Summit Seeks to Develop Water Rates, Revenue Loss and Conservation Solutions

Thought Leaders Explore New Approaches to Addressing the Ratemaking Challenges of Tomorrow

RACINE, Wis. (April 30, 2014) – The Johnson Foundation at Wingspread and the Alliance for Water Efficiency (AWE) convened a diverse group of leading water experts today to evaluate solutions and develop implementation strategies for addressing the challenges facing the nation’s water suppliers in meeting the diverse objectives of fiscal sustainability, resource efficiency, and fair, affordable water pricing that supports revenue stability.

The convening, Financing Sustainable Water: Summit on Aligning Rates, Revenue and Resources, is a follow-up to the AWE’s 2012 convening that brought together organizations to discuss the various drivers of declining utility revenues across the country, and opened the door for collaboration among parties.

"We believe helping industry thought leaders and decision makers forge connections in this kind of environment will facilitate work to lead utilities toward more sustainable rate-setting and financial management practices," said Mary Ann Dickinson, President and CEO of the Alliance for Water Efficiency. "This summit with the Johnson Foundation represents the gateway to the next phase of this work, and will help us identify steps and innovations that are needed for water suppliers to secure revenue stability, incentivize water efficiency, and successfully navigate the increasing uncertainty of managing today’s water systems.”

Participants come from different regions of the United States and include utility managers, economists, and advocates. Together they will explore the viability of solutions identified at AWE’s 2012 convening and develop strategies for implementing and propagating them. The summit will also aim to make recommendations on appropriate lessons, research and other next steps for water utilities, regulatory bodies and other relevant stakeholders.

“AWE’s work in this area has identified a need for utilities to better manage long-term water supplies through declining sales and our rapidly changing economic environment,” said Lynn Broaddus, Director of the Environment Program at The Johnson Foundation at Wingspread. “Bringing this diverse group of experts together will create an ideal environment for identifying challenges that have not yet been solved, as well as new, out-of-the-box ideas to be investigated in anticipation of new challenges.”

AWE is currently developing a “Solution Set for Aligning Rates, Revenue and Resources,” which is envisioned as a first step in an evolving effort to address challenges and spur adoption of new rate structures and financial management practices that encourage and enable conservation and
efficiency programs. The centerpiece of this Solution Set is a Handbook and Sales Forecasting and Rate Model that will be new, state-of-the-art resources geared toward the water utility manager. The content of the handbook, along with other new or soon-to-be launched rate tools and financial planning resources, will be vetted during today’s summit.

In 2010, The Johnson Foundation at Wingspread formally launched Charting New Waters as an effort to examine freshwater challenges, successes, innovations and potential solutions that can bridge geographies and inform national policy. Charting New Waters is the work of a diverse group of leaders from business, agriculture, academia and environmental organizations that have publicly committed to improving U.S. freshwater resources by advancing the principles and recommendations of the group. These recommendations were captured in a consensus report: Charting New Waters: A Call to Action to Address U.S. Freshwater Challenges issued in Sept. 2010. Download the report here.

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The Johnson Foundation at Wingspread is dedicated to serving as a catalyst for change by bringing together leading thinkers and inspiring new solutions on major environmental and regional issues. For additional information about Charting New Waters, or to learn more about The Johnson Foundation at Wingspread, please visit www.johnsonfdn.org.

The Alliance for Water Efficiency (AWE) is the only 501(c)(3) non-profit organization dedicated solely to promoting the efficient and sustainable use of water in North America. Since opening in 2007, AWE has served as the leading voice for water efficiency and has carved a new path for this fundamental component of water sustainability. AWE’s platform brings together innovative technical resources to facilitate adoption of water conservation programs, cutting-edge research to address pressing challenges, a joined up approach to advocacy efforts, high quality expertise to equip professionals and consumers to make a difference, and above all, a collaborative dialogue amongst diverse stakeholders that enables real progress. To learn more, please visit www.allianceforwaterefficiency.org.