

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC APPLICATION OF NORTHERN)	
KENTUCKY WATER DISTRICT AND STOLL)	CASE NO.
KEENON OGDEN PLLC FOR ACCREDITATION)	2025-00046
AND APPROVAL OF A PROPOSED WATER)	
DISTRICT MANAGEMENT TRAINING PROGRAM)	

ORDER

On February 28, 2025, Northern Kentucky Water District (Northern Kentucky District) and Stoll Keenon Ogden PLLC 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 Northern Kentucky Water Training 2025 (Training Program) scheduled to take place on April 3, 2025, at Northern Kentucky District's offices in Erlanger, Kentucky.²

DESCRIPTION OF THE TRAINING PROGRAM

Northern Kentucky District provided the agenda, the PowerPoints, and biographical information for the speakers. Pursuant to the agenda, the proposed Training Program will consist of the following sessions:

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

² Application (filed Feb, 28, 2025) at 2.

1. Recent Developments in Utility Regulation (1 hour): This presentation focuses on recent developments in public utility law and regulation at the state level.³ Topics for the presentation include laws enacted by the 2025 Kentucky General Assembly affecting public utilities, compliance with Commission orders, keeping minutes of board meetings, borrowing money, and Commission investigations and a discussion of recent Public Service Commission decisions.⁴

2. Recent Developments in Utility Law at the Federal Level (55 minutes): This presentation reviews recent developments in federal law that have or will affect public water utilities, including recent federal court decisions.⁵ Additionally, the presentation discusses recently enacted or proposed federal legislation regarding public water systems and related recently promulgated administrative regulations, such as the recent U.S. Environmental Protection Agency's regulations regarding PFAS.⁶

3. Certificates of Public Convenience and Necessity and Debt Authorizations (1 hour): This presentation explores the statutory law surrounding the construction of utility facilities and the issuance of debt.⁷ The presentation also focuses on infrastructure projects that require a certificate of public convenience and necessity and the exceptions to the general requirement.⁸

³ Application, Exhibit 1 at 1.

⁴ Application, Exhibit 1 at 1.

⁵ Application, Exhibit 1 at 1.

⁶ Application, Exhibit 1 at 1.

⁷ Application, Exhibit 1 at 1.

⁸ Application, Exhibit 1 at 1.

4. PSC Consumer Services, One-on-One Discussion-Special Session I and II (2 hours): This presentation explains the requirements of the Commission's regulation on customer relations and includes a question-and-answer session for utility customer representatives.⁹

5. Law 101 – Basic Legal Principles of Contracts and Torts for Regulated Water Utilities (1 hour): This presentation focuses on situations involving contract and tort law that public water utilities regularly address and the laws that govern those situations.¹⁰ Additionally, this presentation includes a discussion of contract formation and modification, contract disputes, remedies for contract breaches, utility liability for its employees' acts and the Commission jurisdiction over contract and tort disputes.¹¹

6. Legal Issues in the Operation & Management of Water Systems – Panel Discussion - Panelists: Tom Edge, Tina Frederick, Damon Talley, Gerald Wuetcher (1 hour): This panel explores legal issues faced by water utilities and addresses KRS Chapter 74 and its effects on the management and operation of water districts.¹² The panel will also discuss other highly relevant statutory provisions, such as the Claims against Local Government Act, Bidding Requirements provision of KRS Chapter 424, Eminent Domain, Local Model Procurement Law, Whistle Blowers Act, and general laws

⁹ Application, Exhibit 1 at 2.

¹⁰ Application Exhibit 1 at 2.

¹¹ Application, Exhibit 1 at 2.

¹² Application, Exhibit 1 at 2.

related to special districts.¹³ The presentation will also discuss the Public Service Commission's regulatory requirements.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 commissioners, with appropriate approval, 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 training 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."

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.

¹³ Application, Exhibit 1 at 2.

¹⁴ Application, Exhibit 1 at 2.

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 Northern Kentucky District 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 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."¹⁶

Therefore, the Commission finds that the proposed 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, Commission finds that it should conditionally approve the Training Program to satisfy up to six hours of training described by KRS 74.020(6) and (7). The 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. Northern Kentucky District may switch the order of 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).

¹⁶ 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").

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 Northern Kentucky District following through with the following conditions as set forth in its application. Northern Kentucky District stated that it would provide the written materials to each attendee, and that if any presentations are amended prior to the training, Northern Kentucky District will include a copy of any revisions to the presentations with its sworn statement and report regarding the instruction.¹⁷ Northern Kentucky District stated that it will retain a record of all water commissioners that attend the proposed Training Program and the hours attended.¹⁸ Northern Kentucky District 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.¹⁹ Northern Kentucky Water District agreed to admit representatives of the Commission to the proposed Training Program at no charge to permit such representatives to assess the quality of the instruction, monitor the compliance with Commission decisions, regulations, or other requirements, should the Commission deem it necessary.²⁰

¹⁷ Application at 4-5.

¹⁸ Application at 5-6.

¹⁹ Application at 5-6.

²⁰ Application at 6.

IT IS THEREFORE ORDERED that:

1. Northern Kentucky District's Training Program scheduled to take place on April 3, 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. Northern Kentucky District's Training Program is not approved or accredited to satisfy any portion of the initial training requirement for water district commissioners required by KRS 74.020(8).

3. Northern Kentucky District shall retain a record of all water district commissioners attending the Training Program.

4. No later than 45 days after the scheduled offering of the Training Program, Northern Kentucky District 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 the Training Program; and

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.

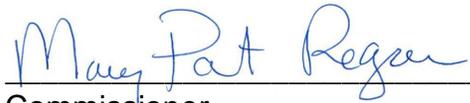
6. Northern Kentucky District shall permit one or more representatives of the Commission to attend the Training Program at the Commission's discretion, without charge, to assess compliance with this Order or the quality of instruction for any other purpose deemed necessary by the Commission.

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PUBLIC SERVICE COMMISSION



Chairman



Commissioner



Commissioner

ATTEST:



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