



**Morgan County Water District**  
**Water Loss Reduction Plan**

**Purpose:**

In accordance with the Kentucky Public Service Commission's ("Commission") August 28, 2025 Order in Case No. 2025-00325, Morgan County Water District ("Morgan County Water") was ordered to prepare and implement a water loss reduction plan. The Commission directed Morgan County Water to attempt to reduce unaccounted water from approximately 40% to the approximately 15%.

**Background:**

Morgan County Water is a water district organized pursuant to KRS Chapter 74. Morgan County owns and operates a distribution system through which it provides retail water service to approximately 2,863 residential customers and 121 commercial customers in Morgan County, Kentucky. Morgan County Water purchases all of the water it sells to customers. Approximately, 60 percent of water is purchased from the City of West Liberty through seven different master meters. The remaining 40 percent of the water is purchased from Cave Run Water Commission through one master meter. Morgan County Water has seven water tanks with a total storage of 1,042,000 gallons of water and six active pumpstations. The terrain in Morgan County Water's territory creates challenges to the system. Due to the many hills and valleys in the area, Morgan County Water must maintain a higher pressure in the main lines to keep customers at higher elevations in service and maintain the minimum pressure requirement for customers at meter bases. This then puts the system at risk for leaks. Any water purchased that is not accounted for or sold, creates a financial impact to Morgan County Water.

**Water Loss Reduction Plan:**

1. Water Meters In Service Over 10 Years – Morgan County Water will continue to test meters over ten years old. If the meter needs to be replaced, Morgan County Water will either refurbish or replace with a new meter. Morgan County Water will continue testing meters until the entire system is up to date.
  
2. Identify Main Water Lines – Morgan County Water will study the water lines in its system based on age. Older water lines, or water lines with a history of leaks, will be repaired or replaced. Morgan County Water will continue to seek funding to replace lines.

3. Identifying Branch Water Lines – Morgan County Water will study the branch water lines in its system based on age. Morgan County Water will study these lines to determine if lines need to be replaced. Morgan County Water will continue to seek funding to replace lines.

4. Staff Levels – Morgan County Water has experienced high turnover with its staff. Due to issues with prior management of the District, Morgan County was unable to higher staff to replace the turnover. Morgan County Water’s Board of Commissioners and new management has been able to make necessary changes to improve the financial health of the District. As this progresses, Morgan County Water will higher additional staff including a full time leak detection staff member.

5. Leak Detection – Morgan County Water has contacted Kentucky Rural Water Association (“KRWA”) for extensive leak training. This will include training on leak detection equipment already owned by Morgan County water. KRWA has also provided assistance with a Circuit Writer to assist with leak detection. This allowed Morgan County Water to find and repair several leaks. Morgan County Water will continue to work with KRWA to lower unaccounted water loss.

6. Updated Telemetry/Supervisory Control and Data Acquisition (“SCADA”) – Morgan County Water has telemetry on every water tank and pump station. Morgan County Water will purchase updated SCADA to monitor water tank levels and pumpstation run times.

**Conclusion:**

Morgan County Water is proactively attempting to reduce unaccounted water loss. Due to the extreme challenges Morgan County Water has faced with management, Morgan County Water had fallen behind on unaccounted water loss. The current Board of Commissioners and management understand it will take time to make progress on the water loss, but are taking the correct steps to reduce water loss. Morgan County Water’s first goal is to reduce unaccounted water loss by 5% over the course of a year to save the District over \$35,000.