



AMERICAN WATER

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[www.amwater.com](http://www.amwater.com)

Dear Ms. Catarina de Albuquerque:

I am writing to you on behalf of American Water, the United States' largest investor-owned water and wastewater services provider. This 125 year-old company provides reliable service to approximately 16 million people across 35 states and parts of Canada and employs more than 7,000 people.

I write to you today out of concern regarding a United Nations proposal that centers on access to water, or the human right to water. From what has been reported, it may be worded so as to restrict private sector participation in the industry. I also understand that it may create an obligation on utilities to supply a basic amount of free water to low-income groups, regardless of existing regulations or already established low income support mechanisms.

Fortunately, in the United States, most Americans have access to a reliable supply of water. And, because we are not a developing nation, the majority of infrastructure exists. But to give you some background, private water utilities have been providing reliable water service in the U.S. for more than 200 years. In fact, the private sector currently provides water services to nearly 73 million people in the U.S.

Privately owned water utilities are also among the most highly regulated in the nation. We are subject to public health and environmental regulation at the state and federal level, just like municipal utilities. However, unlike municipal utilities, we are also subject to economic regulation at the state level by the various State Public Utility Commissions, which oversee and set water rates and approve aid programs to assist low-income households with water and wastewater bills via emergency grants and/or discount payment programs.

Because of that reason, a proposal such as this would not likely impact how the U.S. water industry operates as it would in developing nations. However, American Water does not believe it is helpful to create a division among water service providers.

While the majority of infrastructure does exist in the U.S., it is in serious need of repair. In 2009, the U.S. water and wastewater infrastructure received a D minus grade from the American Society of Civil Engineers, and the Environmental Protection Agency estimated it to be a trillion dollar problem. That reality is exacerbated by the fact that many communities are faced with limited economic means and competing priorities. There is a greater need now more than ever for the public and private sectors to work together to address these serious issues. Cities and towns need the freedom to consider all possible solutions, including the private sector, when dealing with growing water challenges. It is important not to limit a municipality's options to choose the model that works best for their community in order to deliver water safely and efficiently.



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There are many proven examples across the U.S. where the public and private sectors have worked together to achieve excellent results.

By engaging in a public-private partnership and leveraging their expertise in water management, the city of Seattle, Wash., saved an estimated \$70 million through the Tolt Treatment Facility, built and operated by American Water.

Using a Design-Build-Operate model, the city of Fillmore, Calif. recently opened a zero-discharge wastewater treatment plant. This plant, built ahead of schedule and under budget, helped the city achieve millions in savings. The facility treats up to 2.4 million gallons of water daily and the high-tech filtration yields water 10 times cleaner than the old plant it replaced. The treated water is used to irrigate schools, landscape, city parks and green areas throughout Fillmore.

Private water providers' expertise has also played an important role in assisting the public sector with water quality issues. In 1993, in Milwaukee, Wis., more than 100 people died as a result of Cryptosporidium contamination due to failures at the publicly owned and run water purification plant. Because of its commitment to research and extensive experience in environmental monitoring for Cryptosporidium, it was a private water service provider that stepped in and helped the city identify and resolve the problem.

Similarly when Washington, D.C. encountered a problem with lead in its drinking water, the USEPA turned to a private water service provider for advice on how to treat the water. Because private water providers have experience treating a range of water qualities, as opposed to the limited experience of a single municipality, such guidance avoided months of experimentation and got right to the final solution.

These are just some of many successful examples of public-private collaboration.

While the water challenges in the U.S. in no way compare to the challenges in developing nations, they do exist, and as such American Water strongly believes that both public and private water providers should receive equal treatment in any proposal dealing with the human right to water.

Sincerely,

Donald L. Correll  
President and CEO