

## Stewards of the Water Industry

By Eric W. Thornburg

I am quite passionate about the water service business. The way I see it, water touches everything we care about – families, communities, our economic prosperity and the environment in which we live.

As members of the National Association of Water Companies (NAWC), we provide an essential public service coupled with the spirit of private enterprise. Our stewardship of a community's water resource is a public trust that we take most seriously. We know that people ingest our product, and it must be safe, reliable and contribute to our customer's health and way of life.

We do this without relying on people's tax dollars or government subsidies. We must manage the utility in a sustainable fashion – environmentally, operationally and financially. That is true stewardship.

NAWC member companies have a strong and respected heritage. The association was founded in 1895 by 16 small water companies in Pennsylvania, and today has members in every region of the United States. Member companies – some of which have roots dating back 200 years – range in size from large companies owning and/or operating many hundreds of utilities in multiple states to individual utilities with only a few hundred customers.

NAWC member companies are also at the forefront of public-private partnership arrangements. Arrangements between municipalities and private companies have been popular since the 1970s. Today, more than 2,000 government entities contract with private companies to provide water and/or wastewater service. In fact, 70 million Americans get their water from private service providers. The fact that more than 93 percent of these public-private partnerships are renewed annually indicates the popularity of public-private partnerships with municipalities.

Our member companies recognize these are historic and unprecedented economic times. We have a long, proud history in this country, and we are committed to do our part during these difficult times to help our customers, our communities, our state and our nation.

Water is essential for public health and safety and we are committed to providing our customers with a safe and abundant supply. Despite the times, you will find private water service providers are committed to investing in and maintaining our operations, water quality and customer service.

Since we do not rely on taxation or government grants, we can continue to operate sustainable utilities and make a significant contribution to the economic recovery through our infrastructure investments.

There is almost universal agreement that addressing the needs of the water distribution infrastructure in the United States is the great challenge before us. Many public water suppliers in the United States are lagging in this area – often on unsustainable paths.

An informal survey in Connecticut where my company operates showed that most utilities – municipal and otherwise – were not anywhere close to replacing old water mains at a reasonable pace. We found practices in which mains would be replaced at a rate of every 300 years, and one nearly 1,000 years. In fact, it is estimated that as many as 25 percent of the water system operations in the United States do not employ an asset management strategy at all. That is obviously not a viable model.

We believe this must change.

Yet we all know that replacing aged infrastructure improves water quality, reduces water losses, and creates skilled employment opportunities for people. The U.S. Environmental Protection Agency has estimated that over \$335 billion needs to be invested to maintain and upgrade water infrastructure over the next 20 years.

NAWC members, consistent with our private enterprise ethic, strive to manage costs to minimize customer rate impacts, leading to industry innovation. Private water service providers serve their current customers by providing exceptional water quality with courteous, responsive and effective service.

NAWC's State Regulatory Program works with the leadership of the National Association of Regulatory Utility Commissioners (NARUC), the NARUC Committee on Water, state public utility commissions and environmental regulators to seek long-term solutions and best practices for challenges facing the private water service industry and the customers they serve. Our rates are carefully regulated by state public utility commissions and designed to charge the cost of serving people today and investing sustainability in the systems so that future generations can meet their needs as well.

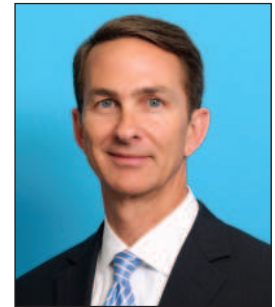
NAWC has established a program with the U.S. Chamber of Commerce to educate business leaders and other stakeholders around the country on the economic and ecological value of sustainable water service. The goal is to educate community leaders on the criticality of quality water service and systems to the success of their communities as well as the contribution that private companies can make to that end.

We have also launched a new branding program titled "Moving Water Forward." We are promoting the private sector as a provider of quality, innovative solutions in addressing the nation's water needs. We are using social media tools tactically as well, with a Facebook site and Twitter feed. A new enhanced website will be rolled out this summer.

There is something special about the people of the water industry. They are dedicated to their customers and are passionate about the stewardship responsibility they have been entrusted with. I find that they are a lot like first responders – they are not often thought of until the need arises and then they really come through. They deserve so much credit for contributing to our quality of life and the strength of our communities and country.

This is more than a vocation to me. It is a calling. I am proud of the industry and what we do to make this country great. I am also proud to be a third-generation water professional – following my father, Glen, and grandfather, Wesley, in serving people and communities exceptional quality drinking water service.

Eric W. Thornburg is President and CEO of Connecticut Water Service. He is also the 2011 President of the National Association of Water Companies (NAWC). Thornburg has been in the water industry for nearly 30 years, including the last five years with Connecticut Water.



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