

# ABOUT REGULATED WATER COMPANIES

**FOR REGULATED, PRIVATE WATER COMPANIES, THE TOP PRIORITY IS RELIABLY DELIVERING SAFE, HIGH-QUALITY WATER. THE STEWARDSHIP OF A COMMUNITY'S WATER SERVICE IS A PUBLIC TRUST WHICH THESE COMPANIES DILIGENTLY PROTECT.**

The largest study of Environmental Protection Agency (EPA) water quality data ever conducted found that private ownership of a water system was “significantly associated with higher compliance.” <sup>i</sup>

## **SAFE AND RELIABLE WATER.**

Multiple studies, including a landmark 2018 study in the Proceedings of the National Academy of Sciences (PNAS), have found that systems owned by water companies are far less likely to have drinking water quality violations than their government-owned counterparts. Additional analysis of the PNAS dataset at the state level confirmed that water companies have higher rates of SDWA compliance in each of the four states analyzed (CA, TX, PA, NJ). <sup>ii</sup>

## **UNPARALLELED EXPERTISE.**

Extensive environmental regulations and the complexities of water treatment and delivery are increasingly burdensome for municipalities. The lessons from Flint, Michigan serve as a stark reminder that having enhanced technical and operating expertise matters. Water companies offer a vast network of experienced water utility management professionals with a singular focus on ensuring safe and reliable water service to the communities they serve.

## **STRATEGIC INVESTMENT IN WATER SYSTEMS.**

America's 15 largest regulated, private water companies collectively invested nearly \$6.8 billion in 2025 – and more than \$43.5 billion over the previous decade – to improve infrastructure and enhance the safety and reliability of drinking water and wastewater in their communities. <sup>iii</sup> These are dollars coming from the private sector and not out of a municipal budget.

## **IMPROVING LOCAL ECONOMIES.**

Water companies contribute to local economies by providing good-paying jobs, competitive benefits and training to local residents. These companies also pay federal and state income taxes, local property taxes, and permit fees for projects, providing valuable government revenue. When a community is served by a water company, it frees up municipalities to invest capital and resources in other local priorities.

## **ENVIRONMENTAL STEWARDSHIP.**

Active, responsible environmental leadership is paramount to providing water for the public health and safety of communities. Water companies continue to be at the forefront of a more holistic approach to resource management that embraces watershed planning and greener cities and fosters environmental and economic vitality.

## **COMMITTED TO SAFETY AND SECURITY.**

NAWC members make safety a top priority, providing training, developing emergency response plans, reducing chemical risks, upgrading alarm systems, implementing water information management systems, and adopting metrics to track progress. Water company employees have a 41.5% lower illness and injury rate compared to municipal water system employees.<sup>iv</sup> When acquiring a system, water companies tap into existing workforce talent, protect union jobs, and offer access to job training and advancement opportunities.

## **ACCESS TO TECHNOLOGY.**

Water companies provide access to new technologies that enable more effective, cost efficient, and environmentally responsible water treatment while providing metrics to ensure safe and resilient services.

As communities across the country grapple with the complexities of providing water and wastewater services, they are increasingly turning to regulated, private water companies as a trusted partner to build, maintain and operate these critical systems.

## **SOURCES**

<sup>i</sup> Allaire, Wu, and Lall, “National trends in drinking water quality violations,” PNAS, February 2018.

<sup>ii</sup> Allaire, Wu, and Lall, “National trends in drinking water quality violations,” PNAS, February 2018; Encina Advisors, “Analysis of Privately Owned Water Utilities and Drinking Water Quality in Selected States” December 2018; David Konisky, Georgetown University, and Manny Teodoro, Texas A&M University, “When Governments Regulate Governments” November 2014; American Water Intelligence, “Investor-Owned Water Firms Boast Sterling SDWA Record” October 2011.

<sup>iii</sup> Based on data from annual reports and 10-K filings for 15 private water companies with figures confirmed directly by companies as needed.

<sup>iv</sup> NAWC analysis of Bureau of Labor Statistics Injury and Illness Incidence Rates, NAICS 2213: Water, sewage, and other systems, 2015-2024.

## **ADDITIONAL REGULATORY OVERSIGHT.**

Water companies are regulated at the federal level by the U.S. Environmental Protection Agency (EPA) and at the state level by various health and environmental agencies for compliance with the Clean Water Act and the Safe Drinking Water Act. Water companies are also highly regulated by state public utility commissions, which set customer rates, audit expenditures and approve investment plans to ensure safe water is delivered to customers at the lowest possible cost.