

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)	2018-00389
CONTINUING EDUCATION CREDIT)	

ORDER

On November 26, 2018, Kentucky Rural Water Association (KRWA) filed an application for approval and accreditation for a training program it intends to offer on December 27, 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). 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 will consist of 4 sessions ranging in length from 1 hour to 2 hours. KRWA described the programs 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 USEPA, Kentucky Division of Water, and the Public Service Commission.
2. Duties and Responsibilities of Board Members: This program will review the duties and responsibilities of water board members, including their oversight obligation. It will also discuss the conduct of open meetings and open records.

3. Recent Developments in Utility Regulation: This program will review recent developments in public utility law and regulations, including a discussion of recent laws passed by the general assembly and recent decisions by the Public Service Corporation as they relate to water utilities.

4. Municipal Wholesale Rate Workshop: This program will provide an overview of the Public Service Commission's regulation of municipal utility rates for wholesale water service to public utilities. It will review the history of wholesale water regulation, identify the basic rules that the Commission employs when reviewing municipal utility rates, address the procedures that a municipal utility must follow when adjusting its wholesale rates to a public utility, identify frequently recurring issues in municipal utility rate proceedings, and offer practical suggestions to obtain favorable outcomes.

The presenters for the program are representatives of KRWA with relevant experience and an attorney with Stoll Keenon Ogden who regularly represents water districts in matters before the Commission.

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) 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

¹ See KRS 74.020(1)

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

Commission” in each additional calendar year by allowing the commissioners to receive a raise if they complete that training each year.³

KRWA indicated that it is seeking to have the Training Program approved to satisfy the six hours of annual training necessary for water 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.”⁴ 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.⁵

Here, KRWA properly filed its request for approval, and the Training Program covers topics that will be relevant and useful to the water district commissioners. Moreover, the presenters appear to have knowledge of the topics they intend to

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 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 Water Training Order at 4–5.

discuss, and based on a review of the materials provided, the Training Program, on whole, appears to be well developed and of high 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 system.

IT IS THEREFORE ORDERED that:

1. KRWA's Training Program scheduled to take place on December 27, 2018, 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 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 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;

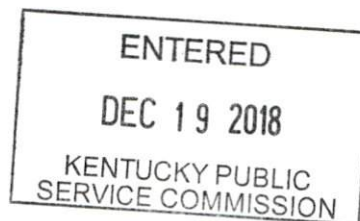
c. The name of each attending water district commissioner, his or her water district, and the number of hours that he or she attended; and

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 No. 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.

By the Commission



ATTEST:


Executive Director

*Janet Cole
Education Services Coordinator
Kentucky Rural Water Association
Post Office Box 1424
1151 Old Porter Pike
Bowling Green, KENTUCKY 42102-1424