

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) CASE NO. 2017-00342
WATER DISTRICT COMMISSIONER TRAINING)
PROGRAM)

O R D E R

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 conducted a training seminar at Lake Barkley State Resort Park in Cadiz, Kentucky, on Sept. 19 and 20, 2017. This seminar will include 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.

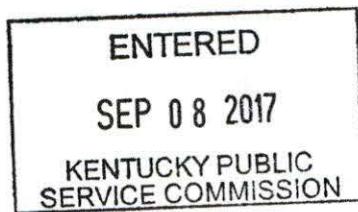
2. The seminar that will be conducted at Lake Barkley State Resort Park in Cadiz, Kentucky, on Sept. 19 and 20, 2017, should be approved for 12 credit hours of water district management training and for 12 hours of new water district commissioner training.

IT IS THEREFORE ORDERED that:

1. The 2017 Water Personnel Training Seminar, which the Commission will conduct at Lake Barkley State Resort Park in Cadiz, Kentucky, on Sept. 19 and 20, 2017, 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 seminar being conducted at Lake Barkley State Resort Park, Commission Staff shall file into the post-case referenced correspondence file for this case a list of the names of each attendee, his or her water district, and the number of hours that he or she attended this training program.

By the Commission



ATTEST:



Acting Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2017-00342 DATED **SEP 08 2017**

2017 Water Training Seminar
Presented by the Public Service Commission
Lake Barkley State Resort Park
Sept. 19 & 20, 2017

Day One

- 7:30 – 8:00 **Registration and Breakfast**
- 8:00 – 8:10 **Welcoming Statement & Logistics** – Chairman Michael Schmitt (PSC) and Andrew Melnykovych (PSC)
- 8:10 – 9:10 **Annual and New Commissioner Training**
Cybersecurity – Earl Rose IV (Dept. of Homeland Security)
This presentation looks at the emerging threats to utilities posed by hacking or other intrusions into utility computer systems. The presentation will focus on preventing such intrusions, particularly into the outward-facing portions of a utility's system, such as customer service portals or e-mail. Topics covered will include a review of hacking methods such as phishing or spoofing, and what policies should be in place to prevent them.
- 9:20 – 10:50 **Annual and New Commissioner Training –**
Emergency Management, A Panel Discussion – Tina Massengill and Margaret Hibbs (KY Department for Public Health, Division of Epidemiology and Health Planning), Jeremy Blansett (KY Division of Emergency Management), and Joe Burns (on behalf of KY Warn)
In this presentation, the Division of Epidemiology and Health Planning emphasizes the need for an emergency response plan in order to assist medical and healthcare facilities, etc. Kentucky Emergency Management (KEM), whose role includes coordination between water utilities and KEM, will discuss the need for and the basic issues of emergency planning for water utilities, as well as the legal aspects of emergency planning and management. And Kentucky WARN will discuss their program, which provides water and wastewater utilities a Mutual Aid Agreement and process for sharing emergency resources statewide, along with a mutual assistance program consistent with other statewide mutual aid and assistance programs.
- 11:00 – 12:10 **Annual and New Commissioner Training**
Getting the Lead Out: An Old Issue Resurfaces – David Spenard and Erin Donges (PSC), Jackie Lawson (KY Division of Water)
The drinking water safety crisis in Flint, Michigan, refocused attention on a water quality and public health issue that never really went away. This session will examine the problem of lead in drinking water from a legal, technical and public health perspective. In that context, it will include 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.

12:10 – 1:15 Lunch – On Your Own

**1:15 – 2:45 Annual and New Commissioner Training –
PSC Points of Emphasis: Inspections, Water Loss and Asset Management –
Erin Donges, Sam Reid (PSC); Joe Burns (Kentucky Rural Water Association)**

This session will explain how the PSC has been restructured to provide a greater focus on inspections and more efficient and timely follow-up on inspection results. The presentation will include an overview of the inspection process. The PSC also is placing a greater emphasis on reducing unaccounted-for water loss. This will be a point of emphasis during inspections. The financial consequences of excessive water loss to a utility and to its customers also will be addressed. The session also will cover best practices in managing utility physical assets.

**2:55 – 4:00 Annual Commission Training –
Sustainable Infrastructure through Preventative Maintenance – Kim Padgett
and Jared Schmal (Rural Community Assistance Partnership)**

As a water district board member, your most important responsibility is to ensure your system can deliver a safe and adequate supply of drinking water to your customers. To assist you in that endeavor, this session will explore the assets of a drinking water system, the cost effectiveness of asset management, and if preventative maintenance is essential to system sustainability.

**New Commissioner Training –
Internal Controls – Mark Frost (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.

Day 2

7:30 – 8:00 Registration and Breakfast

**8:00 – 9:30 Annual and New Commissioner Training –
Commissioner Board Meetings, Open Records and Open Meetings – David
Spenard (PSC); Gordon Slone (KY Office of the Attorney General)**

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 principal provisions of the Open Records Act and Open Meetings Act will be reviewed. 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.

- 9:40 – 10:40 Annual and New Commissioner Training –
The Importance of Facility Compliance for Operators– Clem Wethington (KY
Rural Water Association)**

Mr. Wethington will talk about the importance of maintaining compliance with state and federal regulations. Even the best managed and operated utilities may have compliance problems on occasion. This training will provide information on the job duties of operators and the financial and public relation burdens faced by utility personnel and elected officials when a violation is issued. The Compliance Check Program designed by KRWA to help water utilities meet compliance requirements, will be discussed as a tool utilities can utilize to help assure compliance.

- 10:50 – 12:00 Annual and New Commissioner Training –
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. The presentation covers the statutory provisions addressing the standards of conduct for water district commissioners and employees as well as directors and officers of nonprofit water associations.

- 12:00 – 1:15 Lunch – On Your Own**

- 1:15 – 2:30 Annual and New Commissioners –
Consumer Services – Andrew Melnykovych (PSC)**

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.

- 2:40 – 4:00 Annual Commission Training –
Issues in Rate Regulation – Sam Reid and Mark Frost (PSC)**

PSC staff 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 (PWA) applications. The ratemaking consequences of excessive water loss will be covered. We will also briefly discuss recent developments concerning 911 fees and their impact on ratemaking.

