



AMERICAN WATER

WE KEEP LIFE FLOWING™



IMPROVING WATER EFFICIENCY

Water efficiency is about using this precious resource wisely. By harnessing technology to help reduce waste and aligning regulations to drive water efficiency, water's vital benefits to society will be maximized today and for future generations.

OUR GOAL: Continue to meet customer needs while saving 15% in water delivered per customer by 2035 using 2015 as the baseline.

Why? Simple. It is the right thing to do for our customers, the company, and the environment. Because of this, we look to implement practices to continue to improve water efficiency across our footprint. If American Water and its customers work together to successfully drive water efficiency, we can help foster sustainable communities to support economic growth and resiliency.

STRATEGIES FOR IMPROVING WATER EFFICIENCY

CUSTOMER AND UTILITY PROGRAMS



Water efficiency devices and technology	Rate-making structures that support more efficient water use and aging infrastructure replacement
Customer efficiency and public education programs	Water loss management
Water efficiency audits	Infrastructure renewal
Customer assistance programs	

BENEFITS OF IMPROVING WATER EFFICIENCY

- Helps preserve limited freshwater supplies
- Supports drought management
- Saves water, which saves money for our customers.
- Avoids operating costs (less water means less power and less chemical use) and can result in deferred or reduced capital costs
- Reduces our carbon footprint

BUILDING BLOCKS FOR SUCCESS

From 2015 through 2020, we've achieved a 5% reduction in water delivered per customer. To reach our 15% goal, we have to succeed in three key workstreams:

Continue to Promote National Trends in End Use Water Efficiency	Continue/Expand Current Water Efficiency Programs	Innovation and New Technology
<ul style="list-style-type: none"> • Support industry development of and incentives for more efficient water fixtures and appliances • Support customer replacement of older and less efficient appliances 	<ul style="list-style-type: none"> • Water loss management • Customer education • End user efficiency programs • Revenue stabilization mechanisms (RSM)* 	<ul style="list-style-type: none"> • Leak detection • Smart irrigation • Advanced metering • Real-time insights into customer water usage data

*Implementing RSMs requires regulatory approval. This alternative regulatory mechanism helps remove the disincentive to promote water efficiency and supports earnings that permit continued water infrastructure resiliency and efficiency investments.