

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF ROWAN)	CASE NO.
WATER, INC. FOR APPROVAL OF WATER)	2025-00133
TRAINING)	

ORDER

On April 30, 2025, Rowan Water, Inc.(Rowan Water) and Honaker Law Office, PLLC (collectively, Joint Applicants) filed an application¹ for approval and accreditation, pursuant to KRS 74.020(6) and (7) and 807 KAR 5:070, for the proposed water district management training titled Rowan Water Summer Training 2025 (Training Program) with five hours of training scheduled to take place on June 12, 2025, and an additional hour of training to occur on August 14, 2025, at the Rowan Water’s office in Morehead, Kentucky.

Having reviewed the Joint Applicants’ request and being otherwise sufficiently advised, the Commission approves the Training Program to satisfy the six hours of training described by KRS 74.020(6) and (7), subject to the conditions discussed below. Joint Applicants did not request, nor should the Commission approve, 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).

¹ All applications should be filed in an optimized pdf format (searchable or OCR) and include bookmarks to distinguish sections. Any future applications from Joint Applicants not meeting this requirement will be rejected as deficient.

DESCRIPTION OF THE TRAINING PROGRAM

The Training Program will be conducted in person on June 12, 2025, and on August 14, 2025, at the Rowan Water's office in Morehead, Kentucky. The Training Program will consist of the following sessions:

1. Asset Management & Financing, Robert Miller, StraightLine Kentucky LLC (1 Hour): Includes a discussion of the current state of assets, managing maintenance, and long-term funding strategy.

2. What to Expect During a PSC Inspection, Jason Pennell, Rural Water Association (1 hour): Provides an overview of the Kentucky Public Service Commission periodic inspections including an overview of the inspection process, common issues that may be identified during an inspection, and ways to improve inspection outcomes.

3. Regulatory Updates, L. Allyson Honaker, Honaker Law Office (1 hour): Includes a review of Kentucky utility statutes and regulations, and an update of Kentucky court cases, Commission decisions and legislation. Additionally, the presentation will include a discussion of Commission decisions and changes in relevant legislation for water utilities.

4. Capital Planning and resources, Russell Neal, Kentucky Infrastructure Authority (1 hour): Discussion with a representative from Kentucky Infrastructure Authority (KIA) regarding an update on current funds available, including the federally assisted revolving funds, the infrastructure revolving fund, and the Kentucky Water and wastewater Assistance for Troubled and Economically Restrained Systems fund. The presentation will include the application process, timelines, and federal and state requirements for loans and grants.

5. Reducing Water Loss Step by Step, Mathew R. Curtis, P.E. Bluegrass Engineering (1 hour): Presentation by an engineer regarding the steps to control, prevent, and reduce water loss.

6. Cyber Security, Colin Glover, U.S. Department of Homeland Security (1 hour): A detailed review of policies to encourage effective management of water utilities through defining roles, understanding duties, and responsibilities and making policy to promote healthy oversight.²

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.³ 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.⁴ 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 calendar year by allowing the commissioners to receive a raise if they complete the training each year.

² To take place on August 14, 2025, at Rowan Water's August Board Meeting.

³ KRS 74.020(1).

⁴ KRS 74.020(8)(b) (discussing the training requirements for new water district commissioners).

Joint Applicants indicate that they are seeking to have the Training Program approved to satisfy six hours of annual training necessary for water district commissioners to satisfy KRS 74.020(6) and (7), but it 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.”⁵ 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, at least 30 days prior to the first date on which the program is to be offered.⁶

Joint Applicants 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.

⁵ 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”).

⁶ Case No. 2018-00085, *Review of Training Required and Authorized by KRS 74.020 for the Commission of Water Districts* (Ky. PSC Mar. 15, 2018), Order at 4–5.

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 the Training Program should be conditionally approved to satisfy the training requirements set forth in KRS 74.020(6) and (7) or a portion thereof.

IT IS THEREFORE ORDERED that:

1. Joint Applicants' Training Program scheduled to take place on June 12, 2025, and August 14, 2025, is hereby conditionally approved and accredited for up to six hours of annual water district management training for water district commissioners seeking to satisfy training requirements set forth in KRS 74.020(6) and (7).

2. Joint Applicants' 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. Joint Applicants shall retain a record of all water district commissioners attending the Training Program.

4. No later than 45 days after each scheduled offering of the Training Program, Joint Applicants 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 proposed curriculum that occurred after the application;

c. The name of each attending water district commissioner, his or her water district, the number of hours that he or she attended each day; 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 ordering paragraph 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. Joint Applicants 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 for any other purpose deemed necessary by the Commission.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Linda Bridwell *LB*
Executive Director



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