

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ACCREDITATION AND APPROVAL OF A	)	
PUBLIC SERVICE COMMISSION WATER	)	
PERSONNEL TRAINING PROGRAM AS A	)	CASE NO. 2013-00362
WATER DISTRICT COMMISSIONER TRAINING	)	
PROGRAM	)	

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 will conduct a training program at Carter Caves State Resort Park, Olive Hill, Kentucky, on October 8-9, 2013. This program will include instruction regarding trends in applicable laws and regulations, risk management and utility administration.<sup>1</sup>

Based upon a review of the course curriculum, the Commission finds that:

1. The course of instruction to be provided at this program enhances a water district commissioner’s understanding of his or her duties.

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<sup>1</sup> A course syllabus for the training program is appended to this Order.

2. The program to be conducted at Carter Caves State Resort Park, Olive Hill, Kentucky, on October 8-9, 2013 should be approved for 12.0 credit hours of water district management training and for 12.0 hours of new water district commissioner training.

IT IS HEREBY ORDERED that the 2013 Water Personnel Training Program, which the Commission will conduct at Carter Caves State Resort Park, Olive Hill, Kentucky, on October 8-9, 2013, is approved for a maximum of 12.0 credit hours of water district management training (WT 2013-023) and for a maximum of 12.0 credit hours of new water district commissioner training (WT 2013-024).

By the Commission

ENTERED  
OCT 07 2013  
KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
\_\_\_\_\_  
Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE  
COMMISSION IN CASE NO. 2013-00362 DATED **OCT 07 2013**

**2013 Water Training Program**  
**Presented by the Public Service Commission**  
**Carter Caves State Resort Park – October 8-9, 2013**

**Tuesday, October 8, 2013**

7:30 – 8:00 *Olive Hill Room* - Registration and Breakfast

8:00 – 8:15 *Olive Hill Room* – Welcome and Program Overview

8:15 – 8:20 Break out into each session.

8:20 – 9:20 ***Annual Training – Olive Hill Room***

**Risk Management – Shawn Weir and Steve Clary**

This presentation will review risk management activities, including insurance, retained losses, and prevention activities that water utilities can implement.

***New Commissioner Training – Grayson Room***

**Open Records/Open Meetings Acts – Todd Osterloh**

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.

9:30 – 10:50 ***Annual Training – Olive Hill Room***

**Recent Developments in Utility Regulation – Gerald Wuetcher**

This presentation is a review of the recent developments in public utility law and regulation. House Bill 1 and other recent changes in Kentucky statutes affecting the operation of water utilities will be discussed. Recent changes to Public Service Commission regulations as well as Commission decisions that affect water utilities will also be examined. New Public Service Commission initiatives will be briefly discussed.

***New Commissioner Training – Grayson Room***

**Commissioner Board Meetings – Damon Talley**

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.

11:00 – 12:00 ***Annual Training and New Commissioner Training – Olive Hill Room***

**Ethics for Board Members of Public and Non-Profit Boards – Brian Lykins**

In recent years, the Auditor for Public Accounts (APA) has uncovered numerous instances where members of public and non-profit boards have failed to perform their legal duties. The Director of the APA's Office of Technology and Special Audits will discuss recurring ethical lapses that APA investigations have found and the rules and procedures that boards should implement to prevent such lapses.

12:00 – 1:00 **Lunch**

1:00 – 2:00 ***Annual Training – Olive Hill Room***

**Current/Hot Topics in Ratemaking – Scott Lawless and Sam Reid**

Members of the Staff of the Public Service Commission will discuss ratemaking issues of current interest, including recent changes in Commission treatment of depreciation, use of inflation adjustment mechanisms, purchased power/fuel adjustment mechanisms, infrastructure replacement riders, 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 Spenard 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.

***New Commissioner Training – Grayson Room***

**Budgeting and Asset Management – Kim Padgett**

As a new commissioner, one of your most important responsibilities is to ensure your system brings in sufficient revenue to cover the cost of delivering a safe and adequate supply of drinking water to your customers. In this session, we will discuss budget requirements and financial tools that a system can use to establish asset rehabilitation, prioritize maintenance needs, and have sufficient funds for repairs and improvements.

2:10 – 3:10 ***Annual Training – Olive Hill Room***

**Kentucky Division of Water Update – Eric Sutton**

This is a presentation on 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.

***New Commissioner Training – Grayson Room***

**Internal Controls – Scott Lawless**

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.

3:20 – 4:20 ***Annual Training and New Commissioner Training – Olive Hill Room***

**House Bill 1: An Overview – Gerald Wuetcher**

In its 2013 Annual Session, the General Assembly enacted sweeping changes to reporting and organization requirements for special districts. This presentation will review the events that led to the enactment of House Bill 1, provide an overview of the reporting and organizational requirements created by the legislation, and discuss the bill's implications on the future of special district governance.

***Special Session – Grayson Room***

**Electronic Filing and Annual Reports – Brent Kirtley**

This presentation will address the Public Service Commission's efforts regarding the electronic filing of tariffs and tariff-related documents, including the Commission's proposals to require all tariffs to be filed electronically. A brief description of the electronic filing procedures that are available to utilities that file rate applications under the Commission's alternative rate filing procedures will also be discussed.

5:30 – 7:30 **Office Manager/Office Personnel Training – Lodge Restaurant**  
**Evening Session – Brent Kirtley, Sam Reid, Ginny Smith, and Jerry Wuetcher**  
The evening session is primarily focused towards office managers/office personnel and is an open topic discussion forum which includes discussions on issues related to Consumer Services, Tariffs, Purchased Water Adjustments, and Nonrecurring Charges. If you have anything you'd like to get help with concerning these topics, please be prepared to discuss it. This is your chance to get some one-on-one time with the PSC staff members. (Snacks will be provided.)

### **Wednesday, October 9, 2013**

7:30 – 8:00 **Olive Hill Room - Registration and Breakfast**

8:00 – 9:00 **Annual Training – Olive Hill Room**  
**Energy Efficiency - Randall Kelley**  
This presentation focuses on actions that water utilities may pursue to reduce their energy consumption and costs.

8:00 – 9:30 **New Commissioner Training – Grayson Room**  
**Operation of WD/WA – Legal Aspects – Gerald Wuetcher**  
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.

9:10 – 10:10 **Annual Training – Olive Hill Room**  
**Consumer Relations – Virginia Smith**  
This presentation will focus on the regulatory aspects of customer relations. Topics include the Customer Bill of Rights, customer billing disputes, installation and termination of utility service, and the Commission's informal and formal complaint processes. Presenter will also address landlord-tenant utility service issues, imputation of utility bills to family members, and the importance of tariffs and water user agreements.

9:40 – 11:20 **New Commissioner Training – Grayson Room**  
**Water Quality Law and Drinking System Basics – Russell Neal**  
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. It will also cover the primary regulations dealing with the Safe Drinking Water Act and the Clean Water Act.

10:20 – 11:20 **Annual Training – Olive Hill Room**  
**Emergency Management – Charles O'Neal**  
This presentation addresses the need for and the basic issues of emergency planning for water utilities. The role of Kentucky Emergency Management (KEM) and coordination between water utilities and KEM, as well as the legal aspects of emergency planning and management will also be discussed.

- 11:30 – 12:30 ***Annual Training – Olive Hill Room***  
**Water Resource Information System & System Planning – Adam Scott and Rusty Anderson**  
This presentation provides an overview of the Water Resource Information System (WRIS) and discusses how water and wastewater systems can use the WRIS to better manage their facilities and improve their ability to obtain funding from state funding sources.
- New Commissioner Training – Grayson Room***  
**PSC Regulatory Requirements – Gerald Wuetcher**  
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.
- Special Session – Lodge Restaurant***  
**Consumer Services, One-on-One Discussion – Ginny Smith**  
This is a question and answer session for utility customer representatives with the Director of the Commission’s Consumer Services Division. The requirements of the Commission’s regulation on customer relations will be examined in detail.
- 12:30 – 1:30 **Lunch**
- 1:30 – 2:00 ***Annual Training and New Commissioner Training – Olive Hill Room***  
**The PSC Inspection Process and Updates – Jimmy Adcock**  
This presentation is an introduction and overview of the PSC Inspection Process. 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.
- 1:30 – 3:30 ***Special Session – Grayson Room***  
**Water Utility and Elected Officials’ Relationships – George Haynes**  
This session will discuss the importance of elected officials being familiar with utility operations and operators. 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.
- 2:00 – 3:30 ***Annual Training and New Commissioner Training – Olive Hill Room***  
**Ethics: A Practical Exercise – Gerald Wuetcher**  
This presentation is a review of ethics laws and principles that affect water utility policy makers and managers through the use of diverse and commonly recurring fact situations.

