

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)	2024-00230
COMMISSIONER TRAINING AND CONTINUING)	
EDUCATION CREDIT)	

ORDER

On July 22, 2024, Kentucky Rural Water Association (KRWA) 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 *Water Commissioner Training* (Training Program)² scheduled to take place in-person on August 26, 2024, at the Central Bank Center in Lexington, Kentucky.³

DESCRIPTION OF THE TRAINING PROGRAM

KRWA provided the agenda, the PowerPoints and biographical information for the speakers. The proposed Training Program will consist of the following sessions:

1. GIS with Benefits: What Commissioners Need to Know (1 hour): This presentation explains how GIS and GPS tools are often used together and will demonstrate how the two location based tools can be used to improve operations of a

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

² Application at 2.

³ Application at 2.

utility; therefore, improving efficiency and reducing costs.⁴ Presenters will delve in to details of both types of systems and will conclude the session with an account of how Oldham County Water District has implemented these spatial tools to improve the operations at its utility.⁵

2. Basic Procedural Law for Governmental Water Utilities (1 hour): This presentation highlights requirements in place for utilities when making purchases, including bidding statute, and procurement issues with state and federally funded projects.⁶

3. Unaccounted-For Water Loss (1 hour): This presentation provides a comprehensive understanding of water loss and ways to manage it, alternative methods for water loss control, the 15 percent rule,⁷ and its effect on operations and rate setting, and water loss surcharges.⁸

4. The Value of Water: A Commissioner's Guide to Water Accountability Success (45 minutes): This presentation emphasizes the importance of water by equipping decision makers with tools to efficiently manage water accountability.⁹ This includes offering alternative methods for calculating lost water, ensuring consistent tracking of water usage, and reviewing collected data to identify and address water loss.¹⁰

⁴ Application at 3.

⁵ Application, Exhibit 1.

⁶ Application at 3.

⁷ 807 KAR 5:066, Section (6)3.

⁸ Application at 3.

⁹ Application, Exhibit 1.

¹⁰ Application at 3.

5. Kentucky Public Service Commission (Commission) Inspections (45 minutes): This presentation focuses on Commission regulated utilities by providing strategies to improve inspection outcomes.¹¹ This includes an overview of the inspection process, including risk assessments, point value metrics and common issues that may be identified during an inspection.¹²

6. Recent Developments in Utility Regulation. (1.5 hours): This presentation reviews recent developments in public utility law and regulation.¹³ Topics include filing procedures, compliance with orders, maintaining accurate meeting minutes, a review of notable Commission cases, borrowing money, and pending cases of interest to utilities and other hot legal topics.¹⁴

LEGAL STANDARD

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 an annual salary of not more than \$6,000 to be paid out of the water district fund. Pursuant to KRS 74.020(7)(c), the Commission has discretion in approving “water district management training” offered by third parties to satisfy the six hours of subsequent 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.”

¹¹ Application at 3.

¹² Application, Exhibit 1.

¹³ Application at 4.

¹⁴ Application at 4.

Commission regulation 807 KAR 5:070, Section 2, states as follows about the programs:

- Program hours consisting of one (1) or more of the following areas of instruction shall be approved as to subject matter:
- (1) Federal and state law regarding safety standards for drinking water;
 - (2) Management techniques;
 - (3) Accounting standards and treatment of costs;
 - (4) Financing principles;
 - (5) Rate design;
 - (6) Water technology and system facilities;
 - (7) Ethics; and
 - (8) Other areas of instruction related to, and calculated to enhance the quality of, the management, operation, and maintenance of a water system.

In Case No. 2018-00085,¹⁵ the Commission clarified what training was expected of commissioners of water districts pursuant to KRS 74.020 as well as the time a third-party has to apply for accreditation of a program.

DISCUSSION AND FINDINGS

Having reviewed the record and being otherwise sufficiently advised, the Commission finds that 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 Commission finds that the six hours of training will provide water district commissioners relevant and useful knowledge that will enhance the quality, management, operation, or maintenance of the water systems they operate.

Therefore, the Commission finds that it should conditionally approve the Training Program to satisfy the six hours of training described by KRS 74.020(6) and (7). The

¹⁵ 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).

Training Program covers topics 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. KRWA may switch the days in which the presentations are held and the order of the presentations, if needed. This training is not approved to satisfy any portion of the initial training requirement for water district commissioners required by KRS 74.020(8).

The Commission finds that final approval is conditioned on KRWA following through with the following conditions as set forth in its application. KRWA stated that it would provide the written materials to each attendee and that if any presentations are amended prior to the training, KRWA will include a copy of any revisions to the presentations with its sworn statement and report regarding the instruction.¹⁶ KRWA stated it will retain a record of all water utility commissioners that attend the proposed Training Program.¹⁷ KRWA stated that it would, within 30 days of the proposed Training Program's completion, file a sworn statement: (1) attesting that the accredited instruction was performed; (2) describing any changes in the presenters or the proposed Training Program curriculum that occurred after certification; and (3) containing the name of each water commissioner who attended, their water district, and the number of hours attended.¹⁸ KRWA should admit representatives of the Commission or the Office of Attorney General to the proposed Training Program at no charge to permit such

¹⁶ Application at 4.

¹⁷ Application at 5.

¹⁸ Application at 5.

representatives to assess the quality of the instruction, monitor the compliance with Commission decisions, regulations, or other requirements, should the Commission deem it necessary.¹⁹

IT IS THEREFORE ORDERED that:

1. KRWA's Training Program scheduled to take place on August 26, 2024, 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. 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 the 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 proposed curriculum that occurred after the application in this matter;

c. The name of each attending water district commissioner, his or her water district, and the number of hours that he or she attended the Training Program; and

¹⁹ Application at 5-6.

d. A copy of any written material given or presented 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 addressing approval and accreditation of the Training Program.

6. KRWA 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.

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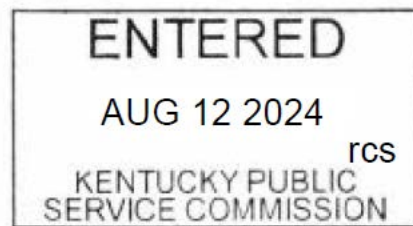
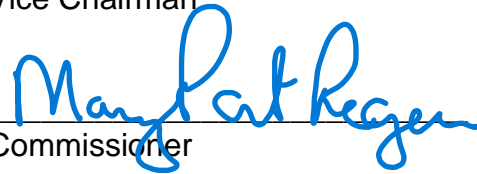
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