

Cyber Security – Mike Langfels, KAW

With an increase in technology and an increase in cyber threats to the water sector, how do you know where to start with securing your systems and personal information? This session will discuss various water sector resources, top 10 actions a utility can take to secure their SCADA systems, and provide plenty of time for questions.

New Commissioner Training - Ohio Room

Operation of WD/WA – Legal Aspects – Gerald Wuetcher, SKO

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.

- 12:00 1:00 Lunch Lodge Restaurant
- 1:00 1:40 Annual Training Cumberland Room
 - PSC Inspection/Investigation Overview Mark Rasche, PSC

This presentation is an introduction and overview of the PSC Inspection and Investigation processes. 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. Details about investigations will also be covered.

- 1:00 2:20 New Commissioner Training Ohio Room
 - Open Records/Open Meetings Acts Todd Osterloh, STBM

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.

1:45 - 2:20 Annual Training - Cumberland Room How to File and Update Tariffs - Brent Kirtley, PSC This presentation will address when to update your tariff, what to file when updating your tariff, and how to e-file your updated tariff. Time permitting, the presentation will also include important information regarding certain tariff and filing related issues.

2:25 – 3:25 Annual Training and New Commissioner Training – Cumberland Room Water Loss/Non-Revenue Water – Kim Padgett, RCAP Session will focus on water loss and its effects on sustainable drinking water systems. Topics include nonrevenue water, water loss detection strategies, leak detection technologies, water audits, and water loss control programs.

3:30 – 4:30 Annual Training – Cumberland Room
Public Relation and Social Media – Andrew Melnykovych, PSC
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 - Ohio Room

PSC Regulatory Requirements – David Spenard and Ginny Smith, PSC

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.

Wednesday, September 23, 2015

7:30 - 8:00 Registration and Breakfast

8:00 – 9:00 Annual Training – Cumberland Room

Recent Developments in Utility Regulation – David Spenard, PSC

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.

New Commissioner Training – Ohio Room

Internal Controls – Scott Lawless, PSC

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.

9:10 – 10:10 Annual Training and New Commissioner Training – Cumberland Room

KY Division of Water Update and Water Quality Law – Jackie Logsdon, DOW

The update includes 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. The Water Quality Law presentation will cover the primary regulations dealing with the Safe Drinking Water Act and the Clean Water Act.

10:20 - 11:20 Annual Training - Cumberland Room

Developing Relationships between Water Utilities and Elected Officials – George Haynes, DCA

This session will discuss the importance of elected officials being familiar with utility operations. The importance of infrastructure rehabilitation, maintenance, and staffing of facilities in the water and wastewater industry will be discussed in addition to current and future regulations and requirements that are driving change and demanding funding in the near future.

New Commissioner Training – Ohio Room

Drinking System Basics – Jackie Logsdon, DOW

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.

11:30 – 12:00 Annual Training and New Commissioner Training – Cumberland Room

Consumer Relations – Ginny Smith, PSC

The Commission's Director of Consumer Services will conduct a question and answer session for utility customer service representatives on Commission regulations dealing with customer relations, including termination of service, billing disputes, imposition and collection of certain charges and fees, and customer notice.

12:00-1:00 Lunch

1:00 – 2:30 Annual Training and New Commissioner Training – Cumberland Room

Rate Cases and Regulation Changes to PWAs – Scott Lawless and Sam Reid, PSC; and Greg Dutton, AG

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. 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 Goad 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.

2:30 – 3:30 Annual Training and New Commissioner Training – Cumberland Room

Ethics: A Practical Exercise – David Spenard, PSC

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