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April 24, 2017

PSC STAFF OPINION 2017-007

Ms. Wanda Simons Smith
Office Manager, Accountant
Laurel County Water District No.2
3910 South Laurel Road
London, KY 40744

Re: Audio recording of customers and employees

Dear Ms. Smith:

On March 20, 2017, the Commission received your letter dated March 15, 2017, in which you request a Staff Opinion regarding the legal issues related to the installation of audio recording equipment for recording conversations between employees and customers in the office of Laurel County Water District No. 2. This opinion is advisory in nature and not binding on the Commission should the issues addressed herein be formally presented for Commission resolution.

The Commission has jurisdiction pursuant to Chapter 278 of the Kentucky Revised Statutes (KRS), and administrative regulations promulgated by the Commission in Chapter 807 of the Kentucky Administrative Regulations (KAR). To the extent that your question extends beyond our jurisdiction, we cannot express an opinion and suggest you consult the Attorney General's Office.

It is Staff's opinion that the Commission has jurisdiction over customer relations as set out in the language of 807 KAR5:006, Section 14. The Administrative Regulation instructs utilities to provide a qualified customer representative and display the customer's rights prominently.¹ Accordingly, staff believes that in the interest of transparency, if the utility chooses to record the conversations between employees and customers, the utility should provide prominent, advance notice to the customer. The Staff's opinion is that providing notice that the conversation is to be recorded would be

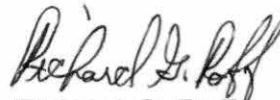
¹ 807 KAR 5:006, Section 14. See 807 KAR 5:006, Section 14(1)(b) and (c) specifically.

respectful of the customer and hopefully eliminate negative customer relations that could result from not providing such notice.

Staff notes that KRS Chapter 526 addresses the act of "eavesdropping," however, these statutes are beyond the jurisdiction of the Commission. Staff, therefore cannot express any opinion and would suggest that you seek an opinion from the Attorney General's Office.

This letter represents Commission Staff's interpretation of the law as applied to the facts presented. This opinion is advisory in nature and not binding on the Commission should the issue herein be formally presented for Commission resolution. Questions concerning this opinion should be directed to Brittany H. Koenig at (502) 782-2591 or Jenny Sanders at (502) 782-2592.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard G. Raff". The signature is written in a cursive style with a large initial "R".

Richard G. Raff
General Counsel

RR/kg