

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF KENTUCKY)	
RURAL WATER ASSOCIATION FOR)	CASE NO.
ACCREDITATION APPROVAL OF)	2021-00052
COMMISSIONER TRAINING AND CONTINUING)	
EDUCATION CREDIT)	

ORDER

On February 5, 2021, Kentucky Rural Water Association (KRWA) filed an application for approval and accreditation of a training program scheduled to take place on March 9, 2021, at the Oldham County Water District's office in LaGrange, Kentucky. The program is entitled *Oldham County Water District Water Commissioner Training* (Training Program). Having reviewed KRWA's request and being otherwise sufficiently advised, 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 discussed herein. KRWA did not request that the Training Program be approved and accredited to satisfy any portion of the 12 hours of initial training for newly appointed commissioners required by KRS 74.020(8).

DESCRIPTION OF TRAINING PROGRAM

The Training Program will consist of the following 6 one hour sessions:

1. Board and Manager: This session will discuss effective communication between boards and managers. It will also cover how boards should adopt certain

policies, including personnel policies, a purchasing policy such as the Model Procurement Code, an investment policy, and cost-based rates.

2. Ratemaking 101, Part I: This session will provide a detailed overview of the Commission's ratemaking process for water districts.

3. Boardmanship: This session will discuss the roles and duties of a water district board as a whole, the duties of individual board members, and the duties of board officers.

4. Extending Meter Service Life: This session will discuss whether sample testing is the functional equivalent of testing each meter, the ANSI Standard method of sample testing, and the Commission's recent decisions on water utility efforts to extend meter service life to 15 years.

5. Ratemaking 101, Part II: This is a continuation of the session above.

6. Recent Developments in Utility Regulation: This session will discuss recent developments in public utility law and regulation, including unaccounted water loss, borrowing money, revisions to the Open Meetings Act, sovereign immunity, wholesale water purchase agreements, franchises, laws enacted by the 2020 General Assembly, and recent court and Commission decisions.

The presenters of the sessions at the Training Program will be attorneys from Stoll Keenon Ogden, PLLC, who regularly practice before the Commission, and Andy Lange, the assistant director of KRWA. KRWA provided detailed PowerPoint slides for each session that relate to the stated topics, and KRWA indicated that copies of the slides would be provided participants of the training.

DISCUSSION

KRS Chapter 74 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 Chapter 74 must be administered by a board of commissioners that 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 Commission" in each additional calendar year by allowing the commissioners to receive a raise if they complete that training each year.

KRWA indicates that it is seeking to have the Training Program approved to satisfy six hours of the 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

¹ See KRS 74.020(1)

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

responsibilities and duties.”³ 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.⁴

KRWA provided the information required by 807 KAR 5:070 and the Commission’s order in Case No. 2018-00085 in a timely manner. The Training Program also covers topics that will be relevant and useful to water district commissioners. Moreover, the presenters appear to have knowledge of the topics they intend to discuss, and based on a review of the materials provided, the Training Program appears to be well developed and of a high quality. Thus, the Commission finds that the 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 and, therefore, will conditionally approve the Training Program to satisfy the training requirements set forth in KRS 74.020(6) and (7) or a portion thereof.

IT IS THEREFORE ORDERED that:

1. KRWA’s Training Program 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).

³ 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”).

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 4–5.

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 each scheduled offering of the 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.

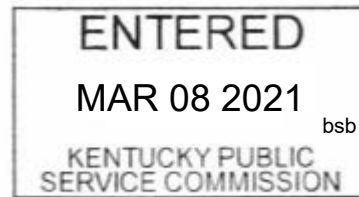
5. Upon receipt of the materials identified in paragraph 4 and provided there are no material changes to the program, the Commission shall issue a final order approving and accrediting each offering of the Training Program.

6. KRWA shall notify the Commission in advance when it schedules future offerings of the Training Program and 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.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

By the Commission



ATTEST:

A handwritten signature in blue ink that reads "Linda C. Bradwell". The signature is written in a cursive style and is positioned above a horizontal line.

Executive Director

Case No. 2021-00052

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

*Katelyn L. Brown
Attorney
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KENTUCKY 40507-1801