

REGIONAL WATER AND WASTEWATER MANAGEMENT SOLUTIONS

Executive Summary

WFX
WATER FINANCE EXCHANGE
NO COMMUNITY LEFT BEHIND

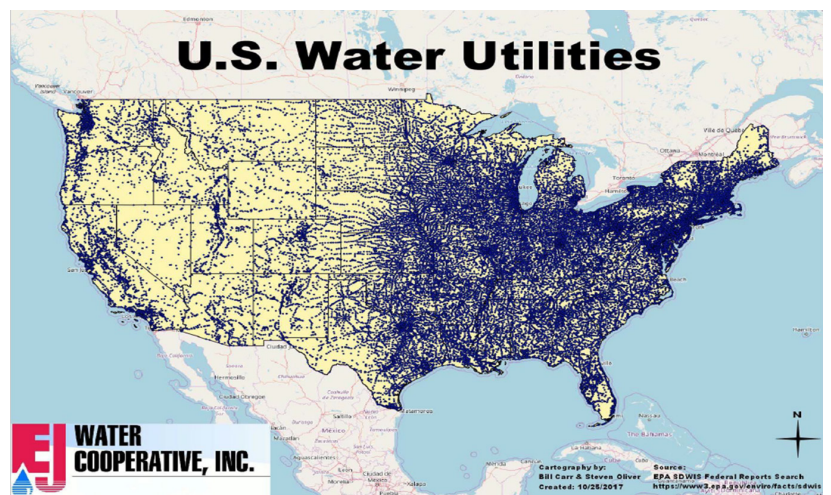
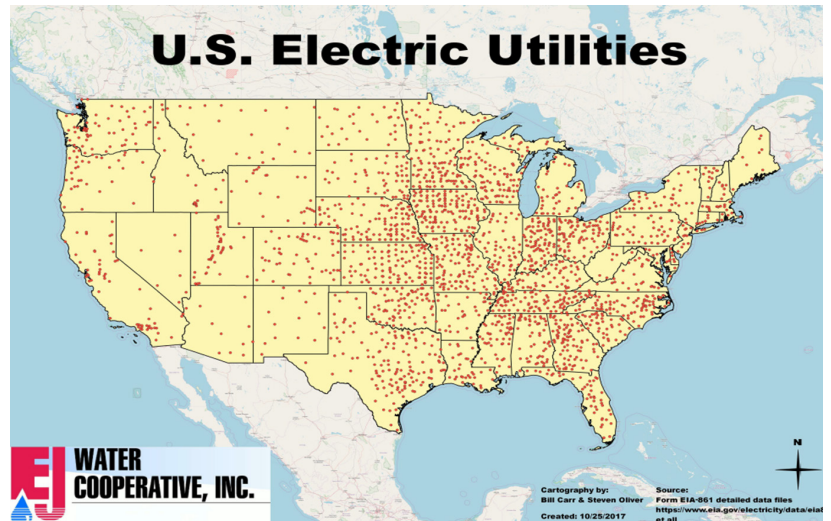
Regional solutions¹ can take many forms with varying degrees of autonomy and complexity, ranging from agreements and partnerships to ownership transfer and consolidation with unified governance. Estimates suggest that there are over 51,000 regulated community water systems, 15,000 wastewater treatment plants, and more than 1,000 stormwater utilities in the US.² Fifty-four percent of these systems serve fewer than 500 people.³

Given the large number of water systems, regional solutions could improve economies of scale and efficiency, to address challenges around deteriorating water infrastructure and water affordability.⁴ The wide range of regional solutions allow for a tailored approach for each community.

While regional collaboration is a choice that should be made by all relevant communities, the experience of Water Finance Exchange (WFX) and other intermediaries suggest that regionalization opportunities may have been overlooked because the diverse forms and the benefits of regional solutions are not well cataloged and understood.

This paper is designed to build on existing research and publications by organizations like EPA, Rural Community Assistance Partnership (RCAP), US Water Alliance and others to create a shared practical understanding of regional solutions, where they are useful, and how to approach them and manage them sustainably. Increasing understanding of how regional solutions work and deliver benefits will enable communities to make informed decision when implementing sustainable regional water infrastructure.

Figure 1: Comparison of Electric Utilities, and Water Utilities in the US



Source: EJ Water Cooperative

Key Findings

There are many different forms of regional solutions that have different levels of effort required to implement, as well as different benefits, and challenges.

Regional solutions can help:

- Achieve economies of scale and operational efficiencies
- Improve water quality compliance and water quantity issues
- Access lower cost capital while maintaining customer rates and stabilizing revenue across a more diverse customer base
- Reduce exposure to regulatory penalties and improve reliability and service

1 Regional solutions are also referred to as Water System Partnerships by the Environmental Protection Agency (EPA): [Environmental Protection Agency. Learn About Water System Partnerships. \(2022\).](#)

2 [US Water Alliance & UNC Environmental Finance Center, Strengthening Utilities Through Consolidation: The Financial Impact. \(2019\).](#)

3 [Dig Deep: US Water Alliance. Closing the Water Access Gap in the United States. \(2019\).](#)

4 [US Water Alliance & UNC Environmental Finance Center, Strengthening Utilities Through Consolidation: The Financial Impact. \(2019\).](#)